Arçelik

# Türkiye Sustainability Reporting Standards Compliant Sustainability Report

2025

WWW.ARCELIKGLOBAL.COM

# A Message from our CEO



Dear Stakeholders,

Sustainability has long been an integral part of the way we do business. Today, it is more than an environmental and social responsibility. It is a strategic priority that strengthens our competitiveness, drives innovation, and enables us to create long-term value.

Climate change, evolving regulations, and rising stakeholder expectations require companies to manage risks and opportunities through a more holistic approach. We view sustainability as one of the fundamental drivers of our long-term growth and resilience.

The 2023-2025 period marked the first time that the three-year average global temperature exceeded 1.5°C above pre-industrial levels. This milestone serves as a clear reminder that accelerating climate action is no longer optional. It is imperative.

Throughout 2025, we remained firmly committed to delivering on our 1.5°C-aligned Net Zero roadmap. Under our Science Based Targets initiative (SBTi)-validated near-term and long-term Net Zero targets, we aim to reduce our Scope 1 and Scope 2 emissions by 42% by 2030 compared to our 2022 baseline, while also reducing Scope 3 emissions from product use by 42%, and achieving a 90% reduction across all scopes by 2050. To achieve these ambitions, we continue to embed energy efficiency at the heart of our product development processes, improve resource efficiency across our operations, expand our renewable energy capacity, and leverage digital technologies and artificial intelligence to develop more efficient solutions.

This year, we are publishing our second Sustainability Report prepared in line with the Türkiye Sustainability Reporting Standards (TSRS). We regard the TSRS, issued by the Public Oversight, Accounting and Auditing Standards Authority of Türkiye, as an important framework for strengthening transparency and accountability in sustainability reporting. In this report, we share information on our climate-related risks and opportunities, governance approach, strategy, and performance in alignment with internationally recognized reporting standards.

The progress we have achieved is the result of the collective efforts of our colleagues, suppliers, and business partners. I would like to extend my sincere thanks to everyone who has contributed to this journey and reaffirm our commitment to advancing our sustainability agenda with the same determination in the years ahead.

Best regards,
Can Dinçer

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# About the Report

## Purpose and Scope of the Report

This report is Arçelik A.Ş.'s Sustainability Report, prepared in accordance with the Türkiye Sustainability Reporting Standards (TSRS). The report has been prepared as a separate report titled “TSRS Compliant Sustainability Report”, in line with the Board Decision of the Public Oversight, Accounting and Auditing Standards Authority (KGK) published in the Official Gazette dated 29 December 2023. This report has been prepared in accordance with TSRS 1 “General Requirements for Disclosure of Sustainability-related Financial Information” and TSRS 2 “Climate-Related Disclosures”, issued by the Public Oversight, Accounting and Auditing Standards Authority (KGK).

The purpose of this report is to transparently present Arçelik, its subsidiaries and joint ventures’ (“Arçelik” or “Company”) climate-related risks and opportunities, their financial impacts, their reflections on the Company's strategy, governance and risk management structure, and its targets to relevant stakeholders. This report focuses solely on climate-related risks and opportunities in accordance with the regulations of the Public Oversight, Accounting and Auditing Standards Authority (KGK).

The scope of the report is addressed at the consolidated level and includes Arçelik A.Ş., its subsidiaries and joint ventures. Sustainability disclosures have been prepared in line with the reporting scope and consolidation approach used in the Arçelik’s consolidated financial statements, and cover the reporting entity included in the consolidated financial statements for the relevant period. Accordingly, the information contained in the sustainability disclosures includes data relating to Arçelik. Detailed information on the scope of consolidation is presented in the “Basis of Consolidation” section of the notes to the consolidated financial statements for the relevant period. All financial information and figures presented in this report are expressed in Turkish Lira (TRY).

↗ For further information, please refer to Arçelik's 2025 Annual Report.

## Reporting Period

The information and data included in the report cover the operating period from 1 January 2025 to 31 December 2025. This report, prepared within the scope of TSRS, has been prepared in parallel with the Arçelik 2025 Annual Report, which includes the financial statements for the same period, and it is recommended that the two be evaluated together. This report, published in accordance with TSRS, is issued and shared with the public following the public disclosure of the relevant financial statements.

↗ For further information, please refer to Arçelik's 2025 Annual Report.

## Reporting Principles & Fair Presentation

The Fair Presentation Principle has been applied throughout the processes of determining, compiling, preparing and reporting all information included in the scope of the report, and a complete, accurate and unbiased reporting approach has been adopted. Care has been taken to ensure that all material information necessary for a holistic understanding of the topics addressed is conveyed in full.

The relevant sections of the report have been structured and presented within the framework of the principles of Comparability, Verifiability, Timeliness and Understandability.

## Process for Identifying Climate-Related Risks and Opportunities and Scope of Consolidation

Climate-related risks and opportunities have been identified in line with Arçelik's financial impact analyses and financial prioritization approach. In this process, factors such as the magnitude, likelihood of occurrence and potential impact of direct and indirect effects have been taken into account. In addition, the possible effects of these risks and opportunities on Arçelik's strategic objectives, investment plans and operational processes have been comprehensively assessed.

The impact assessment was carried out with the joint contribution of the finance, sustainability, risk management and operations units, and was supported by the views of internal and external stakeholders. Entities subject to full consolidation within Arçelik's reporting boundary have been included in the climate-related risk and opportunity analysis.

Stakeholder expectations have been considered as one of the reference points in the process of assessing climate-related risks and opportunities. The intersections between the climate-related risks and opportunities prioritized by Arçelik and the topics to which stakeholders attach importance have been analyzed, and this alignment has been reflected in the enterprise risk management prioritization matrix.

## Changes and Errors in the Preparation and Presentation of Sustainability Information

Within the scope of the TSRS Compliant Sustainability Report, published for the second time this year, comparative information is presented in accordance with TSRS requirements*. Accordingly, where there have been any restatements, errors or methodological changes relating to prior period data, explanations have been provided in the relevant sections.

## Sources of Estimation and Assumptions

Various sources are used to carry out assessments and projections in our sustainability reporting. These assumptions, estimates and evaluations are regularly reviewed and updated in line with developments in sustainability reporting standards and other relevant factors. The assumptions and projections used in the sustainability disclosures are assessed consistently with the data and assumptions used in the preparation of the financial statements for the relevant period.

**The comparative prior-period data presented are consistent with the amounts disclosed in the financial statements for the relevant periods.*

# About the Report

Assumptions and projections — including scenario and sensitivity analyses — are a fundamental component in the preparation of sustainability disclosures, and are presented with cross-references in the relevant sections in order to support the demonstration of the linkage and consistency between related information and disclosures in the report. Information on climate-related scenario analyses is provided in the "Scenario Analyses" section, while assessments of the impacts of climate-related risks and opportunities are included in the relevant risk and opportunity disclosures.

## Measurement Uncertainty

While it is aimed to ensure the accuracy and consistency of the information reported, certain disclosures may inherently involve uncertainty due to limitations in data availability, evolving methodologies and the forward-looking nature of sustainability topics. In order to manage this situation, acceptable tolerance ranges (e.g. a maximum deviation of ±5%) have been defined for key indicators where precise measurement is not possible. These ranges reflect the nature of complex sustainability data, particularly impacts arising from the value chain and projections based on external variables. Efforts to improve data quality, reduce uncertainty and ensure alignment with best reporting practices are ongoing.

## Forward-Looking Uncertainty and Forward-Looking Statements

Forward-looking uncertainties may arise from secondary data, sector averages and assumptions used in areas such as Scope 3 emissions, climate-related financial impacts and long-term scenario projections. Reported values are sensitive to changes in input parameters such as emission factors, activity data or discount rates, and such changes may cause results to differ materially.

The defined tolerance ranges reflect this sensitivity and represent the expected variance based on current methodologies.

As our data systems mature and sector practices develop, these ranges are expected to narrow over time. In areas where forward-looking uncertainty persists, any future revisions to key assumptions or methods will be transparently disclosed in the relevant reporting periods, together with their impact on prior period data.

This report may contain forward-looking statements regarding the Company's plans, targets and expectations for future periods. Such statements have been prepared based on the conditions and assumptions in place as of the date of publication of the report. However, actual results may differ from such statements due to risks and uncertainties that may arise in the future.

## Materiality

In the process of determining priority topics in sustainability and climate-related assessments, a holistic materiality approach incorporating both qualitative and quantitative analyses has been adopted. In this context, the financial magnitude of the risks and opportunities identified across the Company's operations, assets and value chain is assessed through a five-tier scale defined based on earnings before interest, tax, depreciation and amortization (EBITDA). Risks and opportunities are classified taking into account their potential financial impacts and likelihood of occurrence. While priority risks and opportunities consist of topics that meet the defined financial materiality and probability thresholds, risks and opportunities that fall below these thresholds but have the potential to gain significance in the medium and long term are also addressed within the scope of qualitative assessments.

## Use of Sector-Specific Metrics

The sector-specific metrics used in this report have been determined in accordance with the standards of the Sustainability Accounting Standards Board (SASB) and the Public Oversight, Accounting and Auditing Standards Authority (KGK). Detailed information is provided in the "Sector-Specific Metrics" section of the report.

Within the scope of the Guidance on the Sector-Based Implementation of TSRS 2, Volume 2 – Appliance Manufacturing has been selected as the reference guide. Volume 44 – Solar Technology and Project Developers and Volume 49 – Electrical and Electronic Equipment have not been considered, as the related topics are not material to the Company.

## Exemptions

Arçelik A.Ş. has prepared its sustainability-related financial disclosures for the 2025 reporting period within the framework of TSRS. Pursuant to the Board Decision of the Public Oversight, Accounting and Auditing Standards Authority (KGK) published in the Official Gazette dated 30 December 2025, the application period of the transition exemptions used and not used by the Company in this context are explained below.

**Transition Exemptions Used**

- **TSRS 1 E4(a) – Transition Exemption Relating to Reporting Timing:** Our sustainability-related disclosures were made public in July 2026, together with our six-month interim financial reports, rather than concurrently with our financial statements for the relevant period.
- **TSRS 1 E5 – Exemption to Focus on Climate-Related Risks and Opportunities:** In this reporting period, our disclosures under TSRS have, within the scope of the transition exemption, focused on climate-related risks and opportunities (the scope of TSRS 2). Disclosures under TSRS 1 relating to other sustainability-related risks and opportunities will be provided in subsequent reporting periods following the expiry of the relevant transition exemption.

**Transition Exemptions Not Used**

- **TSRS 2 Appendix C – Exemption from Disclosing Scope 3 Greenhouse Gas Emissions:** Our Company has provided disclosures relating to Scope 3 greenhouse gas emissions in this reporting period and has not made use of this exemption.
- **TSRS 1 E6(a) – Exemption from Presenting Comparative Information:** Comparative information for the prior reporting period has been provided for a significant portion of the disclosures relating to climate-related risks and opportunities. Accordingly, this exemption has not been used in respect of climate-related disclosures.

## Independent Assurance Engagement

The sustainability information within the scope of the report has been subject to a limited assurance engagement. This engagement was conducted in accordance with the Assurance Engagements Standard 3000 – Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (AES 3000) and the Assurance Engagements Standard on Greenhouse Gas Statements (AES 3410). The independent assurance report issued as a result of the engagement can be found in Annex 2 of this report.

# 1. About Arçelik

1.1 Corporate Information
1.2 Global Operations
1.3 Reporting Boundary and Scope of the Report
1.4 Value Chain

# 1. About Arçelik

## 1.1 Corporate Information

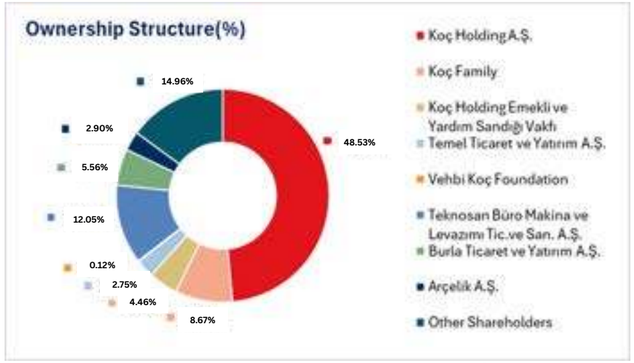
Founded in 1955, Arçelik operates in the fields of consumer durables and consumer electronics with R&D, manufacturing, marketing and after-sales support services. Arçelik is the parent company of a global network comprising 122 subsidiaries in 57 countries, 38 production facilities in 13 countries, and a workforce of more than 45,000 people around the world. The Company's portfolio consists of well-known brands such as Arçelik, Beko, Whirlpool*, Grundig**, Hotpoint, Arctic, Ariston*, Leisure, Indesit, Blomberg, Defy, Dawlance, Hitachi*, VoltasBeko, Singer*, ElektraBregenz, Flavel, Bauknecht, Privileg, Altus, Ignis and Polar. In 2025, Arçelik reported consolidated revenue of TRY 523.9 billion (EUR 10.7 billion), 68% of which came from markets outside Türkiye. With more than 2,300 research personnel working across 28 R&D and design centers worldwide, and thanks to the efforts of this workforce, the Company underscores its passion for innovation through more than 4,500 patent applications and granted patents across all its business areas.

**Licenses are limited to certain regions.*

***Effective from 1 January 2026, the Grundig brand has been exclusively licensed to Changhong International Holding (HK) Limited for a period of 3 years, with a 2-year extension option, for selected product groups in selected countries outside Türkiye. During the transition period, which will last until 31 December 2026 at the latest, Grundig-branded operations will continue on a limited basis in certain markets.*

## Capital and Shareholding Structure

| Shareholder | Share of Capital (%) | Nominal Share Amount (TRY) |
|---|---|---|
| Koç Holding A.Ş. | 48.53 | 327,928,625 |
| Koç Family | 8.67 | 58,590,764 |
| Koç Holding Pension and Aid Fund Foundation | 4.46 | 30,166,920 |
| Temel Ticaret ve Yatırım A.Ş. | 2.75 | 18,576,870 |
| Vehbi Koç Foundation | 0.12 | 808,977 |
| Teknosan Büro Makina ve Levazımı Tic. ve San. A.Ş. | 12.05 | 81,428,337 |
| Burla Ticaret ve Yatırım A.Ş. | 5.56 | 37,571,663 |
| Arçelik A.Ş.* | 2.9 | 19,572,288 |
| Other Shareholders | 14.96 | 101,083,761 |
| **Total** | **100** | **675,728,205** |




** Arçelik publicly traded shares acquired as of 31 December 2025 from the open market under a buyback program launched by Arçelik A.Ş.*

# 1. About Arçelik

In 2025 the company's issued and fully paid-up capital amounted to TRY 675,728,205, consisting of 67,572,820,500 registered shares each with a par value of TRY 0.01 (one Kurush). The company's registered capital ceiling is TRY 3,000,000,000. No company shares enjoy any preferential rights. Each share of stock with a nominal value of one Kurush entitles its holder to one vote at company general meetings.

On all matters pertaining to transactions of a significant nature, the company complies with the requirements of the Turkish Commercial Code, the Capital Markets Act, and applicable laws, regulations, and administrative provisions, which stipulate that before the transaction may be effected, a Board of Directors resolution sanctioning it must first be passed, after which the transaction must be approved at a general meeting. Arçelik was involved in no transactions of this nature during the reporting year.

**Ticker Code:** ARCLK.IS
**Paid-in Capital:** TRY 675,728,205
**Registered capital:** TRY 3,000,000,000

## Share Repurhcases

Considering the impact both of market conditions and of domestic and global economic developments on the company's operations and sector, the conclusion was reached that Arçelik A.Ş.'s Borsa İstanbul market capitalization did not accurately reflect the company's actual performance or true value.

At a meeting of the Arçelik A.Ş. Board of Directors held on 24 May 2022, the board decided to continue repurchasing the company's publicly traded shares from the open market pursuant to a Board resolution dated 1 July 2021. At the company's annual general meeting of 4 April 2024, these repurchases had been authorized with the aim of supporting an orderly market for the company's shares and were carried out subject to the provisions of Capital Markets Board Communique II-22.1 on Share Buybacks ("Communique") and CMB announcements dated 21 July 2016, 25 July 2016, and 23 March 2020. This buyback program continued for three years and ended in 2025.

During the lifetime of this now ended buyback program, Arçelik shares with a total nominal value of TRY 68,876,288 were repurchased in accordance with applicable laws and regulations. However, as these shares corresponded to 10.19% of the company's total capital and the provisions of the Communique only allow 10% to be repurchased, it became necessary for the excess shares to be resold within three years of their acquisition date. On 27 June 2025, Arçelik shares with a total nominal value of TRY 1,304,000 were sold to the Koç Holding Pension and Assistance Fund Foundation. As required by the provisions of the Communique, these shares were sold at the exchange's weighted average price of Arçelik's exchange-traded shares during the most recent 10 business days. The sale was duly announced pursuant to the exchange's rules governing special trade notifications. On 24 December 2025, Arçelik-owned shares with a total nominal value of TRY 48,000,000 and corresponding to 7.1% of the company's capital were sold to Koç Holding A.Ş. subject to the provisions of the Communique and of Borsa İstanbul's procedure governing wholesale (block) share purchases and sales. These shares were sold at a base price of TRY 108.29, which corresponded to the nearest rounded-off value of the weighted average price of Arçelik's exchange-traded shares during the most recent 10 business days. The total payment for these shares, amounting to TRY 5,197,920,000, was received immediately and in cash. As of the reporting date, the total nominal value of all repurchased shares was TRY 19,572,288.

**Koç Holding**

With roots going back to 1926, the Koç Group is Turkey's biggest corporate group as measured by total revenues, exports, BIST capitalization and trading, and job creation. Koç Holding is the only company headquartered in Turkey to be included in the Fortune Global list of the world's 500 biggest companies. Seeking to enhance the added value that it generates for all its stakeholders and inspired by its vision of creating long-term value and supporting global growth, the Koç Group continues to move forward on a journey that began nearly a century ago. For more detailed information: www.koc.com.tr/en

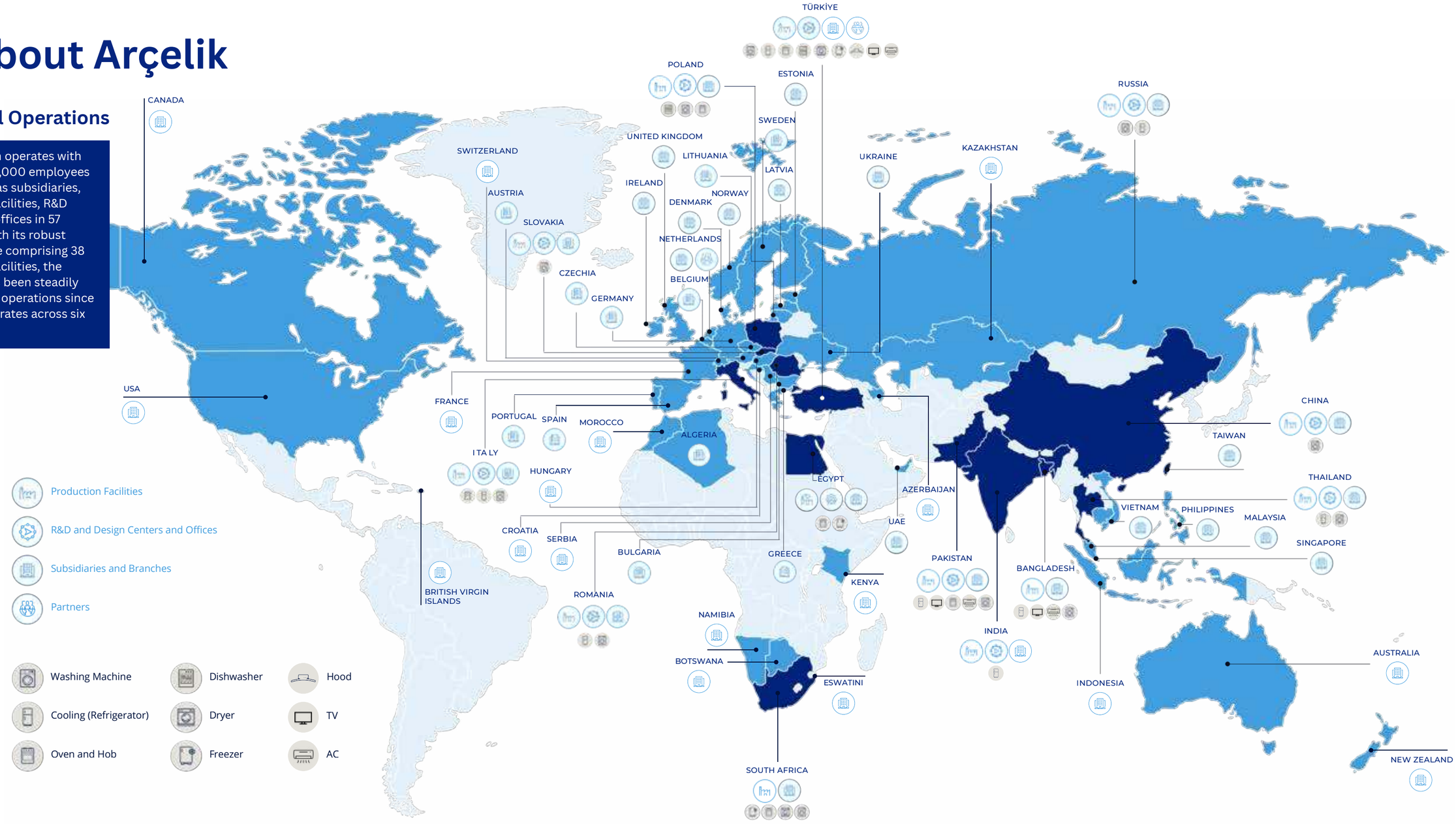
**Burla Group**

During the early years of the Turkish Republic, the Burla company contributed to the country's economic growth and development as one of the first to begin importing and trading in goods such as automotives, home appliances, electrical-powered tools, lightbulbs, office machines, photographic equipment, and machine tools. As a corporate group, Burla's mission today is to maximize stakeholder value creation by increasing customer satisfaction through its sustainable growth. For more detailed information: www.burla.com

# 1. About Arçelik

## 1.2 Global Operations

Arçelik, which operates with more than 45,000 employees worldwide, has subsidiaries, production facilities, R&D centers and offices in 57 countries. With its robust infrastructure comprising 38 production facilities, the Company has been steadily advancing its operations since 1955 and operates across six continents.



# 1. About Arçelik

## 1.3 Reporting Boundary and Scope of the Report

The report covers entities included within the scope of 100% consolidation.

*The data disclosed in this Report also covers the Solar Panel Plant in Istanbul, Refrigerator Plant in Thailand, Beko Europe Lodz Dryer Plant, Beko Europe Wroclaw Refrigerator Plant, Beko Europe Lodz Cooking Appliances Plant and Beko Europe Siena Refrigerators Plant, including data relating to the periods in which these facilities were operational during the reporting year, irrespective of any subsequent closure or cessation of operations in 2025.*

| Production Facilities | Country |
|---|---|
| Dhaka – Singer Bangladesh Ltd. Refrigerator Plant | Bangladesh |
| Dhaka – Singer Bangladesh Ltd. TV, Air Conditioner and Washing Machine Plant | Bangladesh |
| Shanghai – Arçelik Hitachi Washing Machine | China |
| Ezakheni – Cooling Appliances Plant | South Africa |
| Jacobs – Defy Cooking Appliances, Dryer and Washing Machine Plant | South Africa |
| Gujarat (Ahmedabad) – VoltBek Refrigerator Plant | India* |
| Cassinetta – Beko Europe Cassinetta Built-in Microwave Oven Plant | Italy |
| Cassinetta – Beko Europe Cassinetta Refrigerator Plant | Italy |
| Cassinetta – Beko Europe Cassinetta Cooking Appliances Plant | Italy |
| Comunanza – Beko Europe Comunanza Laundry Appliances Plant | Italy |
| Melano – Beko Europe Melano Cooking Appliances Plant | Italy |
| 10th of Ramadan – Beko Egypt Cooking and Cooling Appliances Plant | Egypt |
| Hyderabad – Refrigerator Plant – URIL | Pakistan |
| Karachi – Refrigerator, TV Plant – DPL1 | Pakistan |
| Karachi – Microwave, Water Dispenser, Air Conditioner, Washing Machine Plant – DPL2 | Pakistan |
| Radomsko – Beko Europe Radomsko Dishwasher Plant | Poland |
| Radomsko – Beko Europe Radomsko Washing Machine Plant | Poland |
| Wroclaw – Beko Europe Wroclaw Cooking Appliances Plant | Poland |
| Gaesti – Arctic Refrigerator Plant | Romania |
| Ulmi – Arctic Washing Machine Plant | Romania |
| Kirzhach – Beko LLC Refrigerator and Washing Machine Plant | Russia |
| Lipetsk – IHP Appliances JSC Refrigerator Plant | Russia |
| Lipetsk – IHP Appliances JSC Washing Machine Plant | Russia |
| Poprad – Beko Europe Poprad Washing Machine Plant | Slovakia |
| Kabin Buri – Hitachi Refrigerator Plant | Thailand |
| Kabin Buri – Hitachi Washing Machine Plant | Thailand |
| Ankara – Dishwasher Plant | Türkiye |
| Bolu – Cooking Appliances Plant | Türkiye |
| Bolu – Cooking Appliances Plant – Factory 2 | Türkiye |
| Eskişehir – Refrigerator Plant | Türkiye |
| Eskişehir – Factory 6 | Türkiye |
| Eskişehir – Compressor Plant | Türkiye |
| Gebze – Arçelik LG | Türkiye* |
| Manisa – Refrigerator Plant | Türkiye |
| Manisa – Washing Machine Plant | Türkiye |
| Tekirdağ – White Goods, Motor and Small Home Appliances Plant | Türkiye |
| Tekirdağ – Tumble Dryer Plant | Türkiye |
| Tekirdağ – Electronics Plant | Türkiye |

** Joint Venture Facilities*

# 1. About Arçelik

## 1.3 Reporting Boundary and Scope of the Report

| R&D and Design Centers and Offices | Country |
|---|---|
| Wuxi – Arch R&D Office | China |
| Jacobs – Defy R&D Office | South Africa |
| Gujarat – VoltasBeko R&D Office | India* |
| Cassinetta – Beko Europe Cassinetta R&D Office | Italy |
| Fabriano – Beko Europe Fabriano R&D Office | Italy |
| 10th of Ramadan – Beko Egypt R&D Center | Egypt |
| Islamabad – Dawlance NUST R&D Office | Pakistan |
| Karachi – Dawlance R&D Office | Pakistan |
| Wroclaw – Beko Europe Wroclaw R&D Office | Poland |
| Gaesti – Arctic R&D Office | Romania |
| Ulmi – Arctic R&D Office | Romania |
| Kirzhach – Beko LLC R&D Office | Russia |
| Lipetsk – IHP Appliances R&D Office | Russia |
| Poprad – Beko Europe Poprad R&D Office | Slovakia |
| Kabin Buri – Arçelik Hitachi R&D Office | Thailand |
| Ankara – Dishwasher Plant R&D Center | Türkiye |
| Ankara – METU Technocity R&D Center | Türkiye |
| Bolu – Cooking Appliances Plant R&D Center | Türkiye |
| Eskişehir – Refrigerator and Compressor Plant R&D Center | Türkiye |
| İstanbul – Arçelik Design Center | Türkiye |
| İstanbul – R&D Directorate | Türkiye |
| İstanbul – Digital Transformation, Big Data and Artificial Intelligence | Türkiye |
| İstanbul – Small Domestic Appliances R&D Center | Türkiye |
| İstanbul – Manufacturing Technologies R&D Center | Türkiye |
| Kocaeli – Arçelik LG R&D Office | Türkiye |
| Manisa – Manisa Plant R&D Center | Türkiye |
| Tekirdağ – Electronics Plant R&D Center | Türkiye |
| Tekirdağ – Dryer Plant R&D Center | Türkiye |

**Joint Ventues*

| Joint Ventures | Country |
|---|---|
| VoltasBeko Home Appliances Private Limited | India |
| Arçelik LG Klima Sanayi ve Ticaret A.Ş. | Türkiye |

# 1. About Arçelik

## 1.3 Reporting Boundary and Scope of the Report

| Subsidiaries and Branches | Country |
|---|---|
| Beko US Inc. | USA |
| Bauknecht Hausgeräte GmbH | Germany |
| Beko Germany GmbH | Germany |
| BEE Beteiligungs GmbH | Germany |
| Beko A and NZ Pty Ltd. | Austria |
| Beko Austria AG | Austria |
| Beko Europe Austria GmbH | Austria |
| Grundig Multimedia Ges.m.b.H | Austria |
| Beko Azerbaijan MMC | Azerbaijan |
| Singer Bangladesh Limited | Bangladesh |
| Beko Belgium NV | Belgium |
| European Appliances Belgium NV | Belgium |
| Arçelik Hitachi Home Appliances Sales (Middle East) FZE | United Arab Emirates |
| Beko AE LLC | United Arab Emirates |
| Beko Gulf DMCC | United Arab Emirates |
| Beko Gulf FZE | United Arab Emirates |
| Beko PLC | United Kingdom |
| General Domestic Appliances Holdings Ltd | United Kingdom |
| Hotpoint UK Appliances Limited | United Kingdom |
| Indesit Company UK Holdings Ltd | United Kingdom |

| Subsidiaries and Branches | Country |
|---|---|
| Defy (Botswana) (Proprietary) Ltd. | Botswana |
| Pan Asia Private Equity Ltd. | United Arab Emirates |
| Beko Europe Bulgaria EOOD | Bulgaria |
| Beko Algeria EURL | Algeria |
| Beko S.A., Czech Branch of Beko S.A. | Czechia |
| Beko Česko s.r.o. | Czechia |
| European Appliances Czech spol. s.r.o. | Czechia |
| Arçelik Hitachi Home Appliances (Shanghai) Co., Ltd. | China |
| Arch R&D Co. Ltd. | China |
| Beko Electrical Appliances Co. Ltd. | China |
| Beko Shanghai Trading Co. Ltd. | China |
| Beko Hong Kong Ltd. | China |
| Arçelik Hitachi Home Appliances Sales (Hong Kong) Limited | China (Hong Kong) |
| Beko Europe Denmark A/S | Denmark |
| Beko Nordic DK, Denmark Branch of Beko Nordic A/S | Denmark |
| PT Beko Appliances Indonesia | Indonesia |
| PT Home Appliances Indonesia | Indonesia |
| PT Arçelik Hitachi Home Appliances Sales Indonesia | Indonesia |
| Beko Europe Estonia OÜ | Estonia |
| Defy (Swaziland) (Proprietary) Ltd. | Eswatini |

# 1. About Arçelik

## 1.3 Reporting Boundary and Scope of the Report

| Subsidiaries and Branches | Country |
|---|---|
| Beko Maghreb Sarl | Morocco |
| Beko Morocco Household Appliances SARL | Morocco |
| Beko Philippines Corporation | Philippines |
| Beko Nordic AB, Finland Rep. Office of Beko Nordic AB | Finland |
| Beko Europe Finland OY | Finland |
| Beko France S.A.S | France |
| European Appliances France Holdings SAS | France |
| European Appliances France SAS | France |
| Defy Appliances (Proprietary) Ltd. | Republic of South Africa |
| Beko Croatia d.o.o | Croatia |
| European Appliances Croatia d.o.o | Croatia |
| Arçelik Hitachi Home Appliances B.V. | Netherlands |
| Beko B.V | Netherlands |
| Beko Europe B.V. | Netherlands |
| Beko Bangladesh B.V. | Netherlands |
| Beko Netherlands B.V. | Netherlands |
| European Appliances Netherlands BV | Netherlands |
| Beko Ireland (Beko plc Branch) (*) | Republic of Ireland |
| Hotpoint Ireland Ltd | Republic of Ireland |
| Beko Spain Electronics SL | Spain |

| Subsidiaries and Branches | Country |
|---|---|
| European Appliances Spain S.A. | Spain |
| Beko Nordic AB | Sweden |
| European Appliances Nordic AB | Sweden |
| Bauknecht AG | Switzerland |
| Beko Switzerland GmbH | Switzerland |
| Grundig Multimedia A.G. | Switzerland |
| Remanational SA (*) | Switzerland |
| Beko Europe Management SRL | Italy |
| Beko Europe R&D SRL | Italy |
| Beko Italy Manufacturing SRL | Italy |
| Beko Italy SRL | Italy |
| European Appliances Italy SRL | Italy |
| Beko Canada INC | Canada |
| Beko Central Asia LLC | Kazakhstan |
| IHP Kazakhstan LLP | Kazakhstan |
| Defy Sales East Africa Limited | Kenya |
| Beko Europe Latvia SIA | Latvia |
| Beko Europe Lithuania UAB | Lithuania |
| Beko Hungary Kft | Hungary |
| European Appliances Hungary KFT | Hungary |

*(*) The branch of the subsidiary operating in a different country is separately indicated.*

# 1. About Arçelik

## 1.3 Reporting Boundary and Scope of the Report

| Subsidiaries and Branches | Country |
|---|---|
| Arçelik Hitachi Home Appliances Sales (Malaysia) Sdn. Bhd. | Malaysia |
| Beko Appliances Malaysia Sdn. Bhd. | Malaysia |
| Beko Egypt Home Appliances Industries LLC | Egypt |
| Beko Egypt Trading LLC | Egypt |
| Defy (Namibia) (Proprietary) Ltd. | Namibia |
| Beko Nordic AS | Norway |
| European Appliances Norway AS | Norway |
| Dawlance (Private) Ltd. | Pakistan |
| DFL Electronics (Private) Ltd. | Pakistan |
| United Refrigeration Industries Ltd. | Pakistan |
| Beko Poland Manufacturing Sp. z o.o. | Poland |
| Beko S.A. | Poland |
| European Appliances Poland Sp. z o.o. | Poland |
| Beko Europe Iberia, S.A. | Portugal |
| Beko Portugal Unipessoal Lda. | Portugal |
| Arctic Founding SA | Romania |
| Arctic Manufacturing SRL (*) | Romania |
| Beko Romania SA | Romania |
| European Appliances Romania SRL | Romania |
| Beko LLC | Russia |

| Subsidiaries and Branches | Country |
|---|---|
| IHP Appliances LLC | Russia |
| Beko Balkans D.O.O | Serbia |
| Arçelik Hitachi Home Appliances Sales (Singapore) Pte. Ltd. | Singapore |
| Beko Manufacturing Slovakia spol. s.r.o. | Slovakia |
| Beko Slovakia s.r.o. | Slovakia |
| European Appliances Slovakia spol. s.r.o. | Slovakia |
| Arçelik Hitachi Home Appliances (Thailand) Ltd. | Thailand |
| Arçelik Hitachi Home Appliances IB&C Co. Ltd. | Thailand |
| Arçelik Hitachi Home Appliances Sales (Thailand) Ltd. | Thailand |
| Beko APAC IB&C Co. Ltd. | Thailand |
| Beko Thai Co. Ltd. | Thailand |
| Arçelik Hitachi Taiwan Home Appliances Sales Ltd. | Taiwan |
| Arçelik Pazarlama A.Ş. | Türkiye |
| Beko Ukraine LLC | Ukraine |
| European Appliances Ukraine LLC | Ukraine |
| Arçelik Hitachi Home Appliances Sales (Vietnam) Co., Ltd. | Vietnam |
| Vietbeko LLC | Vietnam |
| Beko A and NZ Pty Ltd. New Zealand Branch (*) | New Zealand |
| European Appliances Greece SA | Greece |
| Beko Greece Single Member SA (Beko Greece) | Greece |

*(*) The branch of the subsidiary operating in a different country is separately indicated.*

# 1. About Arçelik

## 1.4 Value Chain

1 RAW MATERIAL SELECTION



Selects sustainable materials, cuts waste, and collaborates with suppliers to reduce impacts.

2 INBOUND LOGISTICS



Employs low-impact logistics, prioritizes local sourcing, and partners with logistics providers to reduce transport-related emissions.

3 PRODUCT DESIGN AND R&D



Designs innovative, energy-efficient products, reduces material use, and incorporates disassembly, repairability, durability, and recyclability.

4 PRODUCT MANUFACTURING





Enhances low-impact manufacturing by reducing GHG emissions and integrating advanced Industry 4.0 and IoT-enabled smart production systems.

5 PRODUCT PACKAGING



Develops sustainable packaging that reduces material use, supports recyclability, and incorporates recycled materials.

6 PRODUCT MARKETING & SALES



Promoting energy-efficient, durable, sustainable products while enhancing customer and consumer experience.

7 PRODUCT WAREHOUSE & OUTBOUND LOGISTICS



Optimizes storage and delivery with low-emission, cost-efficient logistics through logistics optimization

8 PRODUCT USE PHASE

Reduces energy and water use during the product-use phase while extending product life and guiding consumers toward more efficient choices.



9 END OF LIFE & RECYCLING



Collects and recycles end-of-life products through take-back and refurbishment programs to extend product life.

UPSTREAM | OWN OPERATIONS | DOWNSTREAM

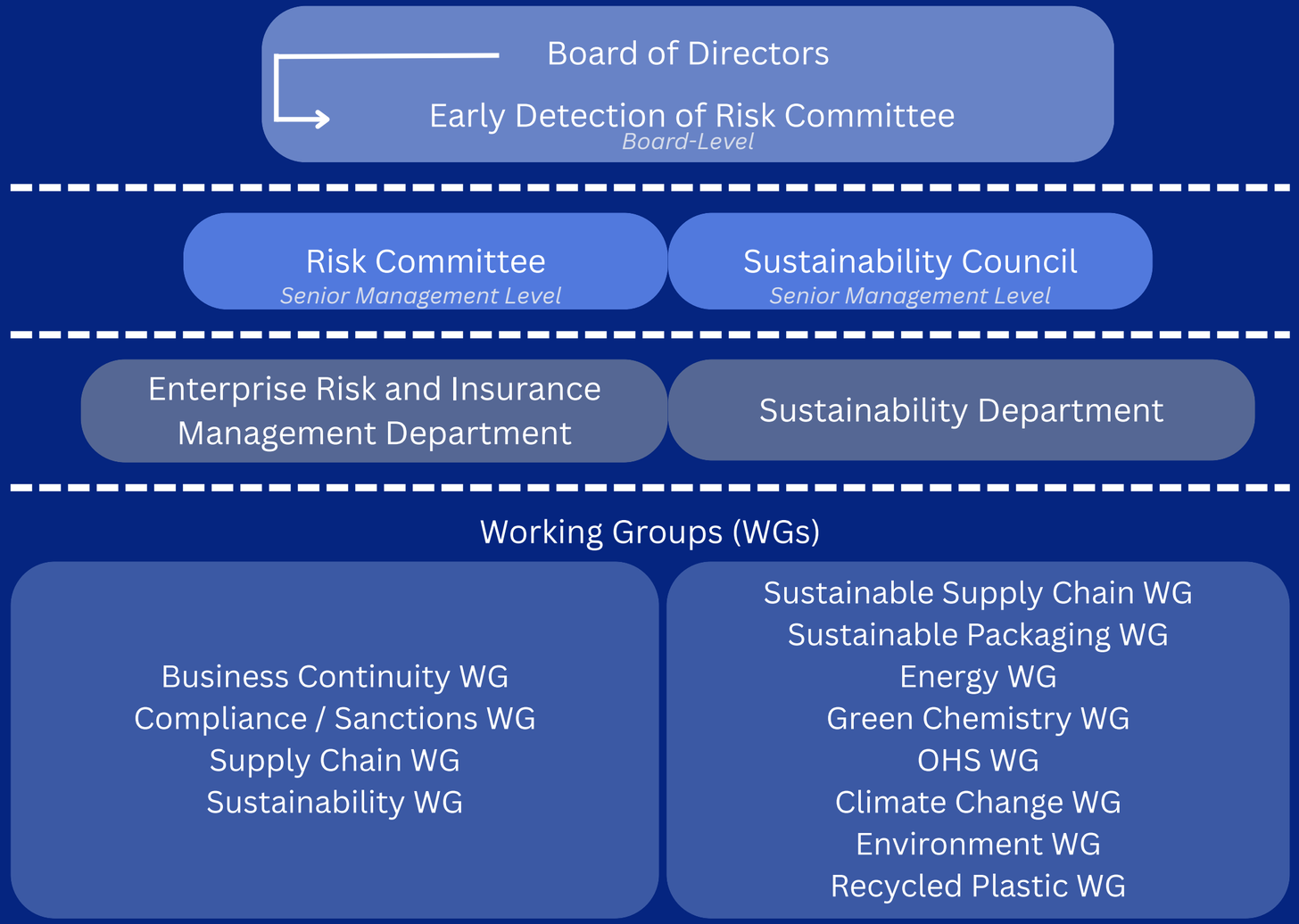


# 2. Governance

2.1 The Company's Sustainability Governance Structure
2.2 Roles and Responsibilities for Governance
2.2.1 The Board of Directors' Responsibility
2.2.2 The Board-Level Early Detection of Risk Committee
2.2.3 The Senior Management Level Sustainability Council
2.2.4 The Sustainability Organization within the Company
2.2.5 The Enterprise Risk and Insurance Management Department & Sustainability Department
2.2.6 Enterprise Risk Management (ERM) System
2.2.7 Integration of Sustainability into Performance Management
2.2.8 Compensation and Reward Structure

# 2. Governance

## 2.1 The Company’s Sustainability Governance Structure




- Highest governing body overseeing risk management
- One of the Board Members, also Koç Holding’s Consumer Durables President is responsible to report sustainability issues to the BoD three times a year

- Meet quarterly
- Insights from these meetings are reported to the Early Detection of Risk Committee.

- Quantification of risks
- Work in collaboration to feed the C-Level Risk Committee and Sustainability Council’s discussions.

- Issues reported to the related departments and councils

# 2. Governance

## 2.2 Roles and Responsibilities for Governance

In addition to the governance structure, duties and responsibilities described in this section, this section also sets out how the relevant bodies receive information, carry out assessments and provide direction on sustainability and climate-related matters. Compared to the 2024 reporting year, the governance structure and distribution of responsibilities have been maintained within the same governance framework in the current reporting period; this structure has been supported by practical oversight outputs through meetings, risk assessments, committee agendas and actions directed to relevant units during the reporting period.

### 2.2.1 The Board of Directors' Responsibility

The Board of Directors is the highest-level governing body responsible for overseeing the Company's risk management processes and sustainability strategy. This responsibility covers not only sustainability risks and opportunities but also all sustainability matters. The Early Detection of Risk Committee, which operates under the Board of Directors, is a body that provides guidance to the Board of Directors and is the highest management unit responsible for the oversight of all the Company's risks and opportunities. This Committee ensures the identification and assessment of all risks and opportunities relating to financial, operational, sustainability and climate change matters.

Sustainability activities are managed by the Deputy General Manager Responsible for Sustainability, Quality and Customer Services (CSO). The CSO is the most senior executive responsible for the assessment and management of sustainability and climate-related strategies, risks and opportunities within the Company, as well as for the implementation of the entire sustainability strategy. The CSO also serves as General Secretary of the Sustainability Council and Chair of the Turkish Industry and Business Association (TÜSİAD) Environment and Climate Change Working Group. In addition, the Deputy General Manager Responsible for Finance and Financial Affairs (CFO) is the most senior executive responsible for monitoring and auditing risk management performance.

At Board level, a Board Member, who is also President of Koç Holding Consumer Durables, is tasked with reporting sustainability-related matters, including climate risks and opportunities, and impacts, risks and opportunities (IRO), to the Board of Directors three times a year. The Board Member responsible for reporting sustainability matters to the Board of Directors, who is also President of Koç Holding Consumer Durables, oversees sustainability and climate-related impacts, risks and opportunities. Pursuant to Board of Directors resolution No. 992 dated 28 March 2019, this Board Member, who is the Company's former CFO, is reappointed annually in accordance with the Company's election process, and was most recently re-elected to this role in 2025. This appointment demonstrates that the necessary authority and competence have been provided to oversee strategies relating to sustainability and climate-change-related risks and opportunities.

The entire Board of Directors and its Committees are structured to possess a diverse range of knowledge, experience and expertise enabling it to effectively oversee the Company's impacts, risks and opportunities in the areas of strategy, finance, operations, legal-compliance, and sustainability and climate. In the process of identifying and re-appointing candidate members, key competence criteria taken into account include experience in the white goods sector and value chain, financial literacy and audit knowledge, corporate governance and regulatory compliance, international market and operational experience, and literacy in sustainability and climate change.

Each committee under the Board of Directors is equipped with the specific competencies required by its area of responsibility. Members of the Early Detection of Risk Committee have expertise in risk management methodologies, scenario analysis and the assessment of the financial impacts of climate-related transition/physical risks; members of the Audit Committee have expertise in financial reporting, internal control and independent audit; and members of the Sustainability Council have in-depth knowledge of, and expert support in, climate, energy, environment and circular economy topics. Regular information and competence development activities are carried out to keep the climate and sustainability competencies of these governance bodies up to date.

The appointed Board Member provides managerial oversight of sustainability and climate matters, plays a decisive role in decision-making processes in these areas, and bears the responsibility of reporting to the Board of Directors. This authority is supported by the expertise and structured information flow provided by the Company's Deputy General Manager Responsible for Sustainability, Quality and Customer Services (CSO).

The CSO regularly informs the Board Member of legal and operational developments as well as investment needs. The CSO is guided in terms of information flow by internal teams specializing in sustainability, energy and environmental management, and is responsible for the preparation and presentation of comprehensive reports. These reports are presented to the Board-Level Early Detection of Risk Committee at least twice a year, and to the relevant Board Member at least three times a year. The sustainability department, working under the leadership of the CSO, provides the technical detail and subject-matter expertise necessary to assess and respond to sustainability and climate-change-related risks and opportunities. This internal structure ensures that the Board Member is informed with timely, accurate and expert-based insights in order to effectively fulfil their oversight and decision-making responsibilities. Thanks to the competent and well-supported team led by the CSO, the Board Member exercises their responsibilities with the necessary authority and competence. Accordingly, the overall responsibility for risk management — including sustainability and climate-change-related impacts, risks and opportunities — rests with the Board of Directors, and risk management activities are carried out throughout the organization on an annual basis.

Risk management is an integral part of Company management. The Board of Directors takes proactive steps both to guide the Company's strategy and to strengthen risk management practices, adopting a holistic approach and

# 2. Governance

carrying out risk-mitigation efforts across the Company. As climate change is a significant sustainability risk, the Board of Directors takes an active role in climate and risk management. This governance approach is directly aligned with the Company's long-term strategic objectives and ensures that sustainability considerations are integrated into decision-making processes in a manner that creates value for stakeholders. When assessing climate-related risks and opportunities, the Board of Directors guides decision-making processes by taking into account short- and long-term impacts as well as potential trade-offs.

Board members regularly review significant risks facing the Company, such as financial, operational, strategic, legal and reputational risks, or cybersecurity risks. Board members, who guide the development of risk-mitigation strategies, oversee the success of the strategies developed and ensure that critical risks are managed appropriately. The Board Member responsible from the oversight of risks and opportunities also ensures that healthy communication is established between senior executives and Board members on risk matters. In addition, the Board ensures that the flow of information between senior executives and directors on risks proceeds effectively. The management team, in turn, regularly communicates to the Board of Directors the current status of risk management activities, newly identified risks, and significant events associated with risks.

All sustainability targets, risks and opportunities are shared with the Board of Directors and the senior executives responsible for overseeing the Company's strategy. Progress is disclosed in meetings and presented through reports.

Developments relating to these targets are integrated not only into the performance objectives and metrics of the Board of Directors and the CSO, but also into those of all responsible senior executives and their units. Oversight of these targets is first filtered and assessed by the sustainability department, and then reported to the Sustainability Council and the Board of Directors.

In order to build a risk-aware corporate culture, the Board of Directors ensures that risk management strategies are integrated into all Company operations and decision-making stages. To this end, the Board provides the necessary training and resources to enable employees to develop their risk awareness. In this way, employees at all levels attain a level of risk awareness sufficient to identify and report risks. Risk Bulletins, compiled from best practices in the field, are regularly reviewed by Independent Board Members, taking into account geopolitical risks, market risks, macroeconomic risks and other relevant risks.

The Company's crisis management plans and contingency measures also go through Board of Directors approval and oversight. This ensures that the Company is prepared for events such as cybersecurity incidents, natural disasters and economic crises. Business continuity plans prepared for the head office, departments and business lines are also approved by the Board of Directors. The Board regularly reviews the effectiveness of these plans through tests and simulations.

Another duty of Board members is to confirm that the Company's operations are conducted in compliance with relevant laws, regulations and industry standards.

While overseeing the management of legal requirements such as financial reporting and data protection, members also monitor changes in legislation, track the risks that may arise from them, and ensure that the Company is prepared to comply with such changes. The Board of Directors may also oversee the work of the Senior Management of the C-level Risk Committee in order to assess the success of the Company's risk management systems and Business Continuity efforts. This ensures that enterprise risk management practices are progressing as planned and providing effective protection against risks.

Risk and opportunity management — including sustainability and climate-related matters — is systematically integrated into the Company's strategic decisions under the guidance of the Board of Directors. The Board assesses risks relating to market expansion, cybersecurity, key personnel, capital investments, new product launches and acquisitions, and ensures that these risks are incorporated into long-term business plans. In this context, the Board of Directors ensures that climate risk assessments are carried out for significant projects and that the results of scenario analyses (e.g. scenarios based on the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC)) are integrated into investment and growth strategies. These inputs are used to identify potential transition and physical risks, operational impacts, and long-term cost implications. In addition, the Board of Directors regularly assesses the effectiveness of the enterprise risk management strategy through KPIs and metrics, and identifies areas open to improvement. Internal audits are carried out by the Deputy General Manager Responsible for Finance and Financial Affairs based on the “Three Lines of Defense” model.

**First Line – Risk Ownership and Operational Management:** All business units and process owners carrying out day-to-day activities are the primary owners of the risks and opportunities relating to their own areas of activity. In order to support the achievement of business objectives, they identify and assess risks, design and implement appropriate control activities, and manage financial, operational, strategic, compliance, sustainability, climate and other emerging risks through an approach integrated into business processes. The first line is responsible for effectively monitoring risks, taking necessary actions and regularly reporting risk performance.

**Second Line – Risk Oversight, Guidance and Coordination:** The Enterprise Risk and Insurance Management, Legal & Compliance, Sustainability departments and other oversight functions establish, develop and continuously improve the Company's risk management framework, policies and methodologies. These functions provide guidance to the first line in line with the Company's risk appetite and tolerances, supporting the consistent assessment, monitoring and enterprise-level reporting of risks. Under the oversight of the Senior Management Level Risk Committee and under the leadership of the Enterprise Risk and Insurance Management Deaprtment, these functions establish control standards, oversee compliance with risk management policies and procedures, and support risk reporting across the Company.

**Third Line – Independent Assurance:** Internal Audit assesses the effectiveness of risk management practices, internal control mechanisms and governance processes based on a risk-based audit approach, and reports its findings and recommendations for areas of improvement to the relevant levels of management. Internal Audit reports to the Deputy General Manager Responsible for Finance and Financial Affairs, and regularly presents the results of its audit activities to the Audit Committee.

# 2. Governance

### 2.2.2 The Board-Level Early Detection of Risk Committee

The Early Detection of Risk Committee was established under the Board of Directors in 2010. This Committee provides advisory support to the Board of Directors in the early detection of financial and operational risks. The Early Detection of Risk Committee is the highest body responsible for managing all risks and opportunities that the Company may face. The assessment and management of all sustainability-related risks, including climate-related risks, falls within the responsibility of this Committee. In addition, once sustainability-related risk items have been assessed both qualitatively and quantitatively, each team involved in the process carefully develops action plans and identifies investment needs. The risks identified in this context are brought to the Sustainability Council to inform senior executives and directors, and are also communicated to the Early Detection of Risk Committee with the assistance of the Enterprise Risk and Insurance Management Directorate. Action plans for managing risks and mitigating their impacts are then considered.

The risks identified through this process are evaluated by the Sustainability Council, ensuring that senior executives and directors are informed accordingly. These risks are then integrated into the enterprise risk management processes under the coordination of the Corporate Risk and Insurance Management Directorate and subsequently reported to the Early Detection of Risk Committee. The Committee provides the necessary guidance based on these inputs, and ensures that identified actions are monitored by the relevant risk owners and that critical matters are reported to the Board of Directors.

In 2025, the Committee convened six times. Risks identified within our Risk Universe were assessed and mapped onto the risk matrix based on the Risk Impact and Likelihood ranges defined in our Corporate Risk Management Handbook. As a result, risks falling outside the Green and Yellow categories were prioritised, and corresponding mitigation measures and action plans were developed and reported. As documented in the 2025 Risk Management Committee minutes, discussions covered information security systems risk assessments, disaster recovery activities, corporate and financial risks, domestic and international receivables risks, insurance management, leverage ratios, and the Company's current debt and cash position. In addition, a technical insolvency assessment was conducted in accordance with Article 376 of the Turkish Commercial Code, and the risk management disclosures to be included in the Annual Report were reviewed. Commercial risks identified throughout the year, including those related to market conditions and merger and acquisition processes, were also evaluated. Climate-related risks and opportunities were likewise presented and discussed through the reports and presentations submitted to the Committee.

### 2.2.3 The Senior Management Level Sustainability Council

The Sustainability Council, chaired by the CFO, meets quarterly to assess sustainability-related impacts, risks and opportunities. Council members also ensure that corporate sustainability and climate change strategy, risks and opportunities are integrated into the Company's operations, and oversee sustainability performance. Deputy General Managers serve on the Sustainability Council by virtue of their positions. Directors are also part of the Council and attend certain meetings depending on the topic under discussion. The agenda of Council meetings is shaped by the day-to-day work of the Sustainability Working Groups. The Sustainability Working Groups (Sustainable Supply Chain, Sustainable Packaging, Energy, Green Chemistry, OHS, Climate Change, Environment and Recycled Plastic), which meet at regular intervals, present the findings of their work to the Sustainability Council, and these topics are discussed at Council meetings. The Council is responsible for reporting critical matters, as deemed necessary, to the Board of Directors.

# 2. Governance

### 2.2.4 The Sustainability Organization within the Company



# 2. Governance

Sustainability activities are managed by the Deputy General Manager Responsible for Sustainability, Quality and Customer Services (CSO), who is the most senior executive responsible for the assessment and management of sustainability and climate-related strategies, risks and opportunities within the Company, as well as for the implementation of the entire sustainability strategy, and who reports to the General Manager. The Sustainability, Environment, Energy, International Regulations and Compliance, and Public and Sectoral Relations departments, which report to the CSO, continue their work to monitor and report on sustainability performance, oversee progress on sustainability targets, launch new projects, and integrate sustainability into business processes and relationships.

Sustainability-related duties and responsibilities are clearly defined among the relevant units and departments reporting to the CSO. In addition, the CSO is responsible for reviewing and monitoring the alignment of the policies of civil society organizations, sectoral bodies and other relevant institutions or organizations with the Company's carbon reduction strategy and the requirements of the Paris Agreement. These responsibilities are reflected in the Company's core policies, most notably the Climate Change Strategy Policy, Energy Management Policy, Environmental Policy, and Global Sectoral Relations Management & NGO Membership Policy. These policies define, through a clear governance framework, the scope of responsibility, decision-making authority and process principles for managing sustainability and climate-related matters across relevant organizational levels and functions.

↗ For further information, please refer to our Climate Change Strategy Policy, Environmental Policy, Energy Policy, and Global Sectoral Relations Management & NGO Membership Policy.

### 2.2.5 The Enterprise Risk and Insurance Management Department & Sustainability Department

The Enterprise Risk and Insurance Management Department assesses these risks and opportunities within the framework of the Company's Enterprise Risk Management methodology. In this context, the potential financial, operational, strategic and reputational impacts of risks, their probability of occurrence, time horizons, and alignment with the Company's risk appetite are analyzed. In addition, risk scores are determined by reviewing the effectiveness of existing control mechanisms, mitigation plans and risk owners.

Risks assessed as appropriate as a result of the evaluation are included in the Corporate Risk Inventory and Risk Scorecard, prioritized together with existing corporate risks, and consolidated. Significant sustainability and climate risks, together with other strategic and operational risks, are regularly reported to senior management and submitted to the Board-Level Early Detection of Risk Committee for review.

While necessary guidance is provided in line with the significant risks reviewed by the Committee and the proposed actions, the monitoring and updating of risks continues within the framework of Enterprise Risk Management processes. In this way, sustainability and climate-related physical and transition risks are integrated as an integral part of the Company's overall risk portfolio into strategic planning, investment decisions and operational decision-making processes.

In addition, enterprise risk management training is provided to senior directors, risk managers and country managers within our group companies in order to reinforce risk culture across the organization and raise corporate risk awareness. Our risk management processes are also audited by independent third-party external auditors.

The Director of Enterprise Risk and Insurance Management is the most senior executive with operational-level responsibility for the management of risks and opportunities. The risks facing the Company are reviewed at least twice a year. The Enterprise Risk and Insurance Management Department coordinates and manages the financial, strategic, operational and external risks, as well as compliance risks, that may affect our operations. The Department, which identifies the most prominent risks at the global level, is also responsible for preparing a risk matrix that includes company-wide risks, their potential financial implications and operational consequences. The risks in this matrix are listed in order of priority, taking into account risk appetite and risk tolerance thresholds. The Department operates independently of the general business organization chart and reports the risks it identifies to the Board-Level Early Detection of Risk Committee.

All units conduct their day-to-day activities with a risk-based approach and communicate the sustainability-related risks and opportunities they identify to the Enterprise Risk and Insurance Management and Sustainability departments.

These two departments meet at regular intervals in meetings focused on sustainability risks, discussing new developments and potential changes on the topic and developing proactive solutions. As a result of these meetings, a long list is compiled that includes the probability of occurrence, magnitude, and, where calculable, financial outcomes of sustainability-related risks and opportunities. In other words, the identification, assessment, measurement and consequent prioritization of sustainability-related risks and opportunities is achieved through the joint efforts of the Enterprise Risk and Insurance Management and Sustainability Departments.

In this context, scenario analyses are conducted for climate-related physical and transition risks, and the risks identified are integrated into enterprise risk management processes. These risks, as assessed by the Enterprise Risk and Insurance Management Department, are reported to the Board-Level Early Detection of Risk Committee. Sustainability-related risks, including climate-related physical and transition risks, form an integral part of decision-making processes.

### 2.2.6 Enterprise Risk Management System

As a company that places sustainability at the center of its management practices, the Company integrates emerging sustainability-related risks, such as the climate crisis, into its enterprise risk management system, and develops the necessary

# 2. Governance

action plans in line with its 2050 Net Zero target and corporate sustainability strategy.

In this context, the Enterprise Risk and Insurance Management and Sustainability Departments work together to identify, assess, measure and prioritize sustainability-related risks and opportunities, and integrate priority topics into the Company's risk matrix. Critical sustainability issues are addressed through the priority topics added to the Company's risk matrix. After assessing the probability and potential impact of the priority risks and opportunities added to the risk matrix — drawing on the work and research carried out within enterprise risk management — and determining their order of priority, proactive measures are taken.

The Company aims to be prepared for all risks that may arise. Thanks to the risk research carried out each year across its different departments and subsidiaries, and its enterprise risk management practices, the risks that may arise and those that could lead to more severe consequences are meticulously identified. The potential impacts of identified risks on the Company are assessed, and measures to mitigate these impacts are determined.



# 2. Governance

### 2.2.7 Integration of Sustainability into Performance Management

In order to ensure that our sustainability strategy is effectively implemented across the Company, key performance indicators have been established in the context of sustainability, taking into account priority topics, and these have been incorporated into the Objectives and Key Results (OKRs) that we have defined for our Deputy General Managers, Directors, managers in relevant departments, and employees in expert positions. As a result, sustainability and climate-related key performance indicators and targets have become part of the OKR system.

By integrating sustainability into performance management within the Objectives and Key Results (OKR) framework, we ensure that environmental targets are effectively established and monitored. Focusing on our commitment to sustainability, we set Specific, Measurable, Achievable, Relevant and Time-bound (SMART) targets within our OKR system and carry out our work accordingly.

Sustainability and climate-related OKRs are determined through a structured process that takes into account priority topics, global sustainability frameworks, legal obligations, Company strategy, and inputs from relevant functions. In this process, targets and KPIs proposed by relevant business units and responsible functions are assessed at the senior management level, and the alignment of OKRs with the Company's sustainability commitments, climate targets and regulatory requirements is ensured. Final OKRs are approved as part of the performance management process and regularly monitored by the relevant governance bodies. In this context, the determination, implementation and performance of sustainability and climate-related OKRs are overseen by the relevant committees, responsible managers and the ultimate oversight body.

This process includes the assessment of key sustainability and climate risks and opportunities, and ensures that the targets set are aligned with the Company's overall sustainability commitments and regulatory requirements.

Progress towards sustainability OKRs is systematically monitored through performance evaluation mechanisms. Progress is tracked through quarterly OKR review periods, during which updates on the progress made towards each target are provided. These reviews include explanatory notes and provide clear visibility into the extent to which each target is being met. Based on these insights, corrective actions are discussed and implemented where necessary. Targets are therefore reviewed regularly and updated where necessary to ensure alignment with strategic sustainability targets. This oversight structure provides accountability and transparency in monitoring sustainability performance.

Sustainability-related OKRs are linked to annual performance evaluation scorecards. As a result, the success of sustainability-focused key performance indicators (KPIs) is indirectly linked to annual compensation and bonuses.

Although sustainability OKRs are not assigned direct weightings or individually tracked in terms of their impact on compensation and bonuses, they are part of a broader performance evaluation system. Throughout the year, OKR completion rates are periodically monitored and assessed, and this information is taken into account in the overall performance evaluation process. Final performance scores in turn influence annual salary increase decisions, compensation and bonuses. Therefore, although the direct impact of a specific OKR or KPI on compensation changes cannot be tracked on a one-to-one basis, the integrated performance management system ensures that sustainability efforts are regularly monitored, assessed and reflected in final performance ratings. This approach enables a fair and comprehensive evaluation based on collective effort rather than individual KPI weightings.

### 2.2.8 Compensation and Reward Structure

Through our compensation structure, we aim to ensure that pay for our qualified employees is competitive and fair in market terms, taking into account the skills and competencies required to implement the Company's strategy, as well as the size of the role. At the same time, through this policy, we aim to motivate our employees and increase their commitment to the Company by determining performance-based rewards. This approach supports individual performance growth while also serving the Company's long-term value-creation objective. By aligning individual success with Company targets, we increase our employees' motivation and encourage them to take a more active role in business processes.

In determining salaries, we take position and performance into account in order to ensure that our high-performing employees are rewarded appropriately. In addition, we integrate sustainability into the core of the Company's overall vision and mission as a fundamental business strategy.

↗ For further information, please refer to our Wage and Salary Policies.

# 2. Governance

| Sustainability and Climate-Related OKRs of Clevel Executives as a % of Total OKRs* | | |
|---|---|---|
| | **2024** | **2025**** |
| Climate-related targets/all targets | 17% | 14% |
| Sustainability-related targets/all targets | 11% | 59% |

**Indirectly linked to Senior Executives' annual compensation and bonuses.*

***Compared to 2024, the calculation methodology for the "Sustainability and Climate-Related OKRs of Clevel Executives as a % of Total OKRs" indicator has been revised. In 2025, climate-related OKRs are calculated based on the total number of individual targets relating to greenhouse gas emissions, water and waste, and energy, whereas in 2024 these targets were assessed as a single OKR per executive. In addition, sustainability-related targets in 2024 were defined as non-climate sustainability targets and therefore excluded climate-related targets. In 2025, climate-related targets were incorporated into the broader category of sustainability-related targets, reflecting a more comprehensive interpretation of sustainability performance. As a result, the reported increase in both climate-related and sustainability-related OKR indicators is primarily attributable to this methodological revision, which provides a more comprehensive and representative assessment of executive performance objectives.*

*The table below has been prepared as of the end of the 2025 financial year, and the titles shown reflect the positions held as of 31 December 2025.*

**Sustainability and Climate-Related OKRs of C-Level Executives**

| Material Topic | Related Key Performance Indicators in Key Results (KRs) | CEO | Chief Financial Officer | Chief Sustainability, Quality, & Customer Care Officer | Chief Production & Technology Officer | Chief Marketing Officer | Chief Strategy & Digital Officer | Chief People Officer | Chief Commercial Officer - Türkiye and South Asia | Chief Commercial Officer - Europe | Chief Commercial Officer - Asia Pacific | Chief Purchasing and Supply Chain Officer |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Climate Action | Reduction of Scope 1-2 GHG emissions | ■ | ■ | ■ | ■ | | | | | | ■ | ■ |
| | Reduction of water consumption | ■ | ■ | ■ | ■ | | | | | | | |
| | Renewable Energy and Energy Efficiency | ■ | ■ | ■ | ■ | ■ | | | | | ■ | ■ |
| Product Quality & Safety | Product Quality & Safety | ■ | ■ | ■ | ■ | | | | ■ | | ■ | |
| Energy & Water-Efficient Products | Reduction of Scope 3 use-phase emissions | ■ | ■ | ■ | ■ | ■ | | | | ■ | ■ | |
| Occupational Health and Safety | Occupational Health and Safety (OHS) | | ■ | | ■ | ■ | | | ■ | | | ■ |
| Sustainable Supply Chain Management | Sustainability integration in the supply chain | | ■ | ■ | | | | | | | | ■ |
| Material Recycling and Reduction | Use of recycled materials in products and packaging | | | ■ | ■ | | | | | | | |
| Sustainable Financing | Sustainable finance | ■ | ■ | ■ | | | | | | | | ■ |
| Corporate Governance | Sustainability reporting regulatory compliance and index leadership | ■ | ■ | ■ | | | ■ | | | | | ■ |
| R&D, Innovation, Digital Transformation and Smart Solutions | Artificial Intelligence and Digitalization | ■ | ■ | ■ | ■ | ■ | ■ | ■ | | ■ | ■ | ■ |
| Future Fit Culture, Talent & Organizational Management | Human rights | | ■ | ■ | ■ | ■ | | ■ | ■ | | | ■ |
| | Diversity, Equity, and Inclusion Transformation | ■ | ■ | ■ | ■ | ■ | | ■ | ■ | | ■ | |
| | People Experience, Employee Engagement & Talent Development | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ |

*Following the role change effective 1 October 2025, the position title has been updated to Chief Commercial Officer - Europe.*

*Departed from the position on 1 October 2025 and transferred the related responsibilities*

*Departed from the position on 1 November 2025 and transferred the related responsibilities.*

*Following the role change effective 1 October 2025, the position title has been updated to Chief Marketing and Strategy Officer.*

*Following the role change effective 1 October 2025, the position title has been updated to Chief Supply Chain, Purchasing and Digital Officer.*

*This table has been compiled at the close of FY 2025 and reflects the roles held by the listed individuals as of 31 December 2025. Subsequent organizational changes are not reflected herein.*

# 3. Strategy


3.1 Climate-Related Risks and Opportunities' Identification
- 3.1.1 Risk & Opportunity Definitions
- 3.1.2 Scenario Analyses

3.2 Climate-Related Risks & Opportunities
- 3.2.1 Expected Financial Impact of Climate-Related Risks and Opportunities – Summary & Comparative Information
- 3.2.2 Climate-Related Transition Risks
- 3.2.3 Climate-Related Physical Risks
- 3.2.4 Climate-Related Opportunities

3.3 Resilience and Business Continuity Management
- 3.3.1 Resilience
- 3.3.2 Business Continuity Management

# 3. Strategy

Arçelik closely monitors emerging climate-related risks and takes proactive measures to enhance its resilience and adaptive capacity against potential impacts. In this context, no significant impact arising from climate-related physical or transition risks was observed on Arçelik's financial performance, cash flows and assets during the reporting year; these risks were not found to have had a material adverse effect on financial indicators. In identifying risks and opportunities, KGK's TSRS 2 Sector-Based Implementation Guidance, Volume 2 – Appliance Manufacturing, the SASB framework and the sector appendices of TSRS were also utilized.

In response to the requirement to disclose the amount and percentage of vulnerable assets and activities that may be exposed to climate-related transition and physical risks, the Company’s production facilities, production lines, equipment, inventories and operational activities were assessed. For the purposes of this assessment, vulnerable assets and activities were defined as those that would be expected to become unusable, experience a significant loss in economic value, materially restrict the continuation of operations, or have a significant adverse impact on production and sales capacity if climate-related transition or physical risks were to materialise.

The assessment concluded that, while climate-related risks represent important matters requiring ongoing management, these risks are not expected to permanently or materially restrict the use of the Company’s existing assets or activities, cause a significant loss of economic value, or render operations unsustainable. Owing to the Company’s diversified production network, operational flexibility, alternative sourcing capabilities and continuous product development processes, no asset or business activity has been identified as vulnerable.

The main reasons for this conclusion are summarised below:

- Regular modernisation of production infrastructure and strengthening of operational resilience through investments in resource-efficient technologies,
- The absence of carbon-intensive assets or assets at risk of losing competitiveness within the portfolio, and the implementation of transformation or divestment processes where necessary,
- The regular assessment and management of climate-related transition and physical risks across the regions in which the Company operates,
- The integration of climate scenarios into investment, capacity planning and asset management processes, enabling the proactive management of climate-related operational and financial impacts,
- The configuration of the production and supply network in a manner that supports operational continuity.

Furthermore, all assets and activities within the scope of the assessment are considered capable of continuing operations under climate-related risk conditions. As no asset or activity is expected to become unusable, experience a significant loss of economic value, or materially constrain production and sales capacity as a result of climate-related risks, no vulnerable assets or activities have been identified in relation to climate-related opportunities.

Accordingly, the proportion of vulnerable assets exposed to climate-related transition and physical risks was assessed as immaterial, while all assets within the scope of the assessment were considered to be aligned with climate-related opportunities.

Regulatory analyses have been conducted for our main operating regions, including Türkiye, Europe, the Americas and Asia-Pacific. Emerging and upcoming regulations in these regions have been examined in detail. The risks and opportunities associated with these regulations have been identified and assessed on a company-wide basis across all main regions where the Company operates globally. Those that represent significant risk are described in the tables below.

During the reporting year, the Company has not needed to repurpose, improve, decommission or otherwise reuse any of its existing assets due to any climate-related circumstance.

# 3. Strategy

## 3.1 Climate-Related Risks and Opportunities' Identification

### 3.1.1 Risk & Opportunity Definitions

Arçelik defines its significant climate-related risks and opportunities with their place within the value chain, type (physical/transition), primary potential financial impact, time horizon, likelihood and magnitude and impact figure. The criteria according to which Arçelik defines its risks are:

| Place of risk/opportunity in the value chain | |
|---|---|
| **Upstream** | Processes at the early stages of the value chain, including the supply, purchasing, and transportation of raw materials and components to our production facilities. |
| **Own Operations** | Production processes directly linked to our internal business operations, including manufacturing, logistics, and corporate functions. |
| **Downstream** | Processes at the final stages of the value chain, including the distribution, sale, use, and end-of-life treatment of our products and services by customers, business partners, and end-users. |

| Risk type | | |
|---|---|---|
| **Physical climate risks** | Acute | Short-term, extreme weather events intensified by climate change |
| | Chronic | Long-term shifts in climate patterns |
| **Climate transition risks** | Policy Risk | Arising from current or future climate-related regulations |
| | Technology Risk | Associated with emerging or disruptive low-carbon technologies |
| | Legal Risk | Associated with litigation or liability related to climate change |
| | Market Risk | Driven by shifts in supply and demand due to climate change or sustainability trends |
| | Reputation Risk | Associated with brand value and trust due to perceived failure to address climate or environmental |
| **Other sustainability -related risks** | Risks arising from broader environmental, social, or governance issues beyond climate change | |

| Magnitude of Risk | |
|---|---|
| **Low** | 1% decrease in EBITDA |
| **Moderate** | 1%-3% decrease in EBITDA |
| **High** | 3%-5% decrease in EBITDA |
| **Severe** | 5%-10% decrease in EBITDA |
| **Critical** | 10% decrease in EBITDA |

| Magnitude of Opportunity | |
|---|---|
| **Low** | 1% of EBITDA |
| **Medium-low** | 1%-3% of EBITDA |
| **Medium** | 3%-5% of EBITDA |
| **Medium-high** | 5%-10% of EBITDA |
| **High** | 10% of EBITDA |

| Time horizon | | |
|---|---|---|
| **Short-term** | 1-3 years | The short-term horizon encompasses a one to three-year period, focusing on immediate and near-term objectives. This timeframe involves tactical initiatives and operational priorities that are closely aligned with the Company's corporate strategy and support timely strategic decisions. |
| **Medium-term** | 4-10 years | The medium-term horizon covers a period of four to ten years and is characterized by strategic initiatives and capacity-building efforts. These are developed in alignment with the Company's corporate strategy and guide medium-term strategic planning and resource allocation. |
| **Long-term** | 11-30 years | The long-term horizon spans eleven to thirty years, addressing transformational ambitions and systemic evolution. This extended outlook reflects visionary planning fully integrated with the Company's corporate strategy and informs long-term strategic decision-making. |

The company evaluates the potential impacts of climate change across defined time horizons, which are closely aligned with its strategic priorities, the expected development of sustainability initiatives, and its long-term strategy.

| Likelihood | |
|---|---|
| **Virtually certain** | Expected to occur in most circumstances |
| **Very likely** | Highly probable, there is a strong basis for expecting it to occur |
| **Likely** | Probable and could occur under normal conditions |
| **More likely than not** | More probable than improbable |
| **About as likely as not** | Likelihood is approximately even |
| **Unlikely** | Not expected but is still possible under specific conditions |
| **Very unlikely** | Not probable and would occur only under exceptional circumstances |
| **Exceptionally unlikely** | Rare or unprecedented |

| Type of Impact | |
|---|---|
| **Actual** | Already occurred or is currently being experienced |
| **Anticipated** | Expected to occur in the future, based on current trends, forecasts, or scenario analyses |

# 3. Strategy

## 3.1 Climate-Related Risks and Opportunities' Identification

### 3.1.1 Risk & Opportunity Definitions

**Discounting Methodology Usage in Climate-Related Risks' Calculations**: In the previous year, the Weighted Average Cost of Capital (WACC) was used as the discounting methodology in the calculation of climate-related risks. For the current reporting period, this approach has been revised, and the Company's average borrowing rate has been applied across all risks.
The estimated financial impacts presented in the "Climate-Related Transition Risks" and "Climate-Related Physical Risks" sections reflect the forecasted effects of identified risks, discounted to 2025 present value using this rate. This approach has been adopted to ensure a coherent and comparable assessment of financial impacts across different risk categories and to enhance the transparency of the underlying assumptions.

### 3.1.2 Scenario Analyses

While deciding on robust strategies over climate-related risks & opportunities, the Company considers the IPCC's low (RCP2.6), moderate (RCP 4.5) and high (RCP 8.5) scenarios, which are mainly depending on the global warming levels by 2100, together to decide on the company's short, medium and long-term targets. This risk assessment has been conducted on the basis of the relevant financial year, covering the time horizons of 2030, 2050 and 2100. We assess our risks according to these scenarios via following tools:

- The policy, market, legal, reputation, and technology risk analyses were conducted company-wide by leveraging the Company's internal expertise and utilizing the International Energy Agency (IEA) scenarios: the Current Policies Scenario (CPS), the Stated Policies Scenario (STEPS), and the Net Zero Emissions by 2050 Scenario (NZE).
- For physical risk, including both acute and chronic aspects, external and internal expertise were used, considering different tools including three IPCC-aligned Shared Socioeconomic Pathways (SSPs) (SSP1-2.6, SSP2-4.5, and SSP5-8.5, representing warming levels of approximately 1.5-2°C, 3°C, and 4-5°C by 2100, respectively), WRI Aqueduct future projections under RCP 2.6, RCP 7.0, and RCP 8.5 representing, pathways consistent with approximately 1.5-2°C, 3-4°C, and 4.5–5°C of warming by 2100, respectively and WWF Water Risk Filter.

Scenario analysis enables the Company to explore different potential future pathways to assess the resilience of its strategy and operations. Through the application of these sustainability and climate-related scenarios, the Company identifies and assesses both transition and physical sustainability and climate-related risks and opportunities across its operations and value chain. The Company has selected these scenarios to be aligned with the 1.5 °C global warming target and ensure preparedness for different temperature increases. These scenarios were chosen specifically because they provide relevant frameworks that align with the white goods sector's sustainability challenges and opportunities and reflect the key regulatory and market dynamics in the regions where the Company operates.

# 3. Strategy

### 3.1.2 Scenario Analyses

| | Current Policies Scenario (CPS) | Stated Policies Scenario (STEPS) | Net Zero Emissions by 2050 Scenario (NZE) |
|---|---|---|---|
| **Policies** | Only currently adopted and legislated policies. | Includes all currently adopted policies plus officially announced or planned policies and strategies. | Rapid, comprehensive, and stringent mitigation actions to achieve net zero $CO_2$ emissions by 2050. |
| **Global Warming** | ~2.9°C by 2100 | ~2.5°C by 2100 | ~1.5°C by 2100 |
| **Gross Domestic Product (GDP) & Economic Growth** | • Assumes global GDP growth ~2.6% per year (2024–2050).<br>• Economic growth in developing economies, particularly in APAC and Africa, is strong, but limited by slow improvements in electricity access and infrastructure.<br>• Energy demand rises faster than GDP due to low efficiency and continued reliance on fossil fuels.<br>• High exposure to climate-related economic risks and supply chain disruptions.<br>• Innovation and clean energy investment lag, slowing the shift to new industries.<br>• Progress in expanding electricity access is slowest among all scenarios. | • Similar trajectory as CPS for global GDP growth.<br>• Developing economies, particularly in Asia-Pacific and Africa, will experience above-average economic growth, driven by expanded energy access, industrialization, and favorable demographic trends.<br>• Energy demand grows more slowly than GDP, thanks to stronger efficiency and electrification.<br>• Economic losses from global warming will be lower than in higher-emissions scenarios (e.g., CPS), significant climate-related risks will still pose threats to growth and supply chains. | • Similar to CPS and STEPS for global GDP growth.<br>• Rapid energy access and clean energy investment drive the highest economic growth in developing economies.<br>• Energy demand declines even as GDP rises, due to major efficiency gains.<br>• Global economic risks are lower compared to delayed transition scenarios, due to avoided costs of climate damages.<br>• Asia dominates a global hub for manufacturing solar panels, batteries, and EVs, driving GDP and trade surpluses.<br>• China continues focus on clean manufacturing, carbon capture and storage (CCS), and hydrogen technologies. |
| **Population** | • World population grows from ~8.1 billion (2024) to ~9.6 billion (2050), with global growth slowing from 1% to 0.6%, sub-Saharan Africa increasing by ~70%, China declining from ~1.41 billion to ~1.25 billion, Africa and Southeast Asia revised downward, and the Middle East slightly upward. | • Similar trajectory as CPS | • Similar to CPS and STEPS. |
| **Inflation** | • Inflation risk remains high due to ongoing reliance on volatile fossil fuel markets.<br>• Energy bills are more vulnerable to global price spikes.<br>• Limited efficiency and renewables adoption amplify exposure to shocks.<br>• Inflation is less predictable and can be severe during crises. | • Inflation risk is moderated by greater efficiency and renewables.<br>• Energy prices are more stable, with reduced sensitivity to fossil fuel swings.<br>• Cleaner energy mix provides a buffer against global shocks.<br>• Macro stability improves, but some inflation risk persists. | • Moderating inflation as energy systems stabilize and fossil fuel exposure drops.<br>• Upfront clean energy investment may raise costs short-term.<br>• Energy prices become predictable and inflation moderates.<br>• Stable energy costs support a resilient, low-inflation economy. |

# 3. Strategy

### 3.1.2 Scenario Analyses

| | Current Policies Scenario (CPS) | Stated Policies Scenario (STEPS) | Net Zero Emissions by 2050 Scenario (NZE) |
|---|---|---|---|
| **Demand for Appliances** | • Higher demand for basic and mid-tier appliances (refrigerators, air conditioners, washing machines, etc).<br>• AC and refrigerator demand grows strongly, especially considering higher temperatures. | • Appliance demand accelerates in APAC and Africa with expanding electricity access and middle classes.<br>• Growing urban middle class fuels higher ownership rates of refrigerators, ACs, washing machines, etc.<br>• Widespread incentives for energy-efficient appliances (MEPS, rebates, tax credits) stimulate upgrades. | • Universal electricity access by 2030 boosts white goods demand in Africa and South Asia.<br>• Increase in demand for home appliances, especially towards energy efficient, smart and electrified products.<br>• Rapid growth in air conditioners in Asia and Africa.<br>• Regulations drive a shift to best-in-class, efficient, and smart appliances by 2035. |
| **Technological Breakthrough** | • Slower adoption of new technologies due to limited policy support.<br>• No major disruptive technology. | • Faster introduction of new technologies, including renewables, EVs, and batteries.<br>• Policy support and market trends drive innovation, but not at the scale of NZE.<br>• Inverter technology, smart sensors, and heat pump systems for cooling/heating.<br>• IoT integration becomes standard<br>• Growth in AI-driven diagnostics and predictive maintenance to extend appliance life and reduce energy use.<br>• Gradual deployment of electric arc furnaces, green hydrogen, and renewable heat in appliance production.<br>• Increase in smart, connected appliances, pressure to invest in R&D and connectivity. | • Aggressive deployment of advanced technologies: renewables, storage, hydrogen, CCUS, and AI for energy optimization.<br>• Advanced grid management via AI-based grid flexibility, load balancing via digital twins.<br>• Solar and wind PV’s deployed at record speed.<br>• Technological advancements in battery chemistries enabling 7/24 battery supply. |
| **Physical Risks & Implications** | • More frequent and severe extreme weather and water scarcity.<br>• Limited regulatory push beyond existing efficiency standards.<br>• High risk of operational disruptions in both direct operations and supply chains, especially due to infrastructure vulnerability and concentrated critical minerals supply. | • Although less severe than CPS, climate change risks remain significant.<br>• Still material risks to economies, infrastructure, businesses.<br>• Operational disruption risks in own operation and supply chain still remain. | • Physical climate risks are significantly reduced compared to CPS and STEPS.<br>• Economic damage from extreme events more managable than CPS and STEPS, but not eliminated. |

# 3. Strategy

### 3.1.2 Scenario Analyses

| | Current Policies Scenario (CPS) | Stated Policies Scenario (STEPS) | Net Zero Emissions by 2050 Scenario (NZE) |
|---|---|---|---|
| **Transition Risks & Implications** | • Carbon pricing mechanisms are being implemented more slowly and at lower levels than in STEPS/NZE scenarios, with existing carbon tax and ETS systems keeping carbon prices relatively low and providing limited decarbonization incentives<br>• Delay in minimum energy efficiency regulations in developing regions where we intend to grow.<br>• Investing in the design and production of energy efficient appliances incurs higher upfront costs. If consumers, particularly in cost-sensitive markets, are unwilling to absorb these additional costs, the Company may face squeezed profit margins or reduced competitiveness. | • Rapid implementation of carbon pricing mechanisms, minimum energy performance standards (MEPS), CBAM and ETS across jurisdictions increase operational costs.<br>• CBAM and similar mechanisms raise the cost of carbon-intensive materials (steel, aluminum, semiconductors) and, together with potential product-specific carbon taxation on exports from non-EU countries to the EU, may further impact the Company.<br>• Increasing costs to produce energy efficient appliances globally on Best Available Technology. Risk of margin loss if costs cannot be reflected on the prices of products.<br>• Different sustainability criteria include energy labeling, product repairability, durability, recycled content, and digital product passports across major markets create compliance complexity and increase administrative costs.<br>• Expansion of EPR schemes and mandatory take-back programs increases costs.<br>• Increased demand for carbon removal credits puts the prices upwards.<br>• Risk of penalties or litigation claims due to EU Green Claims Directive. | • Mandatory adoption of ultra-high efficiency and low-carbon appliance standards by 2030 or earlier in major markets- frequent product redesign cycles & increased R&D costs.<br>• Implementation of high and harmonized carbon prices, reaching over $250/ton $CO_2$ by 2050, directly impacting operational and supply chain costs.<br>• Access to public procurement and green finance tied to EU Taxonomy or equivalent sustainability performance, creating a pressure for companies to increase best two energy class sales, which is challenging due to the increased costs on product and lack of demand from the market.<br>• CBAM and similar policies expand beyond the EU to other major economies (US, Canada, Japan), increasing compliance costs and trade risks for exporters.<br>• Companies that do not innovate or secure resilient supply chains may lose access to key markets. |
| **Opportunities** | • The rising middle class in APAC and Africa regions presents a strong long-term growth opportunity, particularly for essential appliances like refrigerators and air conditioners.<br>• Expanding our renewable energy solutions, such as solar PV panels, can open up new business opportunities and strengthen the company's sustainability positioning. | • Strong innovative in-house R&D skills to meet the energy efficient product demand and manage the demand growth in developing regions.<br>• Robust and publicly available decarbonization strategy, more than EUR 500 million green bond and loan and USD 100 million sustainability linked loan to meet sustainability performance.<br>• The rapid rise of middle-income consumers and energy access will create strong demand for energy-efficient appliances, presenting new revenue growth opportunities.<br>• The growing demand for repair, refurbishment, and take-back programs will create new business models for the Company. | • Opportunity to generate revenue from top-tier eco labels, increase price index and brand quality, as well as consumer awareness with strong R&D and marketing skills.<br>• Companies aligned with EU Taxonomy and similar frameworks gain preferential access to public procurement, green finance, and sustainability-linked investment.<br>• Enhanced access to better financing that could reduce cost of capital through ESG linked instruments, tied to increased sale top tier efficient appliances. |

# 3. Strategy

## 3.2 Climate-Related Risks & Opportunities

### 3.2.1 Expected Financial Impact of Climate-Related Risks and Opportunities – Summary & Comparative Information

·The values presented in the table below:

- Include a comparative presentation of the potential financial impacts of the identified climate-related risks and opportunities for the 2024 and 2025 reporting periods.
- A calculation has been made based on the projected minimum and maximum financial impacts of the risk in the indicated year; the present value of these impacts has been discounted, for the period up to the impact year, using the Company's 2025 average borrowing rate.

| | | Cost of Risks/Opportunities (TRY) | | Magnitude of Risks/Opportunities | | Likelihood of Risks | |
|---|---|---|---|---|---|---|---|
| **Climate-Related Risks** | **Impact Year**** | **2024 Amount** | **2025 Amount** | **2024** | **2025** | **2024** | **2025** |
| **Carbon Border Adjustment Mechanism (CBAM)*** | 2027 | TRY 97,729,966– TRY 206,636,623 | TRY 204,015,913 - TRY 549,212,402 | Low | Moderate | Very Likely | Very Likely |
| **Carbon Pricing Mechanisms*** | 2035 | TRY 72,878,311– TRY 116,418,009 | TRY 48,058,090 – TRY 133,008,354 | Low | Low | Unlikely | Unlikely |
| **Sale of Energy-Efficient Products*** | 2030 | TRY 550,248,748– TRY 628,705,293 | TRY 160,765,978 – TRY 401,914,945 | Moderate | Low | High | Likely |
| **Water Risk*** | 2030 | TRY 230,511,542– TRY 345,760,483 | TRY 81,027,826 – TRY 93,006,567 | Moderate | Low | Unlikely | Unlikely |
| **Climate-Related Opportunities** | | | | | | | |
| **Energy-Efficient Product Portfolio*** | 2025 | TRY 265,401,465,717 | TRY 253,288,748,420 | High | High | | |
| **Renewable Energy Investment** | 2025 | TRY 93,349,436 | TRY 427,354,677 | Low | Medium-Low | | |
| **Products with Reduced Water Consumption** | 2025 | - | TRY 1,747,187,712 | - | Medium-High | | |
| **Sustainable Financing** | 2025 | TRY 78,965,806 | TRY 118,268,715 | Low | Low | | |

**Compared to 2024, the calculation methodology has been changed; for further information, please refer to the "Climate-Related Transition Risks," "Climate-Related Physical Risks," and "Climate-Related Opportunities" sections.*

*** Impact Year refers to the year in which the financial, operational or strategic impacts of the relevant risk or opportunity on the Company are expected to become most evident. Risks and opportunities exist prior to the indicated year as well, and are monitored and assessed within the scope of the Company's risk management processes.*

# 3. Strategy

### 3.2.2 Climate-Related Transition Risks

#### Risk 1: Carbon Border Adjustment Mechanism (CBAM)

| Risk Description | |
|---|---|
| **Description** | The EU Carbon Border Adjustment Mechanism (CBAM), effective since 2023, is in a transitional phase until the end of 2025, during which importers must report embedded greenhouse gas emissions without financial obligations. From 2026 onwards, CBAM will enter its definitive regime, introducing financial obligations based on embedded emissions, aligned with the EU Emissions Trading System (EU ETS) carbon price, to be settled through the purchase and surrender of CBAM certificates. The first certificate purchases and related payments will be made in February 2027 for emissions generated in 2026. In addition, the European Commission has indicated that the scope of CBAM may be extended over time to cover additional sectors and potentially certain downstream products. This could result in indirect carbon cost exposure for imported finished goods incorporating CBAM-covered materials. |
| **Company-specific description** | The Company operates multiple production facilities across Europe, manufacturing home appliances including refrigerators, cooking appliances, dishwashers, and washing machines, located in Italy, Poland, Romania, and Slovakia. A portion of steel and aluminum used in production is imported from outside the EU, falling within the CBAM scope as a covered good. Under CBAM, these importer facilities are required to report embedded emissions of imported steel during the transitional phase. From 2026 onwards, CBAM-related financial obligations will apply to these imports, with first certificate purchases expected in February 2027 for 2026 emissions. In addition to raw material exposure, the Company imports a limited volume of finished products (such as refrigerators, washing machines, and dryers) from non-EU countries, including Türkiye. While such products are not currently within the formal scope of CBAM, potential future scope extensions or indirect cost pass-through effects (through CBAM-covered inputs such as steel and aluminum used in these products) may result in additional cost burdens comparable to carbon-related border taxes. In the event that such products or related downstream emissions are brought into the CBAM framework in the future, financial obligations could potentially arise from around 2029 onwards, subject to regulatory developments.<br>This is expected to increase the cost of carbon-intensive raw materials such as steel and aluminum sourced from non-EU suppliers, potentially exerting upward pressure on input costs and pricing. Indirect impacts on imported finished goods may further affect overall cost competitiveness in the EU market. To remain competitive and compliant, the Company must integrate carbon considerations into sourcing, product design, and supply chain strategies including supplier engagement, increased use of low-carbon materials, and potential adjustment of sourcing footprints.<br>At the same time, CBAM may create opportunities by reinforcing the competitiveness of EU-based production and incentivizing lower-carbon supply chains. In addition, similar carbon-related regulations may emerge in other jurisdictions outside the EU, including Türkiye; however, at this stage, the analysis is limited to the EU CBAM framework, while recognizing the potential for broader future regulatory convergence and possible extensions of CBAM to additional sectors or downstream products.<br>This risk assessment has been conducted specifically for imported steel and aluminum for which CBAM-related payments are expected to be made in 2027. Accordingly, all quantitative estimates presented in the table below relate solely to the 2027 impact. Due to the high level of uncertainty regarding product-specific conditions, regulatory developments, and potential scope extensions anticipated around 2029, no quantitative estimation has been performed for that period. Should such products or downstream emissions become subject to CBAM in the future, the assumptions, scope, and financial impacts presented in the table would need to be reassessed and updated accordingly. |

| | | | |
|---|---|---|---|
| **Related Material Issue(s) & Capital(s)** | Climate Action - Natural Capital | **Primary Potential Financial Impact** | Increased indirect (operating) costs |
| **The Area Where the Risk Occurs** | Manufacturing facilities located in Italy, Poland, Romania, and Slovakia | **Expected Time Horizon** | Short-term |
| **Related Value Chain Stage** | Upstream | **Likelihood** | Very likely |
| **Risk Type** | Policy Risk (Transition Risk) | **Magnitude of Impact** | Moderate |
| **Primary Risk Driver** | Changes to international law and bilateral agreements | **Type of Impact** | Anticipated |

# 3. Strategy

### 3.2.2 Climate-Related Transition Risks

#### Risk 1: Carbon Border Adjustment Mechanism (CBAM)

<table>
<tr><th colspan="4">Financial Impact of Risk</th></tr>
<tr><td>Estimated Cost of Risk</td><td colspan="2">Current Impact: No financial impact has been observed in the current reporting year.<br><br>Expected Impact (2027): TRY 204,015,913 - TRY 549,212,402</td><td>Estimated Cost of Risk Corresponding Item in the Consolidated Financial Table</td><td>Forecast Value - Operating Profit</td></tr>
<tr><td rowspan="5">Calculation Rationale</td><td colspan="3">The purpose of this calculation is to assess the potential cost impact of risks the Company may face under the EU CBAM Regulation. The risk related to embedded emissions of imported steel has been calculated for the 2027 fiscal year.</td></tr>
<tr><td>Judgements</td><td colspan="2">• The volume and country of origin of CBAM-covered goods, including steel and aluminum used in production, have been determined based on the 2026 budget figures.<br>• Within the scope of the methodology applied in the calculation, default values published under the CBAM Regulation have been used for the maximum risk scenario, while supplier-specific non-verified emissions data have been used as the basis for the minimum risk scenario.<br>• Potential indirect supply chain impacts, including cost pass-through effects reflected in suppliers’ unit costs, particularly those arising from EU ETS-related cost increases from EU-based sources and CBAM-covered materials included within spare parts shipments to Europe, have been excluded from the scope of the calculation due to significant uncertainties.</td></tr>
<tr><td>Assumptions</td><td colspan="2">• A reduction of 2.5% in free allocations under the CBAM framework has been assumed for 2026.<br>• In cases where supplier-specific non-verified emissions data were not available for the minimum risk calculation, default emission data for the relevant material were used.<br>• For the carbon price projection, a price of EUR 80 per ton of $CO_2$ has been assumed for 2026, based on the European Commission report titled “Trends in Carbon Intensity and the Macroeconomic Role of the EU Emissions Trading System.”</td></tr>
<tr><td>Measurement Uncertainty</td><td colspan="2">• Changes in the tonnage of imported materials<br>• Changes in value following verification of supplier emission data<br>• Volatility in carbon prices</td></tr>
<tr><td>Final Calculation</td><td colspan="2">Based on these judgements, assumptions and measurement uncertainties, the calculation has been performed by multiplying the volume of imported CBAM-covered goods, the country of origin, product and country-specific embedded emissions values, and the projected carbon price for the relevant year. The calculated risk cost is a projection. As of the 2025 fiscal year, no CBAM-related payments have been made. The first financial obligations related to CBAM certificates are expected to occur in February 2027, corresponding to emissions generated in 2026. The reported risk value represents the projected financial impact for 2027 and has been discounted to 2025 using the Company’s average discount rate applied to its European operations.</td></tr>
<tr><td>Methodology Change</td><td colspan="2">The calculation methodology has been revised this year, as the current approach is considered to provide a more meaningful view of the risk. In the previous year’s calculation, the analysis was based on emission factors defined by the Company, as official EU default emission factors had not yet been published. In the current assessment, CBAM default values published by the European Commission have been used, and the methodology has been updated accordingly. In addition, changes in projected steel consumption have affected the calculation results.</td></tr>
</table>

# 3. Strategy

### 3.2.2 Climate-Related Transition Risks

#### Risk 1: Carbon Border Adjustment Mechanism (CBAM)

<table>
<tr><th colspan="4">Financial Impact of Risk</th></tr>
<tr><td>Cost of Response to Risk</td><td colspan="2">2026: 484,828,273 TL</td><td>Cost of Response to Risk Corresponding Item in the Consolidated Financial Table</td><td>Forecast Value - Operating Profit</td></tr>
<tr><td rowspan="6">Calculation Rationale</td><td colspan="4">The purpose of this calculation is to estimate the potential financial impact of reducing the carbon tax payable under the CBAM framework.</td></tr>
<tr><td>Judgements</td><td colspan="3">• Due to the absence of a mature and scalable green steel market, the calculation is based on the potential cost impact of sourcing CBAM-covered goods from the EU compared to sourcing from non-EU regions.<br>• It is assumed that sourcing from the EU would reduce CBAM exposure, as embedded emissions are expected to be lower compared to imports from non-EU regions with higher carbon intensity.</td></tr>
<tr><td>Assumptions</td><td colspan="3">• CBAM-covered goods consumption volumes, including steel and aluminum for 2026, are based on internal production forecasts of the relevant manufacturing facilities.<br>• The projected price differential between EU-origin steel and non-EU steel is assumed to reflect differences in carbon intensity, regulatory compliance costs, and CBAM-related exposure.<br>• No significant structural changes in supply chain configuration, trade flows, or CBAM methodology are assumed over the assessment period.</td></tr>
<tr><td>Measurement Uncertainty</td><td colspan="3">• Global steel prices and the price differential between EU and non-EU sourcing may be subject to market volatility and geopolitical developments.</td></tr>
<tr><td>Final Calculation</td><td colspan="3">The estimated steel consumption of the relevant manufacturing facilities for 2026 has been multiplied by the projected price difference between EU-origin steel and non-EU steel prices. The reported risk value represents the projected financial impact for 2026 and has been discounted to 2025 using the Company’s average discount rate applied to its European operations.</td></tr>
<tr><td>Methodology Change</td><td colspan="3">The prior-year methodology was based on a comparison between green steel and conventional steel. However, due to the lack of a sufficiently developed green steel market, the methodology has been revised. The current approach compares sourcing from the EU versus non-EU regions, providing a more robust and observable proxy for CBAM-related cost exposure. While the prior-year scope included EU sourcing considerations, the current methodology explicitly assumes a substitution of non-EU sourcing with EU sourcing; therefore, the multiplier used in the calculation remains unchanged.</td></tr>
<tr><td>Mitigating Actions of Risk</td><td colspan="4">To reduce CBAM’s potential financial impact:<br>• Prioritize sourcing low-carbon/green steel and aluminum while optimizing production processes for energy efficiency and emissions reduction.<br>• Engage suppliers to adopt sustainable practices, reduce their emissions, and align with CBAM requirements to minimize upstream risks.<br>• Integrate carbon management into our sourcing, product design, and supply chain strategies.<br>• Ensure compliance through accurate GHG emissions tracking, strategic planning, and collaboration with suppliers and policymakers for long-term risk reduction.</td></tr>
</table>

# 3. Strategy

### 3.2.2 Climate-Related Transition Risks

#### Risk 2: Carbon Pricing Mechanisms

| Risk Description | |
|---|---|
| **Description** | The carbon pricing mechanism is a policy instrument designed to reduce greenhouse gas emissions by assigning financial cost to emissions. It mainly takes two forms: emissions trading systems (ETS) and carbon taxes. In an ETS, a cap is set on total emissions, and emission allowances are either allocated or auctioned to firms; these allowances can then be traded, creating a market-based carbon price. In contrast, a carbon tax establishes a fixed price per ton of $CO_2$-equivalent ($CO_2e$) emissions. Both approaches are based on the “polluter pays” principle, encouraging firms to improve energy efficiency, adopt cleaner technologies, and invest in low-carbon innovation. Carbon pricing is widely regarded as a cost-effective tool for supporting decarbonization and environmental sustainability. For companies, increasing carbon prices may significantly influence production costs, investment decisions, and international competitiveness. |
| **Company-specific Description** | Currently, the Company does not have material direct financial obligations under mandatory carbon pricing mechanisms in the countries where it operates, as our sector is not currently subject to such schemes. Nevertheless, we closely monitor regulatory developments related to carbon pricing mechanisms across all operational geographies, including the European Union.<br><br>In Türkiye, the national Emissions Trading System (ETS) is in the piloting phase under the country’s climate policy framework. In Pakistan, Bangladesh, and Russia, carbon pricing frameworks remain at an early stage, primarily focusing on pilot initiatives, institutional readiness, and emissions monitoring infrastructure. South Africa has implemented a national carbon tax, while emissions trading mechanisms are still at an early development stage and a border carbon adjustment mechanism is not in place.<br><br>Increasing global decarbonization efforts are expected to accelerate the adoption of carbon pricing mechanisms over time. If our operations become subject to such mechanisms in the future, additional Scope 1 and Scope 2 emissions-related costs may adversely affect our cost competitiveness. To mitigate any potential future impacts and reach our sustainability targets, we continue to implement initiatives aimed at reducing our global Scope 1 and Scope 2 greenhouse gas emissions through energy efficiency improvements and renewable energy investments. |

| | | | |
|---|---|---|---|
| **Related Material Issue(s) & Capital(s)** | Climate Action & Natural Capital, Financial Capital | **Primary Potential Financial Impact** | Increased indirect (operating) costs |
| **The Area where the Risk Occurs** | All manufacturing facilities in Italy, Poland, Slovakia, Romania, Türkiye, South Africa, Pakistan, Bangladesh, Russia and Egypt. | **Expected Time Horizon** | Medium-term |
| **Related Value Chain Stage** | Direct operations | **Likelihood** | Unlikely |
| **Risk Type** | Policy risk (Transition risk) | **Magnitude of Impact** | Low |
| **Primary Risk Driver** | Carbon pricing mechanisms | **Type of Impact** | Anticipated |

# 3. Strategy

### 3.2.2 Climate-Related Transition Risks

#### Risk 2: Carbon Pricing Mechanisms

<table>
<tr><th colspan="5">Financial Impact of Risk</th></tr>
<tr><td>Estimated Cost of Risk</td><td colspan="2">Current Impact: No financial impact has been observed in the current reporting year.<br><br>Expected Impact (2035): 48,058,090 TRY– 133,008,354 TRY</td><td>Estimated Cost of Risk Corresponding Item in the Consolidated Financial Table</td><td>Forecast Value - Operating Profit</td></tr>
<tr><td rowspan="5">Calculation Rationale</td><td colspan="4">The calculation rationale is to estimate the potential financial impact of the carbon pricing mechanisms for 2035 in the countries where the Company’s manufacturing facilities are located.</td></tr>
<tr><td>Judgements</td><td colspan="3">• The IEA World Energy Outlook 2025 provides carbon price projections from 2035 onwards, rather than from 2030 as in the previous year’s analysis.<br>• The analysis was based on the IEA World Energy Outlook 2025 Net Zero Emissions (NZE) scenario only. Scope was determined based on whether carbon pricing exposure applies to EU manufacturing facilities only or to manufacturing facilities globally.<br>• In the maximum impact scenario, a conservative scope was adopted by assuming potential exposure to carbon pricing mechanisms across all countries in which the Company has manufacturing facilities. Although there is uncertainty regarding the Company’s future exposure to such mechanisms in certain countries, the Scope 1 and Scope 2 emissions associated with the manufacturing facilities in the countries mentioned were retained within the scope of the assessment.</td></tr>
<tr><td>Assumptions</td><td colspan="3">• The assessment assumes that carbon pricing exposure may apply either to EU manufacturing facilities only or to manufacturing facilities globally, resulting in changes in the number of facilities within scope.</td></tr>
<tr><td>Measurement Uncertainty</td><td colspan="3">• Uncertainty remains regarding the future geographic coverage of carbon pricing mechanisms and the resulting facility scope.<br>• Actual exposure may vary by jurisdiction due to differences in thresholds, sector coverage, and implementation timing.<br>• Projected emissions are based on the Company’s long-term plans and are inherently subject to change due to underlying assumptions, forecast uncertainties, and other dependent variables.<br><br>From IEA World Energy Outlook<br><table><tr><th>Carbon Prices (USD per $tCO_2e$)<br>Net Zero Emissions by 2050 Scenario</th><th>2035</th></tr><tr><td>Advanced economies with net zero emissions pledges</td><td>180</td></tr><tr><td>Selected emerging markets and developing economies</td><td>125</td></tr><tr><td>Other emerging market and developing economies</td><td>50</td></tr></table></td></tr>
<tr><td>Final Calculation</td><td colspan="3">The total financial impact was estimated by multiplying the forecast Scope 1 and Scope 2 emissions for each relevant manufacturing facility for 2035 by the carbon prices for NZE scenario published by IEA World Energy Outlook 2025 for the relevant countries for year 2035. In the minimum impact, only EU-based emissions were considered, while all global factories in the countries mentioned were considered. The estimated cost of risk represents the potential cost in 2035, discounted to 2025 present value using the discount rate.</td></tr>
<tr><td>Methodology Change</td><td colspan="3">The methodology remained unchanged compared to the previous year’s analysis; however, certain input variables were updated.<br>• In the previous year’s calculation, the analysis was based on 2030 considering carbon prices available in IEA World Energy Outlook 2024.<br>• Thailand and China were excluded from the calculation due to a change in organizational boundary.<br>• In the previous methodology, minimum and maximum impacts were assessed using three scenarios. In the current methodology, the assessment was based solely on the NZE scenario, with variation driven by the scope of manufacturing facilities included (EU-only vs. global).</td></tr>
</table>

# 3. Strategy

## 3.2.2 Climate-Related Transition Risks

### Risk 2: Carbon Pricing Mechanisms

| **Financial Impact of Risk** | | | |
|---|---|---|---|
| **Cost of Response to Risk** | **2025:** TRY 197,320,066* | **Cost of Response to Risk Corresponding Item in the Consolidated Financial Table** | General administrative expenses, Cash outflows from purchases of property, plant and equipment and intangible assets |
| **Calculation Rationale** | The cost of response to risk has been calculated as the sum of the total cost of on-site energy systems, green electricity certificates, and energy efficiency projects in 2025. While not initiated solely in response to this specific risk, these investments support risk management and reflect the Company's broader strategic approach to staying aligned with stakeholder expectations.<br>*2025 figure has been indexed to the December 2025 purchasing power with the application of IAS 29 Financial Reporting in Hyperinflationary Economies. | | |
| | **Judgements** | • A conservative approach was adopted by recognizing only 2025 expenditures on on-site renewable energy systems, green electricity certificates, and energy efficiency projects as relevant response costs, as these measures directly support the reduction of Scope 1 and Scope 2 emissions and help limit future exposure to carbon pricing mechanisms. | |
| | **Assumptions** | • The calculation assumes that all identified 2025 expenditures for renewable electricity procurement, on-site energy investments, and energy efficiency projects are attributable to the Company's climate transition response and are measured on the basis of realized annual costs for the reporting year. | |
| | **Measurement Uncertainty** | • The estimate is subject to uncertainty regarding the effectiveness of the measures, and the extent to which future carbon pricing obligations may be reduced as a result of these measures. | |
| | **Final Calculation** | The total cost of response to risk was calculated as the aggregate of 2025 expenditures related to on-site renewable energy systems, green electricity certificates, and energy efficiency projects. These response costs were considered relevant because they contribute to reducing operational greenhouse gas emissions and thereby help manage the Company's potential future exposure to carbon pricing mechanisms. | |
| | **Methodology Change** | The methodology remained unchanged compared to the previous year's analysis; however, certain input variables were updated. | |
| **Mitigating Actions of Risk** | The Company continues to invest in on-site renewable energy systems, green electricity certificates and energy efficiency projects in order to reduce its Scope 1 and Scope 2 emissions and minimize its potential financial exposure. The Company has publicly available 2030 and 2040 targets that support and guide its efforts in this regard. It aims to achieve 100% green electricity by 2030, establish renewable energy systems with a capacity of 100 MWp, and 110 MWp by 2030 and 2040, respectively, and reduce the energy consumption per product in production by 15% and 30% by 2030 and 2040, respectively. Additionally, the Company's Scope 1 and Scope 2 target* is to reduce by 42% by 2030 and 90% by 2050 in absolute terms.<br>*Since Beko Europe has been added to the scope, the base year has been revised to 2024 for the targets excluding emission reduction target. The scope of this target will be expanded following a new submission to the SBTi for approval. | | |

# 3. Strategy

### 3.2.2 Climate-Related Transition Risks

#### Risk 3: Sale of Energy-Efficient Appliances

| Risk Description | |
|---|---|
| **Description** | As companies advance toward net zero, expectations to reduce Scope 1, 2, and especially Scope 3 emissions continue to rise. Combined pressures of evolving regulatory frameworks, shifting market dynamics, and decarbonization commitments require companies to accelerate their transition pathways to energy-efficient product portfolios—while maintaining competitiveness and commercial resilience. |
| **Company-specific Description** | Our Company's Net Zero strategy depends heavily on reducing Scope 3 emissions, 80% of which stem from the use phase of sold products, making the share of energy-efficient appliances across all categories critical to our decarbonization pathway in line with Science Based Targets initiative (SBTi) targets. However, this transition requires navigating both regulatory and market-driven constraints and creates a commercial dilemma. To meet SBTi targets, we must develop and sell more energy-efficient appliances, which require higher R&D investment and lead to cost-ups per product.<br>At the same time, market composition, consumer price sensitivity, and our brand positioning significantly impact our business model by increasing cost pressures, limiting our ability to reflect these cost-ups in our sales prices, and requiring significant changes in product development and market positioning — ultimately affecting our ability to stay competitive, adapt our product portfolio, and maintain access to green financing.<br>Given the competitive market landscape, the ability of some players to produce or source highly efficient appliances at lower cost—either due to greater scale advantages or more flexible brand positioning—we may be unable to reflect our efficiency-related cost-ups in market prices, putting direct pressure on our margins and profitability.<br>As a result, shifting our product mix to higher energy classes—while essential for meeting sustainability targets—may require the Company to trade off short-term profitability to stay competitive. |

| | | | |
|---|---|---|---|
| **Related Material Issue(s) & Capital(s)** | Energy and Water Efficient Products<br>Manufactured and Natural Capitals | **Primary Potential Financial Impact** | Increased indirect (operating) costs |
| **The Area where the Risk Occurs** | Manufacturing Facilities | **Expected Time Horizon** | Medium Term |
| **Related Value Chain Stage** | Downstream | **Likelihood** | Likely |
| **Risk Type** | Market Risk (Transition Risk) | **Magnitude of Impact** | Low |
| **Primary Risk Driver** | Uncertainty in market signals | **Type of Impact** | Anticipated |

# 3. Strategy

### 3.2.2 Climate-Related Transition Risks

#### Risk 3: Sale of Energy-Efficient Appliances

<table>
<tr><th colspan="4">Financial Impact of Risk</th></tr>
<tr><td>Estimated Cost of Risk</td><td colspan="2">Current Impact: No financial impact has been observed in the current reporting year.<br><br>Expected Impact: TRY 160,765,978 – TRY 401,914,945</td><td>Estimated Cost of Risk Corresponding Item in the Consolidated Financial Table</td><td>Forecast Value – Operating Profit</td></tr>
<tr><td rowspan="6">Calculation Rationale</td><td colspan="3">The rationale behind this calculation is to estimate the potential financial impact of aligning the Company’s product portfolio with an SBTi-aligned energy-efficient sales mix. In line with the Company’s SBTi target to reduce Scope 3 use-phase emissions by 42% by 2030 (base year 2022), the analysis assesses the cost implications of increasing the share of higher-energy-efficiency products across the covered product categories*. The calculation quantifies the potential financial exposure associated with achieving the SBTi target, by estimating the total cost-ups required to deliver an SBTi-aligned product portfolio.<br>This risk is primarily reputational and market-driven rather than financial. It does not stem from any regulatory requirement or legally binding obligation, but arises from the Company’s SBTi commitments, evolving market expectations, and competitive dynamics. The key exposure relates to sustainability-linked financing: failure to meet annual SBTi targets may prevent the Company from benefiting from reduced interest rates. While no direct financial impact has been observed to date, the estimated exposure reflects a forward-looking assessment of the costs required to align the product portfolio with SBTi commitments. Therefore, the risk represents a potential loss of financial advantage and competitive positioning, rather than a regulatory risk.</td></tr>
<tr><td>Judgements</td><td colspan="2">• To remain on track with the SBTi pathway, an average annual emissions reduction of 11% per product category is required between 2025 and 2030 as per GHG emissions reached in the reporting year, reflecting a shift towards an energy class mix that required a higher share of energy-efficient products.<br>• To achieve the 11% reduction, energy class upgrades were prioritized starting from the lowest cost-up and progressively applied until the annual reduction requirement was met, with the number of units upgraded determined accordingly.<br>• Energy-efficient technologies typically require higher R&D and production investments.<br>• Price increases cannot be fully passed on to consumers due to market competition, brand positioning, and regional price sensitivity. Thus, the Company faces cost-ups per product to increase the share of energy-efficient appliances.<br>• Competitors may maintain lower costs or lower efficiency standards, keeping prices down.<br>• Transitioning to higher energy-efficiency classes creates a profitability risk driven by price gaps.</td></tr>
<tr><td>Assumptions</td><td colspan="2">• Cost up impacts resulting from energy class upgrades within these product groups were used as the basis for the calculation.</td></tr>
<tr><td>Measurement Uncertainty</td><td colspan="2">• Where all products supplied to a country shift up by one energy class, emissions reduction is assumed to be directly proportional to the energy class improvement.<br>• Where the energy class is upgraded for only a portion of products (e.g., lower-capacity products) and not for others (e.g., higher-capacity products), the accuracy of the calculation is reduced.<br>• Calculations rely on budgeted sales volumes, assuming a stable country mix (this assumption applies to the reporting year).</td></tr>
<tr><td>Final Calculation</td><td colspan="2">Based on the above judgements, assumptions and measurement uncertainties, the calculation is performed by multiplying the cost-ups required for energy class upgrades by the corresponding sales volumes to reach our SBTi Scope 3 use phase target by the end of 2030. The resulting “cost of risk” reflects the sum of financial exposure associated with achieving the required energy class distribution for each product category*. The estimated cost of risk is presented as a range, with the maximum value reflecting the initial calculated amount, and the minimum value reflecting a 40% reduction from that initial estimate. These values reflect the forecasted financial impact of the risk in 2030, discounted to 2025 using the Company’s discount rate.</td></tr>
<tr><td>Methodology Change</td><td colspan="2">The prior-year methodology calculated the cost difference between the expected (market-average) and the required (SBTi-aligned) product mix, summing up the total cost-ups calculated for each product category*. The calculation methodology has been revised this year, as the current approach is<br>considered to provide a more meaningful view of the risk. Due to the underlying uncertainties, prior-year figures cannot be restated under the new methodology.</td></tr>
</table>

** The calculation has been conducted for the refrigerators, washing machines, dishwashers, and dryers as they represent a significant portion of Scope 3 emissions during the use phase.*

# 3. Strategy

### 3.2.2 Climate-Related Transition Risks

#### Risk 3: Sale of Energy-Efficient Appliances

| **Financial Impact of Risk** | | | |
|---|---|---|---|
| **Cost of Response to Risk** | **2025:** TRY 1,545,697,444 | **Cost of Response to Risk Corresponding Item in the Consolidated Financial Table** | Marketing expenses, Research and development expenses, Cash outflows from purchases of property, plant and equipment and intangible assets |
| **Calculation Rationale** | The rationale behind this calculation is to estimate the potential financial impact of the Company's investments in marketing spending for sustainability and research and development (R&D) efforts aimed at reducing the cost-ups per product associated with increasing the share of energy-efficient appliances in our product portfolio. | | |
| | **Judgements** | • The spending items listed under "cost of response to risk"— marketing spending for sustainability and R&D spending—are part of the company's regular operations and workflows, while also contributing to the response to this risk. While not initiated solely in response to this specific risk, they support risk management and reflect on the company's broader strategic approach to staying aligned with market and customer expectations. | |
| | **Assumptions** | • For the marketing spending for sustainability, the logic is as follows: As consumer demand for sustainability-driven products grows, marketing efforts focused on educating consumers about the environmental benefits of energy-efficient products can help increase consumer willingness to pay a premium for these items.<br>• For the R&D spending, the logic is as follows: The focus is on the dedicated efforts of R&D personnel who work to enhance technologies that reduce the additional cost-ups per product associated with producing energy-efficient appliances. To meet sustainability targets, the Company invests in R&D to improve the energy- efficiency of its products. The rationale is that, through effective R&D efforts, the Company can reduce the cost-ups associated with producing energy-efficient appliances, making them more affordable and accessible while maintaining competitiveness. | |
| | **Measurement Uncertainty** | The calculation is based on current plans and budget allocations for 2025 and may change due to revisions in strategy, scope, or investment priorities. | |
| | **Final Calculation** | Based on these judgements, assumptions and measurement uncertainties, the resulting "cost of response to risk" reflects the sum of the marketing spending for sustainability and the R&D spending for energy-efficient products. Please note that the value reported for 2025 represents a single year and is not cumulative. | |
| | **Methodology Change** | The methodology remained unchanged compared to the previous year's analysis. | |
| **Mitigating Actions of Risk** | To reduce the potential financial impact of scaling the sale of energy-efficient appliances, the Company has developed a comprehensive mitigation strategy that addresses regulatory compliance, market dynamics, and sustainability commitments. This strategy includes actions to manage cost-ups, maintain competitiveness, and support long-term decarbonization goals. The Company's SBTi validated targets remain central to this approach. We aim to reduce absolute Scope 3 emissions from the use of sold products by 42% by 2030 and achieve a 90% reduction across Scope 3 by 2050 from the 2022 base year. These commitments guide our roadmap and ensure alignment with global climate goals. Please refer to the Climate-Related Targets section of the Report for further details on these commitments. To mitigate the financial impact of transitioning to a portfolio dominated by energy-efficient appliances while meeting EU Taxonomy requirements and SBTi targets, the Company will:<br>• Prioritize efforts in R&D for energy-efficient technologies to reduce the cost-ups associated with producing energy-efficient products. This will help make energy-efficient appliances more affordable and accessible while maintaining product quality and competitiveness.<br>• Increase sustainability-focused marketing campaigns to educate consumers about the benefits of energy-efficient products.<br>• Invest in energy-efficient production technologies to reduce energy consumption and reduce production costs, improving overall product efficiency.<br>• Leverage green financing options to support the R&D and marketing efforts needed to meet SBTi targets, enabling the Company to implement sustainability initiatives without significant financial strain.<br>• Establish strategic pricing models for energy-efficient products that account for potential cost-ups while maintaining consumer demand and competitiveness in the market.<br>• By implementing these measures, the Company can mitigate the financial impact of scaling the sale of energy-efficient appliances and aligning its operations with the Science Based Targets, enabling it to meet its sustainability targets while maintaining profitability. | | |

# 3. Strategy

### 3.2.3 Climate-Related Physical Risks

Climate-related physical risks are increasingly probable over the next decade and pose significant threats to companies. According to the Intergovernmental Panel on Climate Change (IPCC), even with global warming limited to 1.5°C, the frequency and intensity of extreme weather events are expected to rise. What was once a 1-in-10-year extreme heat event is projected to occur 4.1 times more often and be 1.9°C hotter at 1.5°C warming. These risks have the potential to disrupt manufacturing operations through damage to facilities as well as interruptions in supply chains, and threats to the wellbeing of employees. The International Energy Agency (IEA) also highlights that under its Stated Policies Scenario (STEPS), the world is on track for approximately 2.4°C warming by 2100, which would further amplify these physical risks. Given these projections, it is crucial for companies to assess and adapt to these climate-related physical risks to ensure business continuity and resilience.

In line with its climate strategy, the Company conducted climate-related scenario analyses to assess the potential impacts of physical risks on its operations and value chain. The assessment was designed to evaluate both acute and chronic physical risks under different climate trajectories. To this end, both external and internal expertise were applied, using tools aligned with the IPCC's Shared Socioeconomic Pathways (SSP1-2.6, SSP2-4.5, and SSP5-8.5), WRI Aqueduct (RCP 2.6, 7.0, and 8.5), and the WWF Water Risk Filter.

The analysis considered a wide range of physical climate risks, including water stress, water scarcity, drought, flooding, wildfires, hot days, heatwaves, cold waves, and sea level rise. Given the Company's global footprint, water stress and heatwaves have been identified as a high-priority climate-related risks.

The Company is adopting a qualitative approach at this stage to understand potential large-scale impacts across diverse regions. As part of the assessment, it also carried out a more detailed water risk analysis, focusing on projected water stress in 2030 and estimating the potential financial impacts, given the high level of expected operational exposure. In 2025, no production interruptions or major operational disruptions occurred due to physical climate-related events. The Company did not encounter any cases—such as floods or other acute weather-related incidents—that would necessitate disclosure under physical risk considerations. Therefore, no material physical climate risks were identified that affected operations during the reporting year.

The Company assessed the baseline water stress risk of selected raw material suppliers using the WRI Aqueduct 4.0 Water Risk Atlas, based on available site-level location data and industry sector weighting. Suppliers in areas classified as extremely high-water stress were prioritized for engagement.

**Percentage of manufacturing facilities under extreme weather events in 2030 (in case of very high risk)**

| Climate Scenarios | Hot Days | Heatwave | Coldwave | Wildfire | Sea Level Rise | Water Stress |
|---|---|---|---|---|---|---|
| **SSP1-2.6** | 11% | 25% | 0% | 0% | 0% | **45%** |
| **SSP2-4.5** | 11% | 25% | 0% | 2% | 2% | **43%** |
| **SSP5-8.5** | 18% | 41% | 0% | 2% | 2% | **36%** |

# 3. Strategy

### 3.2.3 Climate-Related Physical Risks

#### Risk 1: Water Risk

| Risk Description | |
|---|---|
| **Description** | Climate change is altering the global water cycle, affecting the availability, distribution, and quality of freshwater resources. These changes are projected to increase the frequency and intensity of hydrological extremes, including floods and droughts, although impacts vary significantly by region. As a result, water stress is expected to intensify in many vulnerable areas, posing challenges for sustainable water resources management. |
| **Company-specific Description** | In 2025, the Company revised its comprehensive water risk assessment for its manufacturing facilities, based on the collaboration with a third-party expert. The assessment evaluated both basin level risks—such as water scarcity, quality, and stress—and site-level operational risks including water withdrawal. It leveraged tools such as the WRI Aqueduct Water Risk Atlas and the WWF Water Risk Filter. In addition, the in-house team analyzed three water stress scenarios for 2030 (RCP 2.6, 4.5, 8.5). These scenarios were used to explore potential future water availability in the basins where the facilities are located. The analysis identified that certain manufacturing sites may face a risk of water shortages, with the unlikely potential to disrupt operations depending on the severity and duration of water scarcity. |

| | | | |
|---|---|---|---|
| **Related Material Issue(s) & Capital(s)** | Water Management & Natural and Financial Capital | **Primary Potential Financial Impact** | Reduced revenue due to lower production capacity |
| **The Area where the Risk Occurs** | Singer Refrigerator, TV, A/C and Washing Machine Plant and Beko Egypt Cooking Appliance, Refrigerators and Dishwasher Plant | **Expected Time Horizon** | Medium-term |
| **Related Value Chain Stage** | Direct operations | **Likelihood** | Unlikely |
| **Risk Type** | Acute and Chronic Physical Risk | **Magnitude of Impact** | Low |
| **Primary Risk Driver** | Disruption in production capacity | **Type of Impact** | Anticipated |

# 3. Strategy

### 3.2.3 Climate-Related Physical Risks

#### Risk 1: Water Risk

| **Financial Impact of Risk** | | | |
|---|---|---|---|
| **Estimated Cost of Risk** | **Current Impact:** No financial impact has been observed in the current reporting year.<br><br>**Expected Impact (2030):** TRY 81,027,826 –TRY 93,006,567 | **Estimated Cost of Risk Corresponding Item in the Consolidated Financial Table** | Forecast Value - Operating Profit |

| | | |
|---|---|---|
| **Calculation Rationale** | The cost of risk was estimated based on the potential production loss in 2030 resulting from water scarcity in the relevant basins. | |
| | **Judgements** | • The assessment focuses on manufacturing facilities identified as having relatively higher basin-level water stress and site-level operational water dependency, based on the 2025 water risk assessment under different climate scenarios.<br>• 2030 was chosen as the year to assess financial impacts of water risks, based on scientific forecasts and the Company's sustainability targets.<br>• Potential production losses in 2030 were assessed only for facilities in Bangladesh and Egypt that were identified as having comparatively higher water risk under the pessimistic climate scenario.<br>• A conservative approach was adopted to estimate the potential financial impact of adverse water availability conditions in 2030. In estimating the financial impact for the two manufacturing facilities, campus-wide water demand and potential supplier-level production losses were excluded from the calculation, as they were considered unlikely to result in product loss. |
| | **Assumptions** | • The analysis assumes that currently planned water efficiency, recycling, and reuse measures may partially mitigate, but not fully eliminate, the potential operational impacts of water scarcity.<br>• Production loss estimates assume that water availability constraints may affect manufacturing operations in line with site-specific process water dependency, production plans, and basin-level water stress conditions.<br>• Estimated production loss was derived using facility-specific production plans, process water consumption, and assumptions regarding the duration and severity of water availability constraints.<br>• The potential duration was assumed to be four months based on peak seasonal periods.<br>• Constraint severity was assessed using a water scarcity ratio derived from the WRI Aqueduct Water Risk Atlas, based on water stress, available blue water, and total blue water demand under pessimistic and optimistic scenarios. |
| | **Measurement Uncertainty** | • The estimate is subject to uncertainty related to future water stress conditions, local hydrological developments, and climate pathway assumptions.<br>• Actual impacts may vary depending on the timing, duration, and severity of water shortages, as well as regulatory, infrastructure, and operational conditions.<br>• As these outputs are derived from multi-source water risk indicators and are translated into financial impacts using 2030 revenue per product, the results should be interpreted as scenario-based indicative estimates subject to water risk modelling and financial projection uncertainties. |
| | **Final Calculation** | The water risk assessment considered basin-level indicators such as water scarcity, quality, and stress, together with site-level operational level indicators such as water withdrawal, in collaboration with a third-party expert. It also incorporated internally analyzed 2030 water stress scenarios (RCP 2.6, RCP 4.5 and RCP 8.5), alongside basin-level and site-level findings derived from the WRI Aqueduct Water Risk Atlas and the WWF Water Risk Filter. Based on this analysis, the factories in Bangladesh and Egypt were identified as having comparatively higher water risk. The total financial impact was estimated by applying the water scarcity ratio to annual production volumes, adjusted for process water dependency and the assumed four-month peak season, and multiplying the resulting potential production loss by the 2030 revenue per product. The water scarcity ratio derived from the WRI Aqueduct Risk Atlas was used as the key input variable to estimate production constraints, with pessimistic and optimistic climate-related water risk scenarios providing the minimum and maximum cost-of-risk estimates, respectively. The estimated cost of risk represents the potential cost in 2030, discounted to 2025 present value using the discount rate. |
| | **Methodology Change** | • In the previous year's calculation, the analysis was based on campus-wide water dependency, whereas the current analysis focuses on water used in production.<br>• While the previous calculation was based on the assumed duration of water availability constraints, the current analysis incorporates two climate-related water risk scenarios to estimate the minimum and maximum cost of risk. |

# 3. Strategy

### 3.2.3 Climate-Related Physical Risks

#### Risk 1: Water Risk

| **Financial Impact of Risk** | | | |
|---|---|---|---|
| **Cost of Response to Risk** | **2025:** TRY 162,817,357 | **Cost of Response to Risk Corresponding Item in the Consolidated Financial Table** | Forecast Value - Operating Profit |
| **Calculation Rationale** | The cost of response to risk was calculated based on 2025 operational and capital expenditures related to water stewardship and water-related risk management. While the cost of risk was estimated based on water quantity-related impacts, the cost of response incorporated broader water-related expenditures, in line with the wider water risk framework applied from the outset of the assessment, which considered not only water quantity but also factors such as water quality. While not initiated solely in response to the risk at the factories mentioned, these investments support risk management and reflect the Company's broader strategic approach to staying aligned with stakeholder expectations. | | |
| | **Judgements** | • A conservative approach was adopted by including only 2025 operational and capital expenditures that directly support water stewardship, resilience and related sustainability management actions as relevant response costs within the broader water risk management approach. | |
| | **Assumptions** | • The calculation assumes that the identified 2025 water-related expenditures provide a reasonable proxy for the annual cost of response to basin-level and site-level water risks. | |
| | **Measurement Uncertainty** | • The estimate is subject to uncertainty regarding the allocation of shared sustainability expenditures to water-related response activities, the timing and effectiveness of implementation, and the extent to which these measures will reduce actual operational impacts under future water risk conditions. | |
| | **Final Calculation** | The total cost of response to risk was calculated as the sum of 2025 operational and capital expenditures related to water stewardship and water-related sustainability management, including expenditures supporting water efficiency, monitoring, and improved resilience in all manufacturing operations exposed to water risk. | |
| | **Methodology Change** | The methodology remained unchanged compared to the previous year's analysis; however, certain input variables were updated. | |
| **Mitigating Actions of Risk** | The Company works to identify water risks and invest in initiatives to increase water recycling and reuse, and to reduce water withdrawal. As part of our risk adaptation plans, the Company has set water related targets to reduce water withdrawal per product by 10% by 2030 and 25% by 2040 compared to 2024. Additionally, the Company aims to increase the water recycling and reuse ratio (total recycled and reused water/total water withdrawal) to 25% by 2030, 35% by 2040 across all manufacturing plants, working towards a more closed-loop water system in production. In this regard, the Company leverages the latest technologies to reduce our dependency on the available water in the relevant basins. The Company also encourages our suppliers to set sustainability targets such as ensuring suppliers within 90% of purchasing volume to establish their own sustainability targets on water and emissions by 2030. | | |

# 3. Strategy

## 3.2.4 Climate-Related Opportunities

### Opportunity 1: Energy Efficient Product Portfolio

| Opportunity Description | |
|---|---|
| **Description** | With the growing importance of climate-related risks, consumers' awareness and sensitivity regarding the low carbon footprint is increasing. This leads consumers to demand for energy-efficient household appliances, creating a financial opportunity through higher sales of these product categories. |
| **Company-specific Description** | The rising demand for energy-efficient products offers the Company a strong opportunity to enhance its competitive positioning and drive revenue growth. The Company holds this opportunity since it already has a wide energy-efficient product portfolio and is already making energy-efficient product sales. The Company also had the opportunity of investing in innovation for energy-efficient products with more favorable financing options thanks to green financing. As part of our transition plan and in line with our commitment to the SBTi, we aim to reduce the absolute Scope 1, 2, and 3 emissions from the use of sold products by 42% by 2030 and to reduce Scope 1, 2, and 3 emissions by 90% by 2050, compared to the 2022 base year. To realize these targets, we continue to invest in R&D to improve energy efficiency across our product portfolio. Due to these efforts, the Company also has the opportunity of minimizing additional costs associated with energy-efficient products. This enables the Company to meet evolving market and regulatory demands, maintain cost efficiency, and strengthen customer loyalty—ultimately supporting long-term value creation and profitability. |

| | | | |
|---|---|---|---|
| **Related Material Issue(s) & Capital(s)** | Energy and Water Efficient Products - Natural and Financial Capitals | **Primary Potential Financial Impact** | Increased revenues resulting from increased demand for products and services |
| **The Area Where the Opportunity Occurs** | Our sales countries with Energy Label regulations in the regions of Europe, Asia-Pacific, Africa, America, and the Middle East | **Expected Time Horizon** | In the reporting year |
| **Related Value Chain Stage** | Downstream | **Magnitude of Impact** | High |
| **Primary Opportunity Driver** | Development of new products or services through R&D and innovation | **Type of Impact** | Actual |

# 3. Strategy

### 3.2.4 Climate-Related Opportunities

#### Opportunity 1: Energy Efficient Product Portfolio

| **Financial Impact of Opportunity** | | | |
|---|---|---|---|
| **Estimated Financial Effect of Opportunity** | **Current Impact: TRY 253,288,748,420** | **Estimated Financial Effect of Opportunity Corresponding Item in the Consolidated Financial Table** | Net sales |

| | | |
|---|---|---|
| **Calculation Rationale** | The purpose of this calculation is to assess the potential revenue or financial effects arising from energy-efficient product portfolio. | |
| | **Judgements** | • The “allowable” energy class has been determined based on energy labeling defined by country-specific regulations. “Allowable” refers to the lowest energy class allowed in the market.<br>• Energy-efficient products are classified as those above the allowable energy class.<br>• Energy labeling systems across different markets have been assumed to be comparable.<br>• The relevant product groups include dishwashers, washing machines, refrigerators, freezers, tumble dryers, washer dryers, televisions, ovens, hoods, air conditioners, household heaters, and heat pumps. For household heaters and heat pumps, EU regulations have been taken into account regardless of the country in which they are sold. For all other product categories, country-specific energy labels and the product groups listed under the Sector-Specific Metrics section of the Report have been considered. For detailed information regarding the markets and energy labels included in the turnover from energy-efficient products, please refer to the Sector-Specific Metrics section of the Report. |
| | **Assumptions** | • The analysis has been carried out by considering:<br>  ◦ country-specific energy labels in markets where energy classifications are available, and<br>  ◦ EU energy labels and the Energy Star program in markets where such classifications are not available.<br>• Demand for energy-efficient products has been represented by the preference for products above the allowable energy class. |
| | **Measurement Uncertainty** | • Differences and inconsistencies across country-specific energy labels and regulations.<br>• Accuracy of sales data and potential errors in product-level data classification. |
| | **Final Calculation** | The financial impact has been calculated based on the sales of energy-efficient products that are above the “allowable” energy class, as defined by applicable energy regulations in the relevant markets. In this context, product-level sales data determined in accordance with market-specific energy labels and regulatory frameworks have been used. The resulting financial impact is equal to the Company’s total turnover generated from energy-efficient products in the 2025 financial year. |
| | **Methodology Change** | • The methodology has been updated in line with changes in energy classification across markets. For the 2025 financial year, this update reflects:<br>  ◦ the exclusion of energy class E under the EU energy labeling framework from being considered as energy-efficient, and<br>  ◦ the transition in energy labeling for tumble dryers.<br>• As a result of these changes, a decrease has been observed in the financial impact calculated from energy-efficient products compared to the previous year. |

# 3. Strategy

## 3.2.4 Climate-Related Opportunities

### Opportunity 1: Energy Efficient Product Portfolio

| **Financial Impact of Opportunity** | | | |
|---|---|---|---|
| **Cost to Realize Opportunity** | **2025:** TRY 1,713,481,976 | **Cost to Realize Opportunity Corresponding Item in the Consolidated Financial Table** | Research and development expenses, Cash outflows from purchases of property, plant and equipment and intangible assets |

| | | |
|---|---|---|
| **Calculation Rationale** | The purpose of this calculation is to assess the potential cost impacts associated with responding to opportunities arising from energy-efficient product portfolio. | |
| | **Judgements** | • It has been assessed that aligning the Company's product portfolio with the increasing demand for energy-efficient products may create a potential financial opportunity.<br>• R&D expenditures and investments have been considered as relevant cost components for realizing this opportunity.<br>• It has been determined that these expenditures are not solely driven by this specific opportunity, but also form part of the Company's broader sustainability strategy and targets. |
| | **Assumptions** | • Continuous R&D spending and investment are required to improve energy performance and meet the growing demand for energy-efficient products, and these expenditures include both products developed in the 2025 financial year as well as those planned for future years.<br>• Investments have been considered based on cash flow values.<br>• These expenditures are assumed to support both opportunity realization and overall strategic alignment, rather than being initiated solely for this specific opportunity. |
| | **Measurement Uncertainty** | • Potential limitations in the allocation of R&D expenditures and investments specifically to energy-efficient product development<br>• Uncertainty regarding the extent to which these investments directly contribute to the realization of the identified financial opportunity<br>• Variability in future market demand for energy-efficient products |
| | **Final Calculation** | The cost of realizing this opportunity has been determined based on the Company's total R&D expenditures and investments made during the 2025 financial year that support the development and production of energy-efficient products. These expenditures include both current and forward-looking investments and are presented on a cash flow basis. |
| | **Methodology Change** | • The methodology remained unchanged compared to the previous year's analysis. |

# 3. Strategy

### 3.2.4 Climate-Related Opportunities

#### Opportunity 2: Renewable Energy Investment

| Opportunity Description | |
|---|---|
| **Description** | Reducing Scope 1 and 2 emissions by establishing renewable energy systems is a strategic approach to mitigating a possible higher cost associated with grid electricity and green electricity certificates. |
| **Company-specific Description** | The Company aims to reduce our environmental impact from energy use through dedicated energy initiatives, including establishing renewable energy systems as well as purchasing green electricity certificates. The Company is advancing its renewable energy transition by targeting the installation of systems with a capacity of 100 MWp by 2030 and reaching 110 MWp by 2040. In parallel, the Company plans to use 100% green electricity by 2030 in all countries where it has production facilities. Therefore, expanding the installed capacity of renewable energy systems is expected to reduce the Company's dependence on grid electricity and lower the cost of purchasing green electricity certificates. |

| | | | |
|---|---|---|---|
| **Related Material Issue(s) & Capital(s)** | Climate Action & Natural Capital | **Primary Potential Financial Impact** | Reduced operating costs through avoided grid electricity purchases and lower green electricity certificate expenditure. |
| **The Area where the Opportunity Occurs** | At 16 manufacturing facilities in different countries including Türkiye, Romania, South Africa, Pakistan and offsite renewable energy sites. | **Expected Time Horizon** | In the reporting year |
| **Related Value Chain Stage** | Direct operations | **Magnitude of Impact** | Medium-low |
| **Primary Opportunity Driver** | Use of low-carbon energy sources | **Type of Impact** | Actual |

# 3. Strategy

### 3.2.4 Climate-Related Opportunities

#### Opportunity 2: Renewable Energy Investment

| **Financial Impact of Opportunity** | | | |
|---|---|---|---|
| **Estimated Financial Effect of Opportunity** | **Current Impact:** TRY 427,354,677 | **Estimated Financial Effect of Opportunity Corresponding Item in the Consolidated Financial Table** | Forecast Value - Operating Profit |

| | | |
|---|---|---|
| **Calculation Rationale** | In 2025, the Company realized cost savings through electricity generated by its installed renewable energy systems, which reduced both grid electricity purchases and the need to procure green electricity certificates. | |
| | **Judgements** | • The financial effect was assessed based on avoided grid electricity purchases and avoided green electricity certificate procurement attributable to electricity generated from the Company's renewable energy systems during the reporting year.<br>• The financial effect of the opportunity was assessed only for the reporting year. |
| | **Assumptions** | • Electricity generation volumes, applicable site-level grid electricity tariffs, and green electricity certificate prices used in the calculation are assumed to be representative for the reporting period and are based on available internal operational and procurement data. |
| | **Measurement Uncertainty** | • The estimate is subject to uncertainty due to potential variations in actual generation performance, site-specific consumption patterns, electricity tariff changes, certificate market prices, and the allocation of avoided costs across facilities.<br>• Extending the estimate beyond the reporting year is subject to uncertainty due to variability in future electricity prices across countries and the dependence of renewable energy generation on site-specific solar irradiation conditions. |
| | **Final Calculation** | • The estimated financial effect was calculated by multiplying the electricity generated from renewable energy systems during the reporting year by the applicable avoided grid electricity cost per kWh and adding the avoided cost of green electricity certificates for the equivalent volume of electricity. |
| | **Methodology Change** | • The methodology remained unchanged compared to the previous year's analysis |

# 3. Strategy

### 3.2.4 Climate-Related Opportunities

#### Opportunity 2: Renewable Energy Investment

<table>
<tr><th colspan="4">Financial Impact of Opportunity</th></tr>
<tr><td>Cost to Realize Opportunity</td><td colspan="2">2019-2025: TRY 1,823,928,229*</td><td>Cost to Realize Opportunity Corresponding Item in the Consolidated Financial Table</td><td>General administrative expenses, Cash outflows from purchases of property, plant and equipment and intangible assets</td></tr>
<tr><td rowspan="6">Calculation Rationale</td><td colspan="3">In order to seize the opportunity of cost saving, Arçelik needs to realize the planned renewable energy investments. Therefore, the Company has been implementing renewable energy systems since 2019. The cost to realize opportunity is equal to the Company’s investment in renewable energy for the<br>period 2019-2025. While not initiated solely in response to this specific opportunity, these investments support risk management and reflect the Company’s broader strategic approach to staying aligned with stakeholder expectations.<br><br>*For 2025 financial investments, reference should be made in the 2025 Annual Report. For prior years, the corresponding line items should be reviewed in the respective annual reports. Additionally, 2023, 2024, and 2025 figures have been indexed to reflect purchasing power at the reporting date with the application of IAS 29 Financial Reporting in Hyperinflationary Economies.</td></tr>
<tr><td>Judgements</td><td colspan="3">• The cost to realize the opportunity was assessed as the capital expenditure directly attributable to renewable energy system investments made to support the Company’s decarbonization roadmap and related energy cost-saving objectives.</td></tr>
<tr><td>Assumptions</td><td colspan="3">• Investment amounts included in the estimate are assumed to relate to eligible renewable energy projects, to be recorded consistently across reporting periods, and to reflect actual cash outflows or inflation-adjusted comparable values where applicable.</td></tr>
<tr><td>Measurement Uncertainty</td><td colspan="3">• The estimate is subject to uncertainty due to project scope changes, timing differences in capitalization, inflation indexation effects, exchange rate fluctuations for imported equipment, and the allocation of multi-purpose investments across sites or programs.</td></tr>
<tr><td>Final Calculation</td><td colspan="3">The cost to realize the opportunity was calculated for renewable energy system investments during 2019–2025, adjusted where applicable in line with IAS 29 to reflect purchasing power at the reporting date.</td></tr>
<tr><td>Methodology Change</td><td colspan="3">• The methodology remained unchanged compared to the previous year’s analysis.</td></tr>
</table>

# 3. Strategy

### 3.2.4 Climate-Related Opportunities

#### Opportunity 3: Products with Reduced Water Consumption

| Opportunity Description | |
|---|---|
| **Description** | With the increasing pressure on water resources driven by climate change, urbanization, and regulatory developments, consumer awareness and sensitivity regarding water consumption are growing. This shift leads consumers to prefer household appliances with reduced water consumption, creating a financial opportunity through increased demand and higher sales of these product categories. |
| **Company-specific Description** | The increasing demand for products with reduced water consumption provides the Company with an opportunity to strengthen its competitive position and drive revenue growth. The Company is well positioned to capture this opportunity thanks to its existing portfolio of products with reduced water consumption and ongoing investments in R&D and water efficiency improvements, supported by access to sustainable financing. These efforts enable the Company to meet evolving regulatory and consumer expectations, maintain cost efficiency, enhance customer loyalty, and support long-term value creation. |

| | | | |
|---|---|---|---|
| **Related Material Issue(s) & Capital(s)** | Energy and Water Efficient Products - Natural and Financial Capitals | **Primary Potential Financial Impact** | Increased revenues resulting from increased demand for products and services |
| **The Area Where the Opportunity Occurs** | Europe, Türkiye and MENA Regions | **Expected Time Horizon** | In the reporting year |
| **Related Value Chain Stage** | Downstream | **Magnitude of Impact** | Medium-high |
| **Primary Opportunity Driver** | Development of new products or services through R&D and innovation | **Type of Impact** | Actual |

# 3. Strategy

### 3.2.4 Climate-Related Opportunities

#### Opportunity 3: Products with Reduced Water Consumption

| **Financial Impact of Opportunity** | | | |
|---|---|---|---|
| **Estimated Financial Effect of Opportunity** | **Current Impact:** TRY 1,747,187,712 | **Estimated Financial Effect of Opportunity Corresponding Item in the Consolidated Financial Table** | Net sales |

| | | |
|---|---|---|
| **Calculation Rationale** | The purpose of this calculation is to assess the potential revenue or financial effects arising from products with reduced water consumption. | |
| | **Judgements** | • Products with reduced water consumption are defined as products that incorporate technologies such as AutoDose, EcoWater, SaveWater and Water Monitoring in washing machines, and fast programs, door-opening drying, PowerIntense and SaveWater technologies in dishwashers.<br>• These technologies are designed to reduce water consumption during the use phase and deliver measurable water savings. |
| | **Assumptions** | • The analysis has been carried out by comparing products incorporating water-saving technologies with equivalent baseline products from the Company’s own portfolio that do not include these technologies.<br>• Water consumption comparisons are based on liters per cycle values as defined in the EU energy label methodology.<br>• Demand for products with reduced water consumption has been represented by consumer preference for products incorporating these water-saving technologies.<br>• The analysis covers only the Company's own brands.<br>• Other regional water-efficiency labeling schemes have not been included in the scope. |
| | **Measurement Uncertainty** | • Variations in water consumption performance depending on user behavior and operating conditions.<br>• Accuracy of sales data and potential errors in product-level data classification. |
| | **Final Calculation** | • The financial impact has been calculated based on the sales of products with reduced water consumption, defined as products incorporating water-saving technologies in washing machines and dishwashers. The resulting financial impact is equal to the Company’s total turnover generated from these products in the 2025 financial year. |
| | **Methodology Change** | • The methodology remained unchanged compared to the previous year’s analysis. |

# 3. Strategy

### 3.2.4 Climate-Related Opportunities

#### Opportunity 3: Products with Reduced Water Consumption

| **Financial Impact of Opportunity** | | | |
|---|---|---|---|
| **Cost to Realize Opportunity** | **2025:** TRY 115,787,778 | **Cost to Realize Opportunity Corresponding Item in the Consolidated Financial Table** | Research and development expenses, Cash outflows from purchases of property, plant and equipment and intangible assets |

| | | |
|---|---|---|
| **Calculation Rationale** | The purpose of this calculation is to assess the potential cost impacts associated with responding to opportunities arising from products with reduced water consumption. | |
| | **Judgements** | • It has been assessed that aligning the Company's product portfolio with the increasing demand for products with reduced water consumption may create a potential financial opportunity.<br>• R&D expenditures and investments have been considered relevant cost components for realizing this opportunity.<br>• It has been determined that these expenditures are not solely driven by this specific opportunity but also form part of the Company's broader resource efficiency Strategy. |
| | **Assumptions** | • Continuous R&D spending and investment are required to improve water efficiency performance and meet the growing demand for products with reduced water consumption, and these expenditures include both products developed in the 2025 financial year as well as those planned for future years.<br>• Investments have been considered based on cash flow values.<br>• These expenditures are assumed to support both opportunity realization and overall strategic alignment, rather than being initiated solely for this specific opportunity. |
| | **Measurement Uncertainty** | • Potential limitations in the allocation of R&D expenditures and investments specifically to the development of products with reduced water consumption.<br>• Uncertainty regarding the extent to which these investments directly contribute to the realization of the identified financial opportunity.<br>• Variability in future market demand for products with reduced water consumption. |
| | **Final Calculation** | The cost of realizing this opportunity has been determined based on the Company's total R&D expenditures and investments made during the 2025 financial year that support the development and production of products with reduced water consumption. These expenditures include both current and forward-looking investments and are presented on a cash flow basis. |
| | **Methodology Change** | • The methodology remained unchanged compared to the previous year's analysis. |

# 3. Strategy

### 3.2.4 Climate-Related Opportunities

#### Opportunity 4: Sustainable Financing

| Opportunity Description | |
|---|---|
| **Description** | Sustainable financing instruments, such as green bonds and sustainability-linked loans, present an opportunity to drive capital toward environmentally and socially responsible projects while enhancing long-term financial resilience. |
| **Company-specific Description** | We benefit from a EUR 500 million green financing consisting of a EUR 350 million green bond and an EUR 150 million green loan with better borrowing conditions. With the Green Bond, we finance Eligible Green Projects including energy-efficient, eco-efficient, and circular economy-adapted products and the promotion of energy efficiency in production. The proceeds support the Company's investments in energy- and water-efficient products, energy efficiency in production, sustainable water and wastewater management, pollution control and prevention, renewable energy, and green building initiatives. With a green loan from EBRD, we implement projects aimed at achieving net-zero emissions in the value chain by 2050 through the financing of environmental sustainability and R&D projects. The green financing provided to the Company demonstrates investors and financial institutions' confidence in its ability to execute its green transformation strategy, enabling access to better financing conditions with reduced interest rates compared to conventional financing instruments. It also strengthens our business model by supporting sustainable product development and operational efficiency.<br>In addition, the Company has secured a EUR 100 million Sustainability-Linked Loan (SLL) from IFC. This loan agreement reinforces the Company's commitment to integrating sustainability across its entire value chain and accelerating innovation in energy-efficient technologies. Structured under the Company's Sustainability-Linked Finance Framework, the five-year facility is directly linked to the Company's 2030 targets, including reducing greenhouse gas emissions and increasing female employment. |

| | | | |
|---|---|---|---|
| **Related Material Issue(s) & Capital(s)** | Sustainable Financing - Financial Capital | **Primary Potential Financial Impact** | Increased access to capital at lower/more favorable rates |
| **The Area Where the Opportunity Occurs** | The corporate level, covering all operations except Joint Ventures | **Expected Time Horizon** | In the reporting year |
| **Related Value Chain Stage** | Upstream, Own Operations, Downstream | **Magnitude of Impact** | Low |
| **Primary Opportunity Driver** | Access to favorable financing conditions | **Type of Impact** | Actual |

# 3. Strategy

### 3.2.4 Climate-Related Opportunities

#### Opportunity 4: Sustainable Financing

| **Financial Impact of Opportunity** | | | |
|---|---|---|---|
| **Estimated Financial Effect of Opportunity** | **Current Impact:** TRY 118,268,715 | **Estimated Financial Effect of Opportunity Corresponding Item in the Consolidated Financial Table** | Forecast Value - Financing expenses |

| | | |
|---|---|---|
| **Calculation Rationale** | The purpose of this calculation is to assess the potential financial effects arising from sustainable financing. | |
| | **Judgements** | • Sustainable financing instruments (e.g., green bonds/loans, sustainability-linked loans) are assessed as comparable funding tools to conventional credit facilities in terms of purpose and maturity, with the primary difference being their preferential pricing linked to sustainability performance or use-of-proceeds criteria.<br>• Financial benefits are defined as the realized interest rate advantage obtained from green and sustainability-linked financing instruments compared to conventional financing alternatives. In sustainability-linked financing, only the interest rate benefit achieved upon the fulfillment of predefined sustainability performance targets is considered.<br>• The analysis focuses on the financial benefit realized in 2025 from both existing green financing instruments and sustainability-linked financing structures. It includes ongoing benefits from green financing instruments originated in prior years, as well as benefits from sustainability-linked financing instruments linked to 2025 performance outcomes. |
| | **Assumptions** | • The calculation is based on the financing amount utilized under sustainability-linked financing instruments within the 2025 financial year, rather than the total committed sustainable financing amount.<br>• The interest rate comparison assumes that at least one sustainability performance target is met, in line with the pricing structure of the sustainability-linked financing instruments.<br>• Interest rate benchmarks for conventional financing are estimated based on available internal benchmarks,<br>• Financing volumes, tenors, and drawdown structures remain consistent between green and conventional scenarios for comparability.<br>• Hypothetical or unexecuted financing options are not considered. |
| | **Measurement Uncertainty** | • Interest rate benchmarks for conventional financing are based on internal estimates and may vary depending on timing, market conditions, and funding sources.<br>• For sustainability-linked financing instruments, the realized benefit depends on the actual achievement of sustainability performance targets; therefore, any deviation in target outcomes would directly impact the calculated savings. |
| | **Final Calculation** | • Based on these judgements, assumptions, and measurement uncertainties, the calculated financial impact represents the savings achieved by the Company in 2025 through the use of sustainable financing compared to conventional financing alternatives. |
| | **Methodology Change** | • The methodology remained unchanged compared to the previous year's analysis. The financial impact of the sustainability-linked loan obtained in 2025 has been included compared to the previous year. |

# 3. Strategy

## 3.2.4 Climate-Related Opportunities

### Opportunity 4: Sustainable Financing

| **Financial Impact of Opportunity** | | | |
|---|---|---|---|
| **Cost to Realize Opportunity** | **2021-2024:** TRY 1,622,656 | **Cost to Realize Opportunity Corresponding Item in the Consolidated Financial Table** | General administrative expenses* |

| | | |
|---|---|---|
| **Calculation Rationale** | The purpose of this calculation is to assess the potential cost impacts associated with responding to opportunities arising from sustainable financing. | |
| | **Judgements** | • Audit and Second Party Opinion (SPO) services are assessed as direct cost elements linked to the realization of the opportunity, as they are required to fulfill the obligations associated with green bond, green loan, and sustainability-linked loan instruments.<br>• It has been determined that SPO and verification/audit expenses incurred during the 2021–2024 period should be included within the scope, as these costs are recurring and necessary for maintaining the use and credibility of sustainable financing instruments. |
| | **Assumptions** | • Only audit services related to sustainability-linked financial instruments have been considered. It is assumed that all associated costs are directly attributable to the verification of use-of-proceeds and compliance requirements of these financial instruments. |
| | **Measurement Uncertainty** | • Changes in accounting policies or cost classification across reporting periods may affect comparability.<br>• Nominal cost differences may arise due to foreign exchange fluctuations and inflationary impacts over the assessment period. |
| | **Final Calculation** | • The total cost incurred to realize the opportunity has been calculated as the sum of SPO and audit service expenses recorded between 2021 and 2024. |
| | **Methodology Change** | • The methodology remained unchanged compared to the previous year's analysis. However, the SPO service fee incurred in 2024 for the sustainability-linked loan obtained in 2025 has been incorporated into the calculation. |

**For 2024 financial expenses, 'General administrative expenses' item should be considered in 2024 Annual Report, while for the 2021-2023 expenses, 'General administrative expenses' in the financial statements of the other years should be reviewed.*

# 3. Strategy

## 3.3 Resilience and Business Continuity Management

### 3.3.1 Resilience

Establishing a business model resilient to the risks and opportunities arising from climate change has been identified as one of Arçelik's priority strategic objectives. Accordingly, the Company assesses its resilience to the possible effects of sustainability-related risks and opportunities on its strategy and business model, within the framework of its defined classifications, across short-, medium- and long-term time horizons, on an annual basis. The methodological basis of the resilience analysis is shaped by the Company's past operational experience, sector benchmarking data, customer and stakeholder feedback, and current reporting frameworks, primarily TSRS. The financial implications of preventive activities carried out and planned in relation to identified risks are also taken into account within the scope of the analysis.

These assessments cover the Company's capacity to adapt, sustain its operations and recover from physical and transition risks that may arise from climate change, as well as other shocks that could cause operational disruptions, while also supporting strategic decision-making processes and contributing to the continuous strengthening of operational agility. In this context, physical and transition risks have been integrated into the Company's enterprise risk management processes; short, medium and long-term impact assessments are conducted, and the resulting findings are reflected in operational processes and strategic planning mechanisms.

In addition, the impacts of the climate-related risks and opportunities described in the report on the Company's business model, operations and value chain are taken into account within the scope of the resilience assessments. The findings from these assessments contribute to shaping the Company's climate targets, decarbonization roadmap and related strategic actions, and support the integration of climate-related matters into decision-making processes and long-term strategic planning. At the same time, the assessment results are used as input in determining investment priorities and developing actions to enhance operational resilience.

Findings from scenario analyses and resilience assessments are used to assess the potential impacts of climate-related matters such as energy costs, carbon regulations, supply chains and access to natural resources on the Company, and support the shaping of relevant management actions. In this context, climate-related matters such as potential increases in energy costs, the effects of carbon regulations and pressures on water resources are assessed and integrated into long-term strategic planning processes.

Within the scope of physical climate risk assessments, operations in regions with water stress risk are also taken into account; water efficiency and water management projects carried out at the relevant facilities are considered among the practices aimed at enhancing operational resilience. The findings obtained in this context support the shaping of actions and investment plans for the sustainable use of water resources.

As with the report as a whole, the resilience assessment also involves certain areas of uncertainty and assumptions; the main uncertainties in this context are the inherent uncertainty that long-term projections carry due to the nature of climate scenarios, the variability of transition risks depending on the evolution of global and national policy and regulatory frameworks, and fluctuations in global commodity and energy markets. Resilience assessments are addressed together with scenario analyses in order to analyze the potential impacts that may arise under different climate scenarios and to develop strategic responses for managing these impacts. Scenario analysis is used as one of the key analytical tools in the assessment process; details of these analyses are presented in the “Scenario Analysis” section of the report.

### 3.3.2 Business COntinuity Management

Phase 1 of the Business Continuity Project, carried out in accordance with the ISO 22301 Standard to ensure that products and services of the Head Office and pilot plants and subsidiaries can continue at an acceptable level following a possible disruption, has been completed. Within the scope of the project, the aim is to manage unexpected business disruptions and crises quickly and effectively within the framework of emergency, crisis management and business recovery management plans, and to ensure business continuity by mitigating the impacts that such events would have on the Company's facilities, operations, financials, reputation and stakeholders. In this context, it is also aimed to ensure effective internal and external stakeholder communication, as well as the effective and timely use of resources, in a crisis environment.

With the Eskişehir Plant as the pilot, three separate risk scenarios, including earthquake risk, were studied, and potential losses, investment amounts and the Plant's recovery timelines were determined; studies were carried out on suppliers' turnover, availability of alternatives and financial position, and a supplier risk matrix was created based on critical commodity groups. The insurance maturity levels of our critical suppliers, in terms of reducing their own risks, were determined through survey studies conducted with selected suppliers, and the necessary actions were ensured to be taken within the scope of contract management. In the case of the Bolu Plant, a production redundancy strategy was developed, and alternative production facilities for the critical product range were identified on a country and plant basis in the event of a potential disaster. Within the scope of the Business Continuity Project, training and drills are being conducted under the leadership of Enterprise Risk with the relevant teams on Business Continuity, Emergency Coordination, operational risks and Occupational Safety.

In addition to the Eskişehir Plant, the critical product range has been identified for all of our Bolu, Ankara, Manisa, Çerkezköy and Beylikdüzü plants, the Critical Suppliers within the scope of these products have been identified, and survey studies have been carried out. Based on these survey results, risk ratings were carried out primarily for fire and earthquake risk, as well as occupational health and safety and other disaster

risks, and our highest-risk suppliers were placed on the risk matrix. Falckon was engaged to conduct fire inspections for these companies, and fire inspections were carried out through site visits.

Within the scope of earthquake risks, location-based risk analysis was carried out using the Swiss Re infrastructure, and the necessary documentation (core sample analyses, MAWM reports, etc.) was obtained from the companies and shared with our earthquake-expert civil engineer at the Beko Structural Equipment Directorate to analyze the structural elements of earthquake-risk companies, with site visits carried out together with category managers from our Purchasing unit. Based on the resulting reports, companies found to have weak preparedness for fire and earthquake risks have been given a deadline. This period will end within 2026, and a briefing presentation will be made to senior management together with the final reports. For companies unable to improve their conditions, senior management approval will be sought for cost analyses relating to either accepting the risk or replacing them with alternative companies.

Activities within the framework determined for the improvement of our plants in terms of disaster risks are ongoing in the project and field work carried out; field activities at the Sütlüce General Management have been concluded, and it has been reported that the remaining work in Bolu, Çayırova and Manisa, as well as the Adana warehouse, will continue until 2027.

# 4. Risk Management

4.1 Climate-Related Risk and Opportunity Management
4.2 Identifying, Assessing, Prioritizing, Monitoring and Reviewing Climate-Related Risks and Opportunities
- 4.2.1 Risk and Opportunity Identification
- 4.2.2 Risk and Opportunity Assessment
- 4.2.3 Risk and Opportunity Prioritization
- 4.2.4 Risk and Opportunity Monitoring
- 4.2.5 Risk and Opportunity Review

# 4. Risk Management

## 4.1 Climate-Related Risk and Opportunity Management

The Company identifies sustainability and climate-related impacts, dependencies, vulnerabilities, risks and opportunities through a systematic process that takes into account global, regional and sectoral developments, regulatory changes, climate scenarios, scientific data and stakeholder expectations. Climate-related risks and opportunities are defined, assessed, analyzed using quantitative and qualitative methods, and integrated into enterprise risk management processes in line with the IFRS S1 and IFRS S2 standards issued by the International Sustainability Standards Board (ISSB) and the Türkiye Sustainability Reporting Standards (TSRS) issued by the Public Oversight, Accounting and Auditing Standards Authority (KGK).

The Company assesses sustainability and climate-related risks and opportunities in terms of their impact on strategic targets, their potential effects on financial results, and their long-term value-creation capacity; it treats the management of these risks and opportunities as an integral part of its enterprise risk management framework.

## 4.2 Identifying, Assessing, Prioritizing, Monitoring and Reviewing Climate-Related Risks and Opportunities

The Board of Directors (BoD) plays a critical role in overseeing and guiding the Company's enterprise risk management framework. In order to protect shareholder value and ensure the Company's long-term sustainability, the BoD influences strategic planning, investment decisions and operational management by ensuring the effective identification, assessment, prioritization and management of sustainability and climate-related risks and opportunities.

The BoD ensures the implementation of a formal, structured approach within the Company for identifying, assessing, managing and monitoring risks and opportunities. The Board approves the enterprise risk management strategy and ensures that the necessary processes and resources are in place for the effective management of risks. The Company maintains a detailed Gross Risk Universe and Risk Scorecard for identified risks.

### 4.2.1 Risk and Opportunity Identification

The Company identifies climate-related risks and opportunities through a comprehensive approach that includes monitoring existing and emerging regulations, assessing regulatory developments in the countries where it operates, and using scenario analyses. In this process, sector-based guidance, such as the SASB Standards and the appendices of KGK's TSRS 2 Sector-Based Implementation Guide, Volume 2 – Appliance Manufacturing, is also taken into account to ensure that assessments reflect matters that are material to the sector.

The Board of Directors is responsible for overseeing the governance framework relating to the identification, assessment and effective management of sustainability and climate-related risks and opportunities, and ensures that climate-related matters are integrated into strategic decision-making processes in a manner that supports the Company's long-term resilience, sustainable growth and stakeholder value.

This process is supported by internal and external evidence, such as risks and uncertainties taken into account in budgeting and investment decisions, changes in customer, supplier or financial regulations, sector disclosures, country-specific outlooks, and emerging topics highlighted in sustainability reporting standards. Scenario analyses are also used as part of this assessment process, contributing to the identification and prioritization of climate-related risks and opportunities by evaluating the impacts that may arise under different climate and transition scenarios.

Identified climate-related transition risks, physical risks and opportunities are assessed within the scope of the Enterprise Risk Management methodology, and are classified, monitored and managed within the Gross Risk Universe and Risk Scorecard, taking into account the outputs of scenario analyses. This process covers all of the Company's production facilities, office locations and significant value chain activities (including upstream suppliers and downstream distribution).

### 4.2.2 Risk and Opportunity Assessment

Identified sustainability and climate-related risks and opportunities are quantified using the scenario analyses, assumptions, stress tests and other forward-looking assessment methods described in the “Scenario Analyses” section of this Report.

These assessments also take into account the financial, operational, strategic and reputational impacts that may arise under different climate scenarios. Where appropriate, quantified risks and estimates of related mitigation or adaptation costs are integrated into the Company's financial planning, including budgets, investment evaluations and general business decisions. These impacts may be expressed as changes in projected cash flows, or as adjustments to discount rates or expected returns. In addition, the financial impacts of risks and opportunities are quantitatively assessed where appropriate, and cost-benefit analyses are conducted for mitigation, adaptation and transformation investments.

Scenario analyses enable the Company to examine different possible future pathways, assessing the resilience of its strategy and operations. Through the application of these sustainability and climate-related scenarios, the Company identifies and assesses both transition and physical sustainability and climate risks and opportunities across its operations and value chain. Through these analyses, the Company assesses the resilience of its business model, operations and value chain under different climate and sustainability conditions, while also analyzing emerging new opportunities.

These efforts are documented as Risk Reports and made available to relevant stakeholders through the shared “Risk Tracker” Teams Channel and the Quality Management Portal (QDMS). The results of the analyses are used as input in budgeting, capital investment evaluations, strategic planning and

business decision-making processes.

↗ For further information, please refer to the Climate-Related Risks and Opportunities section of the Report.

### 4.2.3 Risk and Opportunity Prioritization

The Company prioritizes risks, including sustainability and climate-related risks and opportunities, based on their potential impacts, likelihood of occurrence, time horizons, rate of change and strategic significance.

In the assessment process, qualitative indicators such as expert opinions, stakeholder expectations and regulatory developments are used, together with financial impact analyses, emission projections, scenario outputs and other relevant metrics. Risks and opportunities are scored in accordance with the defined methodology and recorded in the Risk Scorecard.

The Company treats sustainability and climate-related risks and opportunities as critical topics due to their impact on long-term strategic objectives, and addresses them with a holistic approach within the enterprise risk portfolio, alongside financial, strategic, operational and compliance risks.

The prioritization process is based on the risk appetite and risk tolerance levels approved by the Board of Directors, ensuring that decision-making processes are carried out in line with the Company's strategy and within acceptable risk levels.

↗ For further information, please refer to the Climate-Related Risks and Opportunities section of the Report and the Enterprise Risk Matrix.

### 4.2.4 Risk and Opportunity Monitoring

Prioritized sustainability and climate-related risks and opportunities are regularly monitored and reported within the scope of Enterprise Risk Management processes. Significant climate risks and opportunities included in the Company's risk inventory are reviewed at least once a year, or more frequently if significant developments arise.

As part of monitoring activities, changes in risk levels, the effectiveness of defined action plans, and performance indicators relating to the progress of adaptation and mitigation efforts are assessed. Risk scores, scenario assumptions and action plans are updated where necessary.

Monitoring of climate-related risks and opportunities is integrated into strategic planning, investment management, operational processes and performance management mechanisms, supporting a timely response to emerging changes. As of 2025, it can be seen that ESG risks and opportunities were assessed four times at the Board-level Risk Management Committee and reflected in the relevant meeting minutes.

### 4.2.5 Risk and Opportunity Review

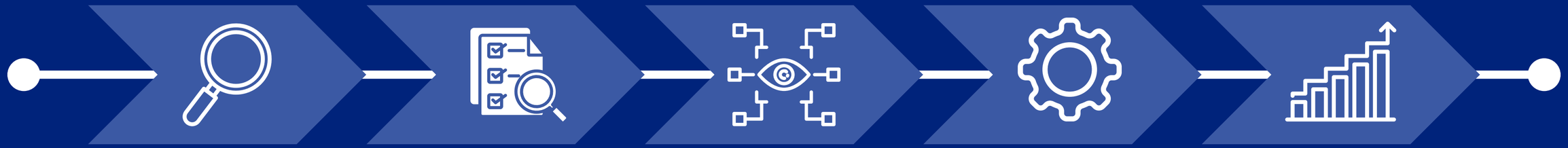
In line with ISO 31000 and a continuous improvement approach, the Company regularly reviews and develops its sustainability and climate-related risk and opportunity management processes.

Relevant assessments are redone as a result of significant regulatory changes, market developments, technological transformations, stakeholder expectations, or newly emerging risks; the currency, significance and management approaches of risks and opportunities are reviewed.

Through this approach, the Company aims to increase its capacity to adapt to changing sustainability and climate conditions, strengthen its corporate resilience, and support long-term value creation.

# 4. Risk Management

## 4.1 Climate-Related Risk and Opportunity Management



Risk and opportunity identification

Risk and opportunity assessment

Risk and opportunity prioritization

Risk and opportunity monitoring

Risk and opportunity review

# 5. Metrics and Targets


5.1 Environmental Management
5.2 Decarbonization Targets and Climate Transition Plan
5.2.1 2050 Net Zero Commitment in Line with the Science Based Targets initiative Corporate Net-Zero Standard
5.2.1.1 Our Net Zero Roadmap
5.2.2 Our Net Zero Roadmap in Detail
5.2.3 Net Zero Roadmap Alignment with Strategy
5.3 Greenhouse Gas Emissions
5.4 Internal Carbon Pricing Mechanism: Shadow Price
5.5 Climate-Related Targets
5.5.1 Climate-Related Targets
5.6 Sector-Specific Metrics
5.6.1 TSRS Volume 2 – Appliance Manufacturing
5.7 Sustainable Financing
5.7.1 Environmental Investments and Expenditures
5.7.2 Sustainable Finance Instruments
5.7.2.1 Green Bond
5.7.2.2 Green Loan
5.7.2.3 Sustainability-Linked Financing Framework

# 5. Metrics and Targets

## 5.1 Environmental Management

We manage our environmental impacts within the framework of international management standards integrated with the ISO 9001 Quality Management System, primarily the ISO 14001 Environmental Management System and the ISO 50001 Energy Management System. The effectiveness and continuity of our management systems is ensured through regular Internal System Controls and audits carried out by independent, internationally accredited audit organizations.

All of our production facilities are subject to comprehensive environmental risk assessments covering key operational dimensions, in compliance with environmental legislation. These assessments enable the identification of potential environmental impacts and associated risks on a facility basis. Our activities are carried out in compliance with ISO 14001 standards and are systematically managed on daily, monthly and annual cycles. This approach allows environmental risks to be systematically identified, assessed and managed within a continuous improvement cycle. Based on these assessments, response plans are developed and implemented to mitigate identified risks. This systematic process ensures that environmental concerns are integrated into all of our operations.

Our Company's greenhouse gas emissions are classified and calculated in accordance with the Greenhouse Gas Protocol, and are subject to a limited assurance engagement in accordance with the AES 3410 standard. The physical effects of the climate crisis, such as heat waves, drought, wildfires, sea-level rise and floods, are becoming increasingly widespread around the world. In addition to these devastating risks, urgent action is also needed to adapt to policy and regulatory changes.

We are taking steps to limit global warming to 1.5 degrees. In line with this target, we are making significant investments in energy efficiency and renewable energy in production, increasing renewable energy generation at our own facilities, and purchasing green electricity to further reduce greenhouse gas emissions. In addition, we are carrying out intensive R&D investments to develop energy-efficient products in order to reduce the greenhouse gas emissions arising from the use of our products. At the same time, we are assessing our operations and assets against climate-related physical hazards and transition risks, and conducting relative sensitivity analyses. This work has shown that we currently have no assets or activities that could be considered incompatible with a climate-neutral economy.

Effective environmental management, together with adaptation to and mitigation of the effects of climate change, is among our core priorities. We therefore carry out our processes in compliance with legal regulations. During the reporting period, we were not subject to any significant* fine due to non-compliance with environmental legislation.

Our environmental indicators, including our targets and methodologies, are verified by independent third-party organizations to ensure accuracy, transparency and alignment with sector standards. We regularly review our sustainability and climate-tarelated targets through structured internal processes to ensure alignment with our overall sustainability strategy and long-term goals. These assessments are conducted at least once a year, under the oversight of relevant departments and with contributions from business units across the Company. We track our progress using measurement methods that combine qualitative assessments with quantitative performance indicators. These metrics are monitored through internal tracking systems. Insights obtained from these assessments support strategic decision-making, resource allocation and the continuous improvement of our sustainability performance.

In addition, we believe that raising awareness and knowledge levels on environmental and energy management topics is critically important. Accordingly, we provide environmental training on topics such as efficient water use and waste reduction, as well as energy training aimed at developing competence and awareness in energy management.

↗ For further information, please refer to the Climate-Related Risks and Opportunities section of the Report.

*Fines of USD 10,000 (TRY 394,760) or less are not considered significant fines.

## 5.2 Decarbonization Targets and Climate Transition Plan

### 5.2.1 2050 Net Zero Commitment in Line with the Science Based Targets initiative Corporate Net-Zero Standard

In order to effectively reduce greenhouse gas emissions, the Company adopts science-based methods aligned with sectoral carbon reduction frameworks. Its strategy focuses on targeted investments in renewable energy projects aimed at meeting all of its electricity demand from renewable sources, while also aiming to increase operational efficiency and reduce dependence on fossil fuels in production and distribution activities. The Company is committed to continuously reducing its greenhouse gas emissions by increasing energy efficiency in production processes and transitioning from fossil fuels to renewable alternatives.

With the goal of becoming a net-zero company by 2050, we have made a commitment in line with the Science Based Targets initiative (SBTi) Corporate Net-Zero Standard*. In this context, our new near-term and net-zero targets, aligned with the 1.5°C climate scenario, were officially approved by SBTi in November 2024.

In line with our near-term target, we are committed to reducing our absolute Scope 1 and Scope 2 emissions by 42% by 2030 compared to the 2022 base year, and to reducing Scope 3 emissions arising from the use of sold products by the same rate.

** $CO_2$, $CH_4$, $N_2O$, HFCs and $SF_6$ are included within the scope of the target.*

# 5. Metrics and Targets

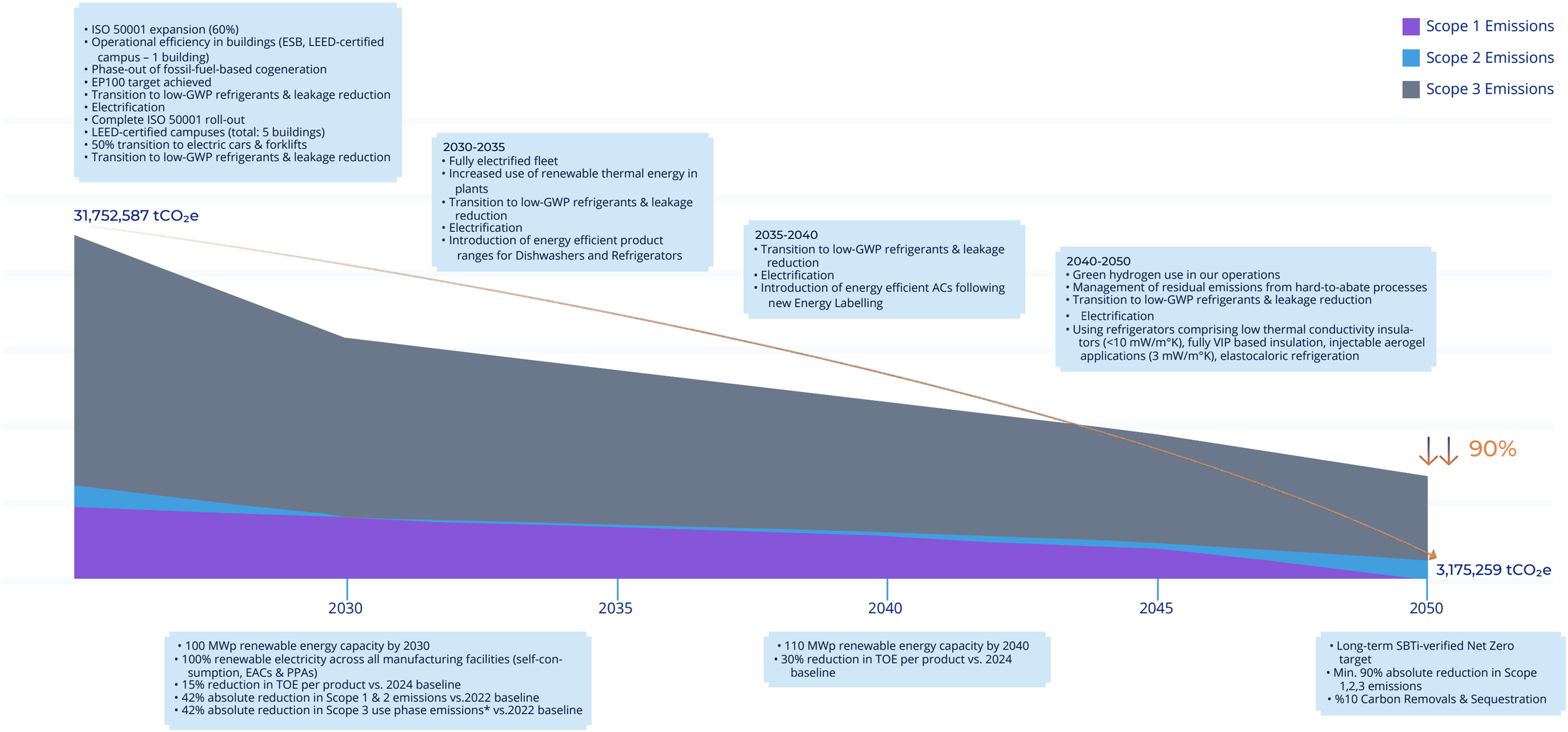
Under our long-term net-zero target, we are committed to reducing our absolute Scope 1, Scope 2 and Scope 3 greenhouse gas emissions by 90% by 2050 compared to the 2022 base year. We aim to achieve this target by taking challenging and innovative steps across our entire value chain. For the remaining 10% of emissions, we are committed to investing in qualified nature-based and/or technology-based carbon removal projects within the framework of the SBTi Corporate Net-Zero Standard.

While we do not currently rely on the use of carbon credits to achieve our targets, we may consider making use of such credits in the future. Any carbon credits used in the future will be subjected to third-party verification processes to ensure that they meet high quality standards. Details regarding whether carbon credits will target emission reduction or removal will be clarified as we continue our operations in line with evolving legislation and market dynamics.

In line with our 1.5°C-aligned targets, we have expanded the scope of our climate-related targets to cover all of our production facilities and joint ventures, including Scope 1, Scope 2 and Scope 3 emissions, excluding emissions arising from the use phase of products. These targets, approved by SBTi in November 2024, cover a broader operational scope compared to our previous targets. The target set for Scope 3 emissions arising from the use phase of products covers large and small home appliances, televisions and air conditioners. Our new targets approved by SBTi are more ambitious than our previous targets, as they require faster and more comprehensive emission reductions extending from our operations to our entire value chain. These targets are based directly on the 1.5°C scenario, rather than staying below the 2°C threshold.

# 5. Metrics and Targets

### 5.2.1.1 5.2.1.1Our Net Zero Roadmap




Please note that this roadmap is intended for representative visualization purposes only. Scale differences between Scope 1, Scope 2, and Scope 3 emissions have been adjusted to enhance readability and illustrate the overall decarbonization trajectory. For further information on detailed baseline emissions, historical performance data, and actual values, please refer to Greenhouse Gas Emissions.

The actions outlined on this page represent key identified initiatives supporting our decarbonization pathway. For a comprehensive view of all planned measures, targets and actions across the net zero journey, please refer to the Net Zero Roadmap in Detail and Climate-Related Targets section of the Report.

*2030 Scope 3 Target covers use-phase emissions of dishwasher, dryer, frontload washing machine, hob, hood, microwave, oven, refrigerator, television, vacuum cleaner, washer dryer, air conditioner product groups while 2050 Target covers all emissions in the base year.

# 5. Metrics and Targets

### 5.2.2 Our Net Zero Roadmap in Detail

## Scope 1 & 2

- Energy efficiency projects including compressed air, energy efficiency in HVAC systems and lighting systems, insulation, heat recovery, energy-efficient motor transition and process optimization
- Improving energy efficiency in buildings and LEED certified manufacturing facilities
- Increasing the number of ISO 50001 EnMS certified factories and doubling economic output for every unit of energy consumed
- Electrification in manufacturing
- Low GWP refrigerant usage in manufacturing

  Transition to electric cars and forklifts
- Use of green hydrogen where possible (to be considered after 2030)
- Using more renewable thermal energy in manufacturing facilities
- Making significant investment to achieve the 2030 target to reach 100 MWp renewable energy capacity and starting to work towards surpassing 110 MWp capacity by 2040
- Aiming for 100% renewable electricity with renewable energy systems for self-consumption and EACs and PPAs in all manufacturing facilities

## Scope 3 Emissions Generated During Product Use Phase

- Increasing penetration of superenergy-efficient products globally, including developing and emerging countries without energy regulation
- Increasing penetration of solar-powered refrigerating appliances especially in South Africa, Pakistan, India, Bangladesh
- Accelerating the phase out of high GWP refrigerants with the transition of low GWP refrigerant in all our products
- Increased R&D for efficient and affordable products
- Using refrigerators comprising low thermal conductivity insulators (<10 mW/m°K), fully VIP based insulation, injectable aerogel applications (3 mW/m°K)
- Implementing new and novel heat pump technologies, VCC compressor with higher performance
- Using non-fluorinated refrigerant heat pump systems in all washing machines and dishwashers
- Increasing communication activities on environmentally friendly products, energy and water saving tips at home with the aim to educate consumers to make informed choices
- Creating applications allowing gamification-based awareness campaigns with the users of connected appliances for more energy and water saving based on preferences of the consumer and more awards generated
- Collaborating with relevant stakeholders including NGOs which follow programs that develop energy efficiency policies on household products to increase minimum energy efficiency labelling requirements especially in emerging markets
- Working with financing institutions to make energy-efficient appliances financially available for more consumers
- Introduction of energy efficient product ranges for Dishwashers and refrigerators
- Introduction of energy efficient ACs following new Energy Labelling

## Scope 3 Logistics Emissions

- Working towards the target to reduce emissions resulting from logistics operations by 90% by 2050 in line with corporate goals
- Reducing number of shipments
- Increasing the rate of lower-emission transportation modes
- Switching to biofuel alternatives, gradually increasing biofuel alternatives for downstream transportation
- Switching to electric transport alternatives using electricity from renewable source
- Route Optimization

## Scope 3 Emissions from Materials Used in Products

- Increasing the amount of recycled materials used in products and packaging
- Decreasing raw material amount used in the products
- Increasing recovered materials used in the products from Company's own WEEE Recycling Plants
- Searching for green steel alternatives

# 5. Metrics and Targets

The Company is committed to achieving its near-term SBTi targets by 2030 and reaching net-zero emissions across its entire value chain by 2050. To achieve these targets, it follows a structured transition plan focused on the use of renewable energy, energy efficiency, water and waste efficiency, sustainable supply chain management, innovation in product design, and R&D efforts for efficient, accessible products.

Within the scope of the 2030 roadmap, the Company is allocating significant resources to renewable energy investments in order to meet its electricity needs entirely from renewable sources — targeting an installed capacity of 100 MWp by 2030 and exceeding 110 MWp by 2040. In parallel, energy efficiency is maintained as a strategic priority across operations, with actions such as LED lighting conversions, optimization of compressed air systems, and electrification of production processes.

In order to reduce Scope 3 use-phase emissions, the Company is expanding the use of super energy-efficient appliances, solar-powered solutions and low-GWP refrigerants. R&D investments support the development of innovative technologies such as heat pumps, vacuum insulation panels and fluorine-free refrigerant systems, securing the accessibility and performance of products.

The Company is also addressing Scope 3 emissions related to logistics and materials. It aims to reduce logistics-related emissions by 90% by 2050 through route optimization, transition to lower-emission transport modes, and the use of electric or biofuel-powered vehicles. On the materials side, efforts are underway to increase the use of recycled and recovered inputs in products and packaging, and to research green steel alternatives. The Company will continue its investments in order to reach its 2030 targets and achieve its long-term net-zero target by 2050.

As of 31 December 2023, Arçelik has allocated the entire net proceeds of its EUR 350 million (TRY 3,612,945,000*) Green Bond to Eligible Green Projects relating to energy-efficient, environmentally friendly and circular-economy-compatible products, and to increasing energy efficiency in production. Accordingly, these proceeds support investments such as energy and water efficient products, energy efficiency in production, sustainable water and wastewater management, pollution control and prevention, renewable energy, and green building initiatives.

As of 30 June 2025, the entire EUR 150 million (TRY 2,051,835,000*) loan agreement signed with the EBRD in 2021 has been fully allocated. Resources from the EUR 83 million (TRY 1,135,348,700*) green loan tranche, structured in line with the Loan Market Association's (LMA) Green Loan Principles, have been directed to eligible projects in the areas of environmental sustainability and R&D. The financing provided in this context supports investments in energy efficiency, renewable energy applications, emission reduction, resource efficiency and sustainable production.

*Amounts have been calculated based on exchange rates prevailing on the date of the loan/bond agreement.

↗ For further information on sustainability targets, please refer to the Climate-Related Targets section of this Report.

↗ For further information, please refer to the Sustainable Financing section of the Report.

# 5. Metrics and Targets

Projects carried out in 2025 and the savings achieved as a result of these projects are presented in the table below; 2024 data has also been included in the table to enable year-on-year comparability.

| | 2024 | | | 2025 | | |
|---|---|---|---|---|---|---|
| | **2024 Projects** | **2024 Financial Savings** | **2024 Savings** | **2025 Projects** | **2025 Financial Savings** | **2025 Savings** |
| **Energy Efficiency** | 332 energy efficiency projects focusing on insulation, waste heat recovery, transition to energy-efficient motors, and optimization of compressed air, heating, ventilation, cooling and lighting systems | TRY 48,725,533 | 5,800 $tCO_2e$ | 300 energy efficiency projects focusing on insulation, waste heat recovery, transition to energy-efficient motors, and optimization of compressed air, heating, ventilation, cooling and lighting systems | TRY 59,038,639 | 5,297 $tCO_2e$ |
| **Renewable Energy & Green Electricity** | Rooftop photovoltaic solar systems, concentrated solar power plant, solar wall technologies, and ground-mounted solar power plants commissioned in Aksaray and Kayseri | TRY 107,209,851 | 13,416 $tCO_2e$ | Rooftop photovoltaic solar systems, concentrated solar power plants, solar wall technologies, and ground-mounted solar power plants (GES) commissioned at the Nevşehir and Eskişehir Refrigerator Plant | TRY 430,491,107 | 60,326 $tCO_2e$ |
| **Water Efficiency** | 7 water efficiency projects focusing on wastewater recycling, reuse and rainwater harvesting | TRY 1,201,482 | 223,650 $m^3$ of water | 8 water efficiency projects focusing on wastewater recycling, reuse and rainwater harvesting | TRY 786,843 | 219,114 $m^3$ of water |
| **Waste Recycling** | 2 projects focused on waste reduction, reuse and recycling | TRY 842,704 | 374 tonnes of waste | 7 projects focused on waste reduction, reuse and recycling | TRY 13,084,516 | 655 tonnes of waste |

*The total capital investments and operating expenses related to environmental investments, together with our total expenses for the reporting year, amount to TRY 3,467 million (2024 value: TRY 6,073 million).*

*The reported total capital investments and operating expenses for environmental initiatives, and the total expenditures for the reporting year, are not directly comparable to the savings and outputs of the individual projects presented in the table above. This is because these amounts include the total of investments and expenditures for environmental resource efficiency in production and products, as well as investments and expenditures for environmental resource efficiency in R&D, whereas the project-based outputs presented in the table reflect the results of specific initiatives within this scope. Accordingly, the reported total investment and expenditure amounts should not be regarded as the sum of the individual project outputs shown in the table.*

# 5. Metrics and Targets

### 5.2.3 Net Zero Roadmap Alignment with Strategy

Our climate transition plan, as an integral part of our business strategy, is one of the key drivers supporting innovation, operational excellence and long-term value creation in the low-carbon economy. This plan is fully integrated into our strategic and financial planning.

Our Company's Net Zero Roadmap has been developed in line with the Paris Agreement, which sets the target of limiting global warming to 1.5°C. In this context, our Company has submitted its commitment to achieve net-zero emissions by 2050 to the Science Based Targets initiative (SBTi), and has had its near-term and net-zero targets, aligned with the 1.5°C climate scenario, officially validated by SBTi.

Our SBTi-approved targets are integrated into key business functions such as capital allocation, budgeting and performance management, ensuring that climate action is implemented at every level of the organization. In our strategic planning and investment evaluation processes, we prioritize investments that support decarbonization.

In order to ensure accountability and organization-wide ownership of emission reduction targets, we incorporate these targets into senior management's KPIs and compensation systems. To monitor progress, we conduct cross-functional assessments every year with the participation of the sustainability, risk and finance teams as well as business units. This enables us to respond agilely to changing policy environments, market conditions and stakeholder expectations.

In order to ensure accountability and organization-wide ownership of emission reduction targets, we incorporate these targets into senior management's KPIs and compensation systems. To monitor progress, we conduct cross-functional assessments every year with the participation of the sustainability, risk and finance teams as well as business units. This enables us to respond agilely to changing policy environments, market conditions and stakeholder expectations.

By integrating climate priorities — such as increasing energy and water efficiency, expanding the use of renewable energy, reducing greenhouse gas emissions across our operations and value chain, improving product circularity, and investing in low-environmental-impact production technologies — into our decision-making processes and financial systems, we move our transition plan beyond a standalone initiative, making it a core element of how we do business, our growth strategy, and our approach to creating shared value.

In addition, our climate transition plan is presented to our shareholders at the Annual General Meeting (AGM), where current developments regarding our Company's carbon transition plan and actions are shared. This practice ensures transparency and provides our shareholders with the opportunity to provide feedback on our progress towards a net-zero economy.

In addition, we actively collaborate with our stakeholders — including our employees, suppliers, customers and consumers, investors, public institutions, industry associations, civil society organizations (NGOs) and local communities — to support the implementation of our transition plan.

## 5.3 Greenhouse Gas Emissions

Our greenhouse gas emissions were calculated between 2010 and 2023 in line with IPCC and Greenhouse Gas Protocol principles, and verified by an independent organization at a reasonable level of assurance under the ISO 14064-3 Standard. As of the 2024 reporting year, we transitioned to the AES 3410 standard in order to comply with changing regulations.

In 2024, following our Company's merger with Whirlpool's operations in the Europe, Middle East and Africa (EMEA) region, we made a significant structural change to our greenhouse gas emissions data. This integration required a review of our emission reporting boundaries in order to ensure the accuracy, consistency and completeness of our consolidated greenhouse gas (GHG) calculations across our entire value chain. These calculations were also subject to a limited assurance engagement by an independent third-party auditor.

Reducing Scope 3 emissions arising from product use is a critical component of our Company's strategy towards its net-zero emissions target. To this end, the “Digital Scope 3 Sales Emissions Monitoring System”, developed in-house through the collaboration of relevant teams from different departments, has been put into use. The system can calculate use-phase emissions across 29 product categories, including large and small home appliances and air conditioners, and can generate country-based sales data, Stock Keeping Units (SKUs) and product emissions data for 122 different countries.

*Source of emission factors and global warming potential (GWP) rates used in calculations: IPCC, Defra, IEA and Ecoinvent database.

# 5. Metrics and Targets

## 5.3 Greenhouse Gas Emissions

| Scope 1-2 Greenhouse Gas Emissions ($tCO_2e$) | | |
|---|---|---|
| | 2024 | 2025 |
| Total Direct Greenhouse Gas Emissions (Scope 1) | 90,249 | 82,277 |
| Location-Based Scope 2 Emissions | 244,557 | 218,031 |
| Market-Based Scope 2 Emissions | 123,321 | 95,446 |
| **Total Scope 1&2 (Location-Based) Greenhouse Gas Emissions** | **334,806** | **300,308** |
| **Total Scope 1&2 (Market-Based) Greenhouse Gas Emissions** | **213,570** | **177,723** |

| | 2024* | | 2025 | |
|---|---|---|---|---|
| **Scope 1-2 Greenhouse Gas Emissions ($tCO_2e$)** | **Arçelik A.Ş.** | **Arçelik-LG Klima Sanayi ve Ticaret A.Ş. & VoltBek Home Appliances Private Limited** | **Arçelik A.Ş.** | **Arçelik-LG Klima Sanayi ve Ticaret A.Ş. & VoltBek Home Appliances** |
| Scope 1 Greenhouse Gas Emissions | 81,112 | 9,137 | 72,843 | 9,434 |
| Market-Based Scope 2 Emissions | 228,773 | 15,783 | 204,767 | 13,265 |
| Location-Based Scope 2 Emissions | 112,075 | 11,245 | 86,436 | 9,010 |

**2024 emissions data has been updated due to the inclusion of emissions from office operations within scope.*

*The greenhouse gas emissions of Arçelik-LG Klima Sanayi ve Ticaret A.Ş. and VoltBek Home Appliances Private Limited, which are among the subsidiaries considered within the scope of consolidation, are reported separately. Koç Finansman A.Ş. and Ram Dış Ticaret A.Ş. have not been included within the reporting scope, as their emissions are negligible.*

| Scope 3 Greenhouse Gas Emissions ($tCO_2e$) | | |
|---|---|---|
| | 2024 | 2025 |
| Category 1: Purchased Goods and Services | 5,714,946 | 5,386,917 |
| Category 2: Capital Goods | 113,590 | 128,442 |
| Category 3: Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2 | 12,852 | 20,013 |
| Category 4: Upstream Transportation and Distribution | 340,280 | 640,675 |
| Category 5: Waste Generated in Operations | 3,797 | 3,073 |
| Category 6: Business Travel | 2,492 | 4,056 |
| Category 7: Employee Commuting | 103,912 | 88,408 |
| Category 8: Upstream Leased Assets | 25,892 | 22,760 |
| Category 9: Downstream Transportation and Distribution | 293,896 | 335,796 |
| Category 10: Processing of Sold Products | - | - |
| Category 11: Use of Sold Products** | 32,165,367 | 34,784,350 |
| Category 12: End-of-Life Treatment of Sold Products | 12,851 | 9,662 |
| Category 13: Downstream Leased Assets | 218 | 925 |
| Category 14: Franchises | - | - |
| Category 15: Investments | - | - |
| **Total Indirect Scope 3 Greenhouse Gas Emissions** | **38,790,093** | **41,425,077** |
| Total Scope 1&2 (Location-Based) & 3 Greenhouse Gas Emissions (tCO2e) | 39,124,899 | 41,725,385 |
| **Total Scope 1&2 (Market-Based) & 3 Greenhouse Gas Emissions (tCO2e)** | **39,003,663** | **41,602,800** |

***The scope includes large home appliances, small home appliances, televisions and air conditioners.*
*Areas reported as "-" indicate areas that do not have a material impact on our emissions.*

# 5. Metrics and Targets

## 5.4 Internal Carbon Pricing Mechanism: Shadow Price

We apply an internal carbon pricing mechanism in order to more accurately analyze investment costs, taking into account the possibility that Emissions Trading Systems (ETS) or additional cost mechanisms for certain raw materials may come into effect within the scope of the EU Green Deal. We consider this approach an integral part of strategic decision-making processes in capital investments, allowing us to mitigate potential financial risks that may arise in the short and medium term. For machinery and equipment investments exceeding 50 kW of installed capacity and EUR 50,000 in capital cost, we apply an internal carbon price (Shadow Price) of EUR 50 (TRY 2,236) per tonne of $CO_2e$ (EUR 50 per $tCO_2e$ was also applied in 2024). This mechanism has particularly encouraged behavioral change in our procurement practices and enabled the prioritization of low-carbon investments.

This enables us to: identify investments that offer low-carbon opportunities, manage risks associated with greenhouse gas regulations, and stress test critical risk items. At the same time, by encouraging our suppliers to also apply internal carbon pricing, we support the spread of good practices in this area across the value chain and increase supplier awareness. We also conduct cost-benefit analyses to support investment decisions, ensuring that climate-related factors are integrated into both strategic plans and financial forecasts.

Internal carbon pricing supports the integration of climate risks into our overall risk management framework, reinforcing the integration of sustainability into core business processes. This system also contributes to the setting and achievement of climate-related targets, positioning itself as a financial driver of our long-term decarbonization strategy. In addition, our internal carbon pricing system encourages energy efficiency by prioritizing investments and practices aimed at reducing energy consumption and emissions.

## 5.5 Climate-Related Targets

The Company discloses the quantitative and qualitative targets it has set to support its sustainability strategy, as well as the targets it is required to comply with under applicable laws and regulations. These targets are designed to track progress towards the Company's long-term strategic objectives. Each target is presented together with a defined time frame that clearly indicates the period during which it applies. The Company also shares information on interim targets and their progress in order to ensure transparency and accountability over time. To enable effective monitoring, the Company discloses the metrics showing how progress towards each target will be assessed. This includes specifying the base year against which performance improvements are measured. For each target, the Company conducts a performance analysis and presents the trends, changes or developments that occurred during the reporting period. This analysis covers both positive progress and areas requiring improvement. The Company also discloses all of its climate-related targets, including those relating to greenhouse gas emissions. These targets are critical to the Company fulfilling its broader climate and sustainability commitments, and include both voluntarily set targets and those that must be complied with under legislation or regulations. In addition, the Company reports in detail on its performance against climate-related targets, supported by an analysis of trends and changes in performance over time. This allows stakeholders to clearly see the Company's progress towards its climate actions and other sustainability targets.

As our Company expands its operations and reviews its strategy, our sustainability targets have been revised compared to previous years with the inclusion of Beko Europe operations in 2024. These targets are aligned with our long-term vision and our commitment to creating value for our stakeholders.

# 5. Metrics and Targets

## 5.5.1 Climate-Related Targets

| Our Science Based Targets[3] | Target Year[1] | | Base Year | Base Year Data | 2023 Progress | 2024 Progress | 2025 Progress | Target Achievement Rate (%)[2] | Target Status[11] | Related Capitals |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2030 | 2050 | | | | | | | | |
| Reduce absolute Scope 1-2 GHG emissions approved by the SBTi | 42% | 90% | 2022 | 175,448 tCO2e | 4% reduction (168,321 tCO2e) | 2% reduction (171,422 tCO2e) | 19% reduction (141,554 tCO2e) | 46%[10] | **On Track** | NC, MC, FC |
| Reduce absolute Scope 3 GHG emissions from use of sold products approved by the SBTi[4] | 42% | - | 2022 | 23,259,032 tCO2e | 6% increase (24,659,977 tCO2e) | 16% increase (26,875,071 tCO2e) | 21% increase (28,028,884 tCO2e) | -49%[10] | **Behind Target** | NC, MC, FC |
| Reduce absolute Scope 3 GHG emissions approved by the SBTi | - | 90% | 2022 | 31,577,139 tCO2e | 2% increase (32,099,849 tCO2e) | 9% increase (34,547,932 tCO2e) | 16% increase (36,782,952 tCO2e) | -18%[10] | **Behind Target** | NC, MC, FC |

*1 Target years refer to the achievement of the relevant targets by the end of the year indicated.*

*2 The target achievement rate (%) for Scope 1 and 2, and Scope 3 greenhouse gas emissions from the use of sold products, has been calculated based on the 2030 targets. For other Scope 3 greenhouse gas emissions, the calculation is based on the 2050 target. The achievement rate (%) for all other targets on this page has been calculated based on the 2030 targets.*

*3 Due to the inclusion of Beko Europe within the scope, the base year has been updated to 2024 for all targets except the emission reduction target. The scope of this target will be expanded following the approval of a new application to be submitted to SBTi. Beko Egypt operations, which were not within the organizational boundaries in the base year, have been included in the current reporting period as part of organic growth. Accordingly, the impact of these operations has been reflected in the target progress calculations.*

*4 The 2030 Scope 3 greenhouse gas emissions target from the use of sold products covers use-phase emissions of the following product groups: dishwasher, dryer, front-load washing machine, hob, hood, microwave oven, oven, refrigerator, television, vacuum cleaner, washer-dryer and air conditioner. The 2050 target covers all emissions in the base year. 2022, 2023 and 2024 data have been revised in line with our near-term science-based targets.*

*10 The target achievement rate (%) has been calculated based on progress towards the target, comparing 2025 performance with base year data, using the following formula: (Reporting Year Data – Base Year Data) / (Target Year Data – Base Year Data)*

*11 Target status is determined based on the achievement rate towards the 2030 target: On Track (≥ 30% achievement), Behind Target (< 30% achievement), Newly Set (targets established in 2025)*

*NC: Natural Capital; MC: Manufactured Capital; FC: Financial Capital; IC: Intellectual Capital; HC: Human Capital; SC: Social Capital*

# 5. Metrics and Targets

## 5.5.1 Climate-Related Targets

| Our Science Based Targets[3] | Target Year[1] | | Base Year | Base Year Data | 2025Performance | Target Achievement Rate (%)[2] | Target Status[11] | İlgili Sermayeler |
|---|---|---|---|---|---|---|---|---|
| | 2030 | 2050 | | | | | | |
| Green electricity usage ratio in all manufacturing facilities | 100% | 100% | 2024 | 605% | 635% | 635% | **On Track** | NC, MC, FC |
| Establishment of renewable energy systems at a defined capacity | 100 MWp | 110 MWp | 2024 | 90.2 MWp (cumulative) | 96 MWp (cumulative) | 59%[10] | **On Track** | NC, MC, FC |
| Reduction of energy consumption per product in all manufacturing facilities[5] | 15% | 30% | 2024 | 0.002929 TOE/product[9] | 4% reduction (0.00281 TOE/product) | 26.6%[10] | **Behind Target** | NC, MC, FC |
| Reduction of water withdrawal per product in all manufacturing facilities[5] | 10% | 25% | 2024 | 0.08713 m3/product | 9.7% reduction (0.07899 m3/product) | 93%[10] | **On Track** | NC, MC, FC |
| Reduction of water discharge per product in all manufacturing facilities[5] | 10% | 25% | 2024 | 0.07445 m3/product | 7% reduction (0.06340 m3/product) | 70%[10] | **On Track** | NC, MC, FC |
| Increase in water recycling and reuse ratio in all manufacturing facilities | 25% | 35% | 2024 | 8% | 8% | 32% | **On Track** | NC, MC, FC |
| Increase in waste recycling ratio in all manufacturing facilities[6] | 99% | 99% | 2024 | 98.5% | 98.6% | 99.6% | **On Track** | NC, MC, FC |
| Increase in refurbishment ratio at our Refurbishment Centers[7] | 85% | 90% | 2024 | 81% | 86% | 100% | **On Track** | NC, MC, FC |
| Implementation of the Arçelik Green Chemistry Management System in all manufacturing facilities | 80% | 100% | 2024 | 55% | 60% | 75% | **On Track** | NC, MC, FC |
| Increase in recycled plastic usage at our manufacturing facilities[8] | 40% | 50% | 2024 | 18% | 28% | 70% | **On Track** | NC, MC, FC |
| Increase in the share of EU Taxonomy-aligned revenue in total revenue | 26% | - | 2025 | 21% | - | - | **Newly Set** | NC, MC, FC |
| Ratio of annual capital expenditure (CapEx) for Scope 1 and 2 emission transformation activities to total capital expenditure | 1% | - | 2025 | 1% | - | - | **Newly Set** | NC, MC, FC |
| Ratio of annual capital expenditure (CapEx) for Scope 3 emission transformation activities to total capital expenditure | 3% | - | 2025 | 2% | - | - | **Newly Set** | NC, MC, FC |

*1 Target years refer to the achievement of the relevant targets by the end of the year indicated.*

*2 The target achievement rate (%) for Scope 1 and 2, and Scope 3 greenhouse gas emissions from the use of sold products, has been calculated based on the 2030 targets. For other Scope 3 greenhouse gas emissions, the calculation is based on the 2050 target. The achievement rate (%) for all other targets on this page has been calculated based on the 2030 targets.*

*3 Due to the inclusion of Beko Europe within the scope, the base year has been updated to 2024 for all targets except the emission reduction target. The scope of this target will be expanded following the approval of a new application to be submitted to SBTi. Beko Egypt operations, which were not within the organizational boundaries in the base year, have been included in the current reporting period as part of organic growth. Accordingly, the impact of these operations has been reflected in the target progress calculations.*

*4 The 2030 Scope 3 greenhouse gas emissions target from the use of sold products covers use-phase emissions of the following product groups: dishwasher, dryer, front-load washing machine, hob, hood, microwave oven, oven, refrigerator, television, vacuum cleaner, washer-dryer and air conditioner. The 2050 target covers all emissions in the base year. 2022, 2023 and 2024 data have been revised in line with our near-term science-based targets.*

*5 Full-year data has been used in calculating the base year of the target. Due to the timing of the merger, only data for the April–December period has been included for Beko Europe.*

*6 Domestic waste is excluded from the scope.*

*7 The scope of the target includes the centers in the United Kingdom, Italy and Romania.*

*8 Refrigerator manufacturing facilities have not been included within the scope of the target due to the limited possibility of use in food-contact parts.*

*9 Minor correction: The value was previously reported as 0.00293 in our prior report and has been corrected to 0.00292.*

*10 The target achievement rate (%) has been calculated based on progress towards the target, comparing 2025 performance with base year data, using the following formula: (Reporting Year Data - Base Year Data) / (Target Year Data - Base Year Data)*

*11 Target status is determined based on the achievement rate towards the 2030 target: On Track (≥ 30% achievement), Behind Target (< 30% achievement), Newly Set (targets established in 2025)*

*NC: Natural Capital; MC: Manufactured Capital; FC: Financial Capital*

# 5. Metrics and Targets

## 5.6 Sector-Specific Metrics

From the Guidance on the Sector-Based Implementation of TSRS 2, published by the Public Oversight, Accounting and Auditing Standards Authority (KGK), Volume 2 – Appliance Manufacturing has been selected as the reference guide. Volume 44 – Solar Technology and Project Developers and Volume 49 – Electrical and Electronic Equipment have not been considered, as they are not material to the Company's operations. The SASB Standards provide detailed, sector-specific metrics and disclosure topics that guide our approach to identifying and reporting financially material sustainability information. Accordingly, the sustainability disclosure topics and metrics we apply are aligned with the requirements set out in the relevant SASB sector volumes.

### 5.6.1 TSRS Volume 2 – Appliance Manufacturing

| Sustainability Disclosure Topics & Metrics | | | | | |
|---|---|---|---|---|---|
| **Topic** | **Accounting Metric** | **Category** | **Code** | **2024 Response/ Data/ Reference** | **2025 Response/ Data/ Reference** |
| **Product Lifecycle Environmental Impacts** | Percentage of eligible products by revenue certified to an energy efficiency certification* | Quantitative | CG-AM-410a.1 | 68.8% | 70.3% |
| | Percentage of eligible products by revenue certified to an environmental product lifecycle standard | Quantitative | CG-AM-410a.2 | 0% | 0% |

** Eligible products certified to an energy efficiency certification: It refers to products that meet the energy efficiency requirements set by recognized certification programs. The scope of this definition is limited to products sold under the Company's own brands, excluding third-party or non-branded products. Eligible products include: Dishwasher, Washing Machine, Refrigerator, Freezer, Tumble Dryer, Washer Dryer, Television, Oven, Hood, Air Conditioner, Household Heaters, and Heat Pump. For household heaters and heat pumps, EU regulations have been taken into account regardless of the country in which they are sold. For other product categories, the applicable jurisdictional or international certification programs recognized in each country are listed below.*

# 5. Metrics and Targets

### 5.6.1 TSRS Volume 2 – Appliance Manufacturing

| Sürdürülebilirlik Açıklama Konuları ve Metrikleri | | | | | |
|---|---|---|---|---|---|
| **Konu** | **Metrik** | **Kategori** | **Kod** | **2024 Yanıt / Veri / Kaynak** | **2025 Yanıt / Veri / Kaynak** |
| **Product Lifecycle Environmental Impacts** | Description of efforts to manage products' end-of-life impacts | Discussion and Analysis | CG-AM-410a.3 | End of Life Responsibility: We have two Waste Electrical and Electronic Equipment (WEEE) Recycling Plants in Türkiye. As part of the Extended Producer Responsibility (EPR), we established our take-back program in Türkiye for proper management of the products' end-of-life stage. In the scope of this program, we collect the old products from the market regardless of brand and replace them with new appliances through our extensive network of authorized dealers and services. The collected refrigerators are recycled at the plant in Eskişehir, while other white goods and SDAs are recycled at the plant in Bolu. Our plant in Eskişehir is the first e-waste recycling plant in Türkiye where chlorofluorocarbon (CFC) gases and ozone-depleting compounds used in old refrigerators are collected in a closed system. Materials such as plastic, iron, copper and aluminum obtained from recycled WEEE are sent to licensed recycling facilities to be gained back into the economy in accordance with the resource efficiency policy. Thanks to our take-back program, while contributing to the circular economy, we also contribute to increasing awareness among consumers about recycling e-waste. In this way, we replaced the old, high energy and water-consuming products with energy and water efficient products. We comply with Basel Convention and perform responsible management of WEEE in each country. In countries outside Türkiye where WEEE is managed by regulation, we work with producer responsibility organizations (PROs) or compliance schemes to comply with local WEEE regulations.<br>Repairability: We design our products with clear instructions, and accessible spare parts to make repairs easy and extend product lifecycles. By partnering with repair services and encouraging self-repair, the Company promotes reducing waste and supports its circular economy goals. With the provisions following the Circular Economy Action plan, the assessment and representation of the repairability of products will be mandatory in the EU. We contributed to the work on the tumble dryers, which will be one of the first products to be implemented a repairability score in Europe. Right to Repair Directive establishes regulatory requirements for manufacturers to ensure the accessibility of spare parts, provide repair information, and design products to be easily repairable, with the aim of promoting sustainability.<br>Recyclability: We design recyclable products to reduce environmental impact. We also continue to focus on improving the recyclability and disassembly of our products. | End of Life Responsibility:<br>As part of the Extended Producer Responsibility (EPR), we established our take-back program in Türkiye for proper management of the products' end-of-life stage. Within the scope of this program, we collect the old products from the market regardless of brand and replace them with new appliances through our extensive network of authorized dealers and services. The collected products are recycled at our two Waste Electrical and Electronic Equipment (WEEE) Recycling Plants located in Türkiye. Materials such as plastic, iron, copper and aluminum obtained from recycled WEEE are sent to licensed recycling facilities to be gained back into the economy in accordance with the resource efficiency policy. Through our take-back program, while contributing to the circular economy, we also contribute to increasing awareness among consumers about recycling e-waste. We comply with Basel Convention and perform responsible management of WEEE in each country. In countries outside Türkiye where WEEE is managed by regulation, we work with producer responsibility organizations (PROs) or compliance schemes to comply with local WEEE regulations.<br>Repairability:<br>We design our products with clear instructions, and accessible spare parts to make repairs easy and extend product lifecycles. By partnering with repair services and encouraging self-repair, the Company promotes reducing waste and supports its circular economy goals. We closely monitor the regulations under the EU Circular Economy Action Plan and the Right to Repair Directive related to repairability and carry out detailed studies in line with these developments.<br>Recyclability: We design recyclable products to reduce environmental impact. We also continue to focus on improving the recyclability and disassembly of our products. |
| **Activity Metrics** | Annual Production** | Quantitative | CG-AM-000.A | White Goods: 32,494,752<br>Consumer Electronics: 1,183,811<br>Other: 1,546,239<br>Total: 35,224,802 | White Goods: 33,453,949<br>Consumer Electronics: 1,184,483<br>Other: 1,811,661<br>Total: 36,450,093 |

*** White goods reportable segment comprises washing machines, dryers, dishwashers, refrigerators, ovens, cooking appliances and the services provided for these products. The consumer goods reportable segment comprises televisions primarily with flat screens, computers, cash registers, other electronic devices and the services provided to consumers for these products. Other segments comprise the revenues from air conditioners, small domestic appliances except products included in white goods and consumer electronics.*

# 5. Metrics and Targets

### 5.6.1 TSRS Volume 2 – Appliance Manufacturing

| Applicable jurisdictional or international certification programs | Products | Applicable jurisdictional or international certification programs | Products | Applicable jurisdictional or international certification programs | Products |
|---|---|---|---|---|---|
| Australia – Energy Rating Label | Dishwasher<br>Washing Machine<br>Refrigerator<br>Freezer<br>Tumble Dryer | Singapore – NEA Energy Label | Washing Machine<br>Refrigerator<br>Freezer | Saudi Arabia – SASO Energy Efficiency Label | Washing Machine<br>Refrigerator<br>Freezer |
| EAEU Energy Efficiency Label (where applicable) | Dishwasher<br>Washing Machine<br>Refrigerator<br>Freezer<br>Air conditioner | Malaysia – Energy Efficiency Label (ST / KeTSA) | Washing Machine<br>Refrigerator<br>Freezer<br>Tumble Dryer<br>Air conditioner | Indonesia, Philippines and Maldives – National Energy Labeling Schemes (country-specific) | Washing Machine<br>Refrigerator<br>Freezer<br>Air conditioner |
| EU Energy Label (where applicable) | Dishwasher<br>Washing Machine<br>Refrigerator<br>Freezer<br>Tumble Dryer<br>Washer Dryer<br>Television<br>Oven<br>Air conditioner | Thailand – EGAT No.5 Energy Label | Washing Machine<br>Refrigerator<br>Freezer<br>Air conditioner | Oman – Energy Efficiency Label (DGSM / EER Program) | Refrigerator |
| ENERGY STAR® Program | Dishwasher<br>Washing Machine<br>Refrigerator<br>Freezer<br>Tumble Dryer | Egypt – Energy Efficiency Label (EOS) | Dishwasher<br>Washing Machine<br>Refrigerator<br>Freezer | Taiwan – Energy Efficiency Label | Washing Machine<br>Refrigerator |
| China Energy Label (CEL) | Dishwasher<br>Washing Machine<br>Refrigerator<br>Freezer | Iraq - National conformity marking requirements (COSQC) | Washing Machine<br>Refrigerator<br>Freezer | India – BEE Star Label | Washing Machine<br>Refrigerator<br>Freezer<br>Air conditioner |

# 5. Metrics and Targets

### 5.6.1 TSRS Volume 2 – Appliance Manufacturing

| Applicable jurisdictional or international certification programs | Products | Applicable jurisdictional or international certification programs | Products | Applicable jurisdictional or international certification programs | Products |
|---|---|---|---|---|---|
| Hong Kong – Voluntary Energy Efficiency Labelling Scheme (VEELS) | Washing Machine<br>Refrigerator<br>Freezer<br>Washer Dryer | UAE – ECAS Energy Label | Washing Machine<br>Refrigerator<br>Freezer | Ukraine (Old EU Label and Current EU Label) | Dishwasher<br>Washing Machine<br>Refrigerator<br>Freezer<br>Tumble Dryer<br>Washer Dryer<br>Television<br>Oven<br>Air conditioner |
| Vietnam – Energy Label Program | Refrigerator<br>Freezer<br>Air conditioner | South Africa – Energy Efficiency Label | Dishwasher<br>Washing Machine<br>Refrigerator<br>Freezer<br>Tumble Dryer | Other Markets: Since energy labels are not available for other markets, only products sold with the EU Label, Old EU Label, and Energy Star program have been taken into consideration. | Dishwasher<br>Washing Machine<br>Refrigerator<br>Freezer<br>Tumble Dryer<br>Washer Dryer<br>Television<br>Oven<br>Air conditioner |

# 5. Metrics and Targets

## 5.7 Sustainable Financing

We attach importance to integrating economic, social and environmental sustainability into every aspect of our governance framework, and we prioritize accountability to our stakeholders. Through our customer-focused approach, we increase sales and thereby raise our returns. Through strategic investments and growth-oriented initiatives, we provide our business partners and investors with economic gains that create sustainable value.

### 5.7.1 Environmental Investments and Expenditures

The total expenditure of TRY 3,467 million shown in the table refers to our total capital investments and operating expenses for environmental investments in the relevant reporting period.

| All Environmental Investments and Expenditures (TRY million) | | 2024* | 2025* |
|---|---|---|---|
| **Investments and expenditures for environmental resource efficiency in production and product[1]** | Capital Investments | 1,322.43 | 32.344 |
| | Operating Expenses | 395.38 | 47.200 |
| | Total Expenses | 1,717.81 | 79.544 |
| **Investments and expenditures for environmental resource efficiency in Research and Development (R&D)[2]** | Capital Investments | 1,645.11 | 32.346 |
| | Operating Expenses | 2,710.26 | 2,347.78 |
| | Total Expenses | 4,355.37 | 2,671.23 |
| | **Grand Total Expenses** | **6,073.17** | **3,466.68** |

*The data represents the cash flow figures for all years.*

** Inflation accounting has been applied to this data for the 2024 and 2025 financial years in accordance with IAS 29 – Financial Reporting in Hyperinflationary Economies. Financial information for the relevant years has been prepared based on the inflation rates applicable to each fiscal year. Accordingly, the data for 2024 and 2025 reflects the inflation effects specific to the respective reporting periods. When comparing figures across years, it should be noted that the inflation effects for each year's respective period have been taken into account.*

*1 Investments and expenditures for environmental resource efficiency in production and products include environmental measurement and analysis costs, waste disposal and transportation costs, wastewater treatment plant expenses, costs of employees working in environmental and energy areas, certification and authorization expenses, consulting and training expenses, maintenance and repair costs, renewable energy investments, energy efficiency applications (including production lines), green building investments, and environmental resource efficiency activities related to products. Data is reported on a global basis, covering all relevant operations, including joint ventures (JVs).*

*2 Research and development investments and expenditures for environmental resource efficiency in products cover activities aimed at reducing energy consumption, reducing water consumption, reducing waste generation, reducing greenhouse gas emissions, reducing pollution, reducing raw material consumption, increasing the use of recycled materials, and extending product durability and lifespan. Data is reported on a global basis, covering all relevant operations, including joint ventures.*

# 5. Metrics and Targets

## 5.7.2 Sustainable Finance Instruments

ÇeWe make use of sustainable finance instruments in order to achieve positive outcomes for the environment and society. By integrating sustainability into our financing strategies, we aim for investments aligned with our long-term vision.

### 5.7.2.1 Green Bond

In 2021, we issued our green bonds with a five-year maturity and a nominal value of EUR 350 million (TRY 3,612,945,000*). As of 31 December 2023, Arçelik had allocated the entire EUR 350 million (TRY 3,612,945,000*) net proceeds from the Green Bond to finance Eligible Green Projects focused on energy-efficient, eco-efficient and circular-economy-compatible products and on promoting energy efficiency in production. Accordingly, these proceeds supported the Company's investments in energy- and water-saving products, energy efficiency in production, sustainable water and wastewater management, pollution prevention and control efforts, renewable energy, and green building initiatives.

*Amounts have been calculated based on exchange rates prevailing on the date of the loan/bond agreement.

↗ For further information, please refer to our Green Financing Framework and Green Bond Allocation and Impact Reports.

### 5.7.2.2 Green Loan

In 2021, we signed an eight-year, EUR 150 million (TRY 2,051,835,000*) loan agreement with the EBRD, one of the most important green financing providers. The first EUR 83 million (TRY 1,135,348,700*) tranche of this loan was structured in line with the Loan Market Association's (LMA) Green Loan Principles. Within the framework of this green loan, projects were implemented to finance environmental sustainability and R&D projects and to achieve net-zero emissions in the value chain by 2050.

*Amounts have been calculated based on exchange rates prevailing on the date of the loan/bond agreement.

### 5.7.2.3 Sustainability-Linked Financing Framework

In 2025, Arçelik signed its first sustainability-linked loan agreement with the International Finance Corporation (IFC), a member of the World Bank Group, in order to increase renewable energy capacity, strengthen earthquake resilience, and promote new generation of environmentally friendly products and diversity. This EUR 100 million (TRY 4,876,440,000*) loan agreement reinforces Arçelik's commitment to integrating sustainability across its entire value chain and accelerating innovation in high-energy-efficiency technologies. The five-year loan, structured under the Arçelik Sustainability-Linked Financing Framework, has been designed in line with the Company's targets of reducing greenhouse gas emissions and increasing female employment by 2030.

*Amounts have been calculated based on exchange rates prevailing on the date of the loan/bond agreement.

↗ For further information, please refer to our Sustainability-Linked Financing Framework and Second Party Opinion Report.

# 6. Events after the Reporting Period

6. Events after the Reporting Period

# 6. Events after the Reporting Period

The following significant transactions and changes occurred between the end of the reporting period and the date this document was approved for publication:

(1)There has been a change in the position of General Manager (CEO); following the departure of Hakan Hamdi Bulgurlu, Cemal Can Dinçer was appointed General Manager (CEO) as of the 2025 Annual General Meeting held on 16 March 2026.

(2)Pursuant to Koç Holding Board of Directors resolution No. 1259 dated 31 March 2026, Fatih Kemal Ebiçlioğlu, who was responsible for Board-level oversight of sustainability matters and climate-related risks and opportunities at Arçelik, transferred the position of President of the Consumer Durables Group to Polat Şen.

3)The agreement for the sale of shares in Arçelik Hitachi Home Appliances B.V. (AHHA) was signed on 21 April 2026. The transaction consideration consists of a cash amount of USD 205 million, to be collected at closing, and a deferred payment of USD 56 million, to be paid within three years following closing.

(4)The transaction for the acquisition of the minority shares representing 25% of Beko Europe B.V.'s capital was completed on 19 June 2026, and the entire capital of Beko Europe B.V. has come under the direct and indirect control of Arçelik A.Ş.

(5)The sale of repurchased shares representing 2.9% of Arçelik A.Ş.'s capital was carried out on 23 June 2026, with the transaction completed for a total consideration of TRY 2,029,841,988.

(6)The sale of the 47% stake in Koç Finansman A.Ş. was completed on 1 July 2026, with the transfer price for the shares held by Arçelik A.Ş. amounting to USD 61,360,171.98.

# Annexes

Annex 1. GHG Emissions Related Reporting Principles
Annex 2. Limited Assurance Report under TSRS

# Annex 1. GHG Emissions Related Reporting Principles

## Key Definitions

For the purpose of this report, the Company defines the following:

| Greenhouse Gas Emissions ($tCO_2e$) | |
|---|---|
| **Total Direct Greenhouse Gas Emissions (Scope 1)** | Scope 1 emissions arise from stationary combustion, mobile combustion, fugitive emissions from air conditioners during charging and over the product's useful life, greenhouse gas emissions caused by fire extinguishers and other chemicals, and biological wastewater treatment plants at production sites. The IPCC 2006 Guidelines for National Greenhouse Gas Inventories (and the 2019 update), the IPCC Sixth Assessment Report (IPCC AR6) and DEFRA 2025 have been used as sources for emission factors and calculation methodology. The annual consumption inventory of Scope 1 sources is used as activity data.<br>Greenhouse gas emissions relating to Arçelik-LG Klima Sanayi ve Ticaret A.Ş. and VoltBek Home Appliances Private Limited, affiliates included within the consolidation scope, are reported separately. |
| **Location-Based Scope 2 Emissions** | The sources of location-based Scope 2 emissions are based on average energy generation emission factors for defined geographic regions (including local, regional or national boundaries), as defined in the GHG Protocol Scope 2 Guidance.<br>Greenhouse gas emissions relating to Arçelik-LG Klima Sanayi ve Ticaret A.Ş. and VoltBek Home Appliances Private Limited, affiliates included within the consolidation scope, are reported separately. |
| **Market-Based Scope 2 Emissions** | Market-based Scope 2 emissions are based on the greenhouse gas emissions caused by the generators from which the reporting entity contractually purchases electricity — either bundled with the electricity or solely through contractual instruments — as defined in the GHG Protocol Scope 2 Guidance.<br>Greenhouse gas emissions relating to Arçelik-LG Klima Sanayi ve Ticaret A.Ş. and VoltBek Home Appliances Private Limited, affiliates included within the consolidation scope, are reported separately. |
| **Total Indirect Greenhouse Gas Emissions (Scope 2)** | Total Scope 2 greenhouse gas emissions are the sum of location-based and market-based greenhouse gas emissions.<br>Greenhouse gas emissions relating to Arçelik-LG Klima Sanayi ve Ticaret A.Ş. and VoltBek Home Appliances Private Limited, affiliates included within the consolidation scope, are reported separately. |
| **Scope 3, Category 1: Purchased Goods and Services** | The sources of indirect greenhouse gas emissions from purchased goods and services are the raw materials, materials and packaging materials used in the products the Company sells. Greenhouse gas emissions caused by materials used in products — such as plastics, metals, paints, chemicals and other materials — are calculated using the weight of each material, the number of units sold, and the emission factors of the materials used. Material data (material types and weights) is collected from products' Bills of Materials (BoM). Emission factors are largely taken from the Ecoinvent Database and DEFRA Greenhouse Gas Reporting: Conversion Factors 2025, published by the UK Government.<br>Greenhouse gas emissions relating to Arçelik-LG Klima Sanayi ve Ticaret A.Ş. and VoltBek Home Appliances Private Limited, affiliates included within the consolidation scope, are included in the reported figures. |
| **Scope 3, Category 2: Capital Goods** | The sources of indirect greenhouse gas emissions from capital goods are the Company's buildings, machinery, equipment, molds, motor vehicles and land improvements. Greenhouse gas emissions are calculated using the Company's global spend-based data.<br>Greenhouse gas emissions relating to Arçelik-LG Klima Sanayi ve Ticaret A.Ş. and VoltBek Home Appliances Private Limited, affiliates included within the consolidation scope, are included in the reported figures. |
| **Scope 3, Category 3: Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2** | The sources of indirect greenhouse gas emissions from fuel- and energy-related activities (not included in Scope 1 and 2) are the well-to-tank greenhouse gas emissions of the fuel consumption reported under Scope 1, and the distribution-related greenhouse gas emissions of the electricity consumption reported under Scope 2. Emissions in this category have been calculated using the GHG Emissions Calculator Tool developed by the UN Framework Convention on Climate Change (UNFCCC) Secretariat.<br>Greenhouse gas emissions relating to Arçelik-LG Klima Sanayi ve Ticaret A.Ş. and VoltBek Home Appliances Private Limited, affiliates included within the consolidation scope, are included in the reported figures. |

# Annex 1. GHG Emissions Related Reporting Principles

## Key Definitions

For the purpose of this report, the Company defines the following:

| Greenhouse Gas Emissions ($tCO_2e$) | |
|---|---|
| **Scope 3, Category 4: Upstream Transportation and Distribution** | These are the sources of greenhouse gas emissions arising from road, air, rail and waterborne transportation activities during the transport of raw materials and components from suppliers to production facilities. The “EPA Center for Corporate Climate Leadership: GHG Emission Factors for Greenhouse Gas Inventories” has been used as the calculation methodology.<br>Greenhouse gas emissions relating to Arçelik-LG Klima Sanayi ve Ticaret A.Ş. and VoltBek Home Appliances Private Limited, affiliates included within the consolidation scope, are included in the reported figures. |
| **Scope 3, Category 5: Waste Generated in Operations** | This category includes emissions from the third-party disposal and treatment of waste generated during activities owned or controlled by the reporting Company. This category includes emissions from both solid waste and wastewater disposal (as defined in the GHG Protocol Scope 3 Guidance). Emission factors have been taken from DEFRA Greenhouse Gas Reporting: Conversion Factors 2025, published by the UK Government. |
| **Scope 3, Category 6: Business Travel** | The sources of indirect greenhouse gas emissions from business travel cover greenhouse gas emissions arising from employees' business-related transportation, including international and domestic road, rail and air travel.<br>Greenhouse gas emissions relating to Arçelik-LG Klima Sanayi ve Ticaret A.Ş. and VoltBek Home Appliances Private Limited, affiliates included within the consolidation scope, are included in the reported figures. |
| **Scope 3, Category 7: Employee Commuting** | The sources of business travel emissions include emissions arising from the transportation of employees between their homes and their workplaces. Emission factors have been taken from DEFRA Greenhouse Gas Reporting: Conversion Factors 2025, published by the UK Government.<br>Greenhouse gas emissions relating to Arçelik-LG Klima Sanayi ve Ticaret A.Ş. and VoltBek Home Appliances Private Limited, affiliates included within the consolidation scope, are included in the reported figures. |
| **Scope 3, Category 8: Upstream Leased Assets** | These greenhouse gas emissions arise in warehouses. The Company uses the same warehouses for both materials received from suppliers and finished products.<br>Greenhouse gas emissions relating to Arçelik-LG Klima Sanayi ve Ticaret A.Ş. and VoltBek Home Appliances Private Limited, affiliates included within the consolidation scope, are included in the reported figures. |
| **Scope 3, Category 9: Downstream Transportation and Distribution** | The sources of this category include emissions from the transportation and distribution of products sold in the reporting year, in vehicles and facilities not owned or controlled by the reporting Company (definitions from the GHG Protocol Scope 3 Guidance). The calculation methodology has been taken from the “EPA Center for Corporate Climate Leadership: GHG Emission Factors for Greenhouse Gas Inventories.”<br>Greenhouse gas emissions relating to Arçelik-LG Klima Sanayi ve Ticaret A.Ş. and VoltBek Home Appliances Private Limited, affiliates included within the consolidation scope, are included in the reported figures. |
| **Scope 3, Category 10: Processing of Sold Products** | Not Applicable (NA) |

# Annex 1. GHG Emissions Related Reporting Principles

## Key Definitions

For the purpose of this report, the Company defines the following:

| Greenhouse Gas Emissions ($tCO_2e$) | |
|---|---|
| **Scope 3, Category 11: Use of Sold Products** | The sources in this category include emissions arising over the 10-year useful life of products sold in the reporting year. Products included in the Company's greenhouse gas inventory, produced at the Company's own production facilities and joint ventures, are cooling appliances, dishwashers, dryers, front-load washing machines, top-load washing machines, twin-tub washing machines, single-tub washing machines, hobs, hoods, microwave ovens, ovens, televisions, vacuum cleaners, tumble dryers, air conditioners, small home appliances (Turkish coffee machines, hair dryers, toasters, irons, tea machines, kettles, etc.), water dispensers and water heaters.<br>In addition to the Company's own production, greenhouse gas emissions arising from the use of outsourced products sourced from and sold to different countries are also included in this category.<br>Greenhouse gas emissions arising from products' electricity and gas consumption, as well as those arising from refrigerant gas leakage over the 10-year use period, are calculated. Products' energy consumption is taken from energy labels. The gas capacities of refrigerators, freezers, air conditioners and dryers are used in calculating greenhouse gas emissions from refrigerant gas leakage.<br>Based on customers' countries, country-based electricity emission factors determined by the International Energy Agency (IEA) are selected for countries covering 90% of product sales. For the remaining countries, the world average electricity emission factor is used.<br>Greenhouse gas emissions relating to Arçelik-LG Klima Sanayi ve Ticaret A.Ş. and VoltBek Home Appliances Private Limited, affiliates included within the consolidation scope, are included in the reported figures. |
| **Scope 3, Category 12: End-of-Life Treatment of Sold Products** | Greenhouse gas emissions in this category arise from the recycling and/or disposal processes of waste electrical and electronic equipment (WEEE) at the end of the 10-year useful life of products sold. Products included in the Company's greenhouse gas inventory, produced at the Company's own production facilities and joint ventures, include cooling appliances, dishwashers, dryers, washing machines, hobs, hoods, microwave ovens, ovens, televisions, vacuum cleaners, tumble dryers, air conditioners, water dispensers, small home appliances and solar panel product groups.<br>Product weights are collected from products' BoM lists, R&D and other relevant departments. Emission factors have been taken from DEFRA Greenhouse Gas Reporting: Conversion Factors 2025, published by the UK Government.<br>Greenhouse gas emissions relating to Arçelik-LG Klima Sanayi ve Ticaret A.Ş. and VoltBek Home Appliances Private Limited, affiliates included within the consolidation scope, are included in the reported figures. |
| **Scope 3, Category 13: Downstream Leased Assets** | These greenhouse gas emissions arise in warehouses. The Company uses the same warehouses for both materials received from suppliers and finished products.<br>This category includes emissions arising from the operation of assets owned by the reporting Company (acting as lessor) and leased to other entities during the reporting year, which have not already been included under Scope 1 or Scope 2 (as defined in the GHG Protocol Scope 3 Guidance).<br>Greenhouse gas emissions relating to Arçelik-LG Klima Sanayi ve Ticaret A.Ş. and VoltBek Home Appliances Private Limited, affiliates included within the consolidation scope, are included in the reported figures. |
| **Scope 3, Category 14: Franchises** | Not Applicable (NA) |
| **Scope 3, Category 15: Investments** | Not Applicable (NA) |
| **Total Indirect Scope 3 Greenhouse Gas (GHG) Emissions** | Total Scope 3 greenhouse gas emissions represent the sum of all emissions calculated across the Scope 3 categories. |
| **Total Scope 1&2&3 Greenhouse Gas Emissions** | This indicator represents the total greenhouse gas emissions ($tCO_2e$) arising under Scope 1 (direct emissions), Scope 2 (indirect energy-related emissions) and Scope 3 (other indirect emissions, including value chain activities). The total value reflects the Company's overall carbon footprint and is calculated in accordance with the GHG Protocol.<br>Greenhouse gas emissions relating to Arçelik-LG Klima Sanayi ve Ticaret A.Ş. and VoltBek Home Appliances Private Limited, affiliates included within the consolidation scope, are included in the reported figures. |

# Annex 1. GHG Emissions Related Reporting Principles

## Environmental Performance Indicators

### Scope 1 Greenhouse Gas Emissions

Scope 1 GHG emissions; It refers to the sum of stationary combustion, process-sourced, flaresourced, mobile combustion, chemical-induced emissions and equipment loss and leakage emissions. Total Scope 1 GHG emissions are calculated by the sum of all scope 1 emissions sub-breakdowns. In the calculation, the following formula is used;

Total Scope 1 Greenhouse Gas Emissions ($tCO_2e$) = Stationary Combustion Emissions ($tCO_2e$) + Mobile Combustion Emissions ($tCO_2e$) + Fugitive Emissions ($tCO_2e$)

Stationary Combustion Emissions: It refers the amount of natural gas, fuel oil, diesel, biodiesel, bioethanol, CNG and LPG used by Arçelik and its subsidiaries in the combustion reaction to obtain energy. Constant combustion emissions; It is calculated in terms of $CO_2$, $CH_4$, $N_2O$ and $CO_2e$. These calculations are carried out using the following formulations;

Emission Amount ($tCO_2$) =Activity Data × Emission Factor ($CO_2$) × GWP ($CO_2$)
Emission Amount ($tCH_4$ in $CO_2e$) =Activity Data × Emission Factor (CH4) × GWP (CH4)
Emission Amount ($tN_2O$ in $CO_2e$) = Activity Data × Emission Factor ($N_2O$) × GWP ($N_2O$)
Emission Amount ($tCO_2e$) = Emission Amount ($tCO_2$) + Emission Amount ($tCH_4$ in $CO_2e$) + Emission Amount ($tN_2O$ in $CO_2e$)

The activity data here must be compatible with the emission factor units. If compliance is not achieved, the unit of fuel is converted to the targeted emission factor unit by using the relevant calorific value. This calculation is made using the following formula.

Activity Data (TJ) = Activity Data (tonnes) x Net Calorific Value (TJ/tonnes)

Mobile Combustion Emissions: Moving combustion emissions represent the emissions of all on-road and off-road Company vehicles, locomotives and maritime transport vehicles of Arçelik and its subsidiaries from diesel, gasoline, LPG and ship fuel consumption. These emissions are calculated in terms of $CO_2$, CH4, $N_2O$ and $CO_2e$. These calculations are carried out according to the following formulations;

Emission Amount ($tCO_2$)= Activity Data × Emission Factor ($CO_2$)× Global Warming Potential ($CO_2$)
Emission Amount ($tCH_4$ in $CO_2e$)= Activity Data × Emission Factor^ ($CH_4$)× Global Warming Potential ($CH_4$)
Emission Amount ($tN_2O$ in $CO_2e$)= Activity Data × Emission Factor ($N_2O$)× Global Warming Potential($N_2O$)
Total Emission Amount ($tCO_2e$) = Emission Amount ($tCO_2$) + Emission Amount ($tCH_4$ in $CO_2e$) + Emission Amount ($tN_2O$ in $CO_2e$)

Equipment Loss and Leakage (Fugitive) Emissions: Loss and leakage emissions represent emissions caused by leaks in Arçelik's refrigeration and fire suppression equipment. These emissions are calculated using methodologies aligned with industry standards for assessing fugitive emissions in the appliance manufacturing sector. The calculations take into account the specific characteristics and operational parameters of the equipment to ensure accurate estimation of emissions.

Fugitive Emissions ($tCO_2e$) = Activity Data (kg) x Global Warming Potential ($tCO_2e$ / kg)

WWTP Emissions: Wastewater Treatment Plant emissions refer to the greenhouse gas emissions generated during the treatment of wastewater by Arçelik and its subsidiaries. These emissions primarily arise from biological processes, chemical reactions, and energy consumption associated with the treatment of wastewater. The main components of WWTP emissions include methane ($CH_4$), nitrous oxide ($N_2O$), and carbon dioxide ($CO_2$). These calculations are carried out according to the following formulations;

WWTP Emissions ($tCO_2e$) = Chemical Oxygen Demand (mg/L) x Activity Data (Wastewater) (L) x Emission Factor ($tCO_2e$ /mg)

# Annex 1. GHG Emissions Related Reporting Principles

## Environmental Performance Indicators

### Scope 1 Greenhouse Gas Emissions

**Emission Factors:**
Emission factors for diesel, fuel oil, natural gas, LPG, gasoline, LNG, CNG, biodiesel and bioethanol have been taken from Intergovernmental Panel on Climate Change (IPCC) guidelines. For fugitive emissions, all available factors have also been obtained from IPCC, while guidelines from the UK Department for Environment, Food and Rural Affairs (DEFRA) have been used for factors that are not available.

| Emission Source | $CO_2$ (tonnes/Unit) | $CH_4$ (tonnes/Unit) | $N_2O$ (tonnes/Unit) | $CO_2e$ | REFERENCES |
|---|---|---|---|---|---|
| SC - Diesel | 74.1 | 0.003 | 0.0006 | | IPCC 2006, Energy- SC- Table 2.3. |
| SC - Fuel Oil | 77.4 | 0.003 | 0.0006 | | IPCC 2006, Energy- SC- Table 2.3. |
| SC – Natural Gas | 56.1 | 0.001 | 0.0001 | | IPCC 2006, Energy- SC- Table 2.3. |
| SC - LPG | 63.1 | 0.001 | 0.0001 | | IPCC 2006, Energy- SC- Table 2.3. |
| SC – Motor Gasoline | 69.3 | 0.003 | 0.0006 | | IPCC 2006, Energy- SC- Table 2.3. |
| MC-Diesel | 74.1 | 0.0039 | 0.0039 | | IPCC 2006, Energy- MC- Table 3.2.1, Table 3.2.2 |
| MC-Gasoline/Petrol | 69.3 | 0.025 | 0.008 | | IPCC 2006, Energy- MC- Table 3.2.1, Table 3.2.2 (Gasoline) |
| MC-LPG | 63.1 | 0.062 | 0.0002 | | IPCC 2006, Energy- MC- Table 3.2.1, Table 3.2.2 |
| MC-LNG | 56.1 | 0.092 | 0.003 | | IPCC 2006, Energy- MC- Table 3.2.1, Table 3.2.1 (LNG), Table 3.2.2 (NG) |
| MC-CNG | 56.1 | 0.092 | 0.003 | | IPCC 2006, Energy- MC- Table 3.2.1, Table 3.2.1 (CNG), Table 3.2.2 (NG) |
| MC-Biodiesel | 70.8 | 0.003 | 0.0006 | | IPCC 2006, Energy- SC- Table 2.3. |
| MC-Bioethanol | 70.8 | 0.003 | 0.0006 | | IPCC 2006, Energy- SC- Table 2.3. |
| MC-Diesel (from biodiesel content) | 74.1 | 0.0039 | 0.0039 | | IPCC 2006, Table 3.2.1, Table 3.2.2 |

SC: Stationary Combustion, MC: Mobile Combustion

# Annex 1. GHG Emissions Related Reporting Principles

## Environmental Performance Indicators

### Scope 1 Greenhouse Gas Emissions

| Emission Source | $CO_2$ (tonnes/Unit) | $CH_4$ (tonnes/Unit) | $N_2O$ (tonnes/Unit) | $CO_2e$ | REFERENCES |
|---|---|---|---|---|---|
| MC-Gasoline/Petrol (from bioethanol content) | 69.3 | 0.025 | 0.008 | | IPCC 2006, Table 3.2.1, Table 3.2.2 |
| MC-Diesel Lawn Mowers | 74.1 | 0.0039 | 0.0039 | | IPCC 2006, Energy - MC - Table 3.2.1 (Gas/Diesel Oil), Table 3.2.2 (Gas/Diesel Oil) |
| MC-Gasoline Lawn Mowers | 69.3 | 0.033 | 0.0032 | | IPCC 2006, Energy - MC - Table 3.2.1 (Gas/Diesel Oil), Table 3.2.2 (Motor Gasoline - Uncontrolled) |
| MC-Gasoline Compact Loader | 74.1 | 0.0039 | 0.0039 | | IPCC 2006, Energy - MC - Table 3.2.1 (Gas/Diesel Oil), Table 3.2.2 (Gas/Diesel Oil) |
| MC-Diesel Compact Loader | 69.3 | 0.033 | 0.0032 | | IPCC 2006, Energy - MC - Table 3.2.1 (Gas/Diesel Oil), Table 3.2.2 (Motor Gasoline - Uncontrolled) |
| OD - Acetylene (kg) | | | | 3.38 | Stoichiometric Calculation |
| OD - Propane (kg) | | | | 2.99763233 | Fuels, Gaseous Fuels, Propane, DEFRA 2025 |
| OD - $CO_2$ (Argoshield source gas) (kg) | | | | 1 | |
| OD - $CO_2$ Fire Extinguisher (kg) | | | | 1 | |
| OD - R134a (kg) | | | | 1,530 | IPCC Climate Change 2014 Synthesis Report (Sixth Assessment Report - AR6) Chapter 8 - Anthropogenic and Natural Radiative Forcing |
| OD - R407a (kg) | | | | 2,262.2 | Mixed gas.<br>2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories, IPCC Climate Change 2014 Synthesis Report (Sixth Assessment Report-AR6)<br>Chapter 8 - Anthropogenic and Natural Radiative Forcing |

MC: Mobile Combustion, OD: Other Direct Emissions

# Annex 1. GHG Emissions Related Reporting Principles

## Environmental Performance Indicators

### Scope 1 Greenhouse Gas Emissions

| Emission Source | $CO_2$ (tonnes/Unit) | $CH_4$ (tonnes/Unit) | $N_2O$ (tonnes/Unit) | $CO_2e$ | REFERENCES |
|---|---|---|---|---|---|
| OD - R406a (kg) | | | | 2,021.12 | Mixed gas.<br>2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories, IPCC Climate Change 2014 Synthesis Report (Sixth Assessment Report-AR6)<br>Chapter 8 - Anthropogenic and Natural Radiative Forcing |
| OD - R407c (kg) | | | | 1,907.93 | Mixed gas.<br>Composite Emission factors are calculated according to 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories Volume 3: Industrial<br>Processes and Product Use Chapter 7: Emissions of Fluorinated Substitutes for Ozone Depleting Substances, Table 7.8 Blends (Many containing HFC and PFCs) IPCC<br>Climate Change 2014 Synthesis Report (Sixth Assessment Report-AR6) Chapter 8 - Anthropogenic and Natural Radiative Forcing |
| OD - Bütan (kg) | | | | 3.03338 | Fuels, Gaseous Fuels,Butane, DEFRA 2025 |
| OD - R404a (kg) | | | | 4,728 | Mixed gas.<br>Composite Emission factors are calculated according to 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories Volume 3: Industrial<br>Processes and Product Use Chapter 7: Emissions of Fluorinated Substitutes for Ozone Depleting Substances, Table 7.8 Blends (Many containing HFC and PFCs) IPCC<br>Climate Change 2014 Synthesis Report (Sixth Assessment Report-AR6) Chapter 8 - Anthropogenic and Natural Radiative Forcing |

OD: Other Direct Emissions

# Annex 1. GHG Emissions Related Reporting Principles

## Environmental Performance Indicators

### Scope 1 Greenhouse Gas Emissions

| Emission Source | $CO_2$ (tonnes/Unit) | $CH_4$ (tonnes/Unit) | $N_2O$ (tonnes/Unit) | $CO_2e$ | REFERENCES |
|---|---|---|---|---|---|
| OD - R410a (kg) | | | | 2,255.5 | Mixed gas. Composite emission factors have been calculated in accordance with: 2019 Update to the 2006 IPCC Guidelines, Volume 3, Chapter 7: Emissions of Fluorinated Substitutes for Ozone Depleting Substances, Table 7.8 Blends (Many containing HFCs and PFCs); IPCC Climate Change 2014 Synthesis Report (AR6) Chapter 8 - Anthropogenic and Natural Radiative Forcing |
| OD - R227ea (kg) | | | | 3,600 | IPCC Climate Change 2014 Synthesis Report (AR6) Chapter 8 - Anthropogenic and Natural Radiative Forcing |
| OD - R290 (kg) | | | | 3 | Refrigerants and Other, Other Products, R290 = propane, DEFRA 2025 |
| OD - R22/HCFC22 (kg) | | | | 1,960 | IPCC Climate Change 2014 Synthesis Report (AR6) Chapter 8 - Anthropogenic and Natural Radiative Forcing |
| OD - R32/HFC32 (kg) | | | | 771 | IPCC Climate Change 2014 Synthesis Report (AR6) Chapter 8 - Anthropogenic and Natural Radiative Forcing |
| OD - R600 (kg) | | | | 4 | Refrigerants and Other, Kyoto Protocol Products, R600 = butane, DEFRA 2025 |
| OD - R600a (kg) | | | | 0.006 | Refrigerants and Other, Other Products, R600A = isobutane, DEFRA 2025 |
| OD - SF6 (kg) | | | | 23,500 | IPCC Climate Change 2014 Synthesis Report (AR6) Chapter 8 - Anthropogenic and Natural Radiative Forcing |

OD: Other Direct Emissions

# Annex 1. GHG Emissions Related Reporting Principles

## Environmental Performance Indicators

### Scope 1 Greenhouse Gas Emissions

| Emission Source | $CO_2$ (tonnes/Unit) | $CH_4$ (tonnes/Unit) | $N_2O$ (tonnes/Unit) | $CO_2e$ | REFERENCES |
|---|---|---|---|---|---|
| OD - R417a (kg) | | | | 2.507,9522 | Mixed gas. 2019 Update to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories, IPCC Climate Change 2014 Synthesis Report (AR6) Chapter 8 - Anthropogenic and Natural Radiative Forcing |
| OD - R450a (kg) | | | | 570 | Annex 4, Table 1, r450a, GENERIC ENVIRONMENTAL MANAGEMENT PLAN FOR THE REFRIGERATION MANUFACTURING SECTOR – MINISTRY OF NATURAL RESOURCES AND ENVIRONMENT – Vietnam |
| OD – Industrial Oil (kg) | 2.94666 | 0.0001206 | 0.00002412 | 2.95 | Industrial Oil (Lubricants): IPCC Guidelines for National Greenhouse Gas Inventories, Volume 2: Energy, Chapter 2: Stationary Combustion - 2006 Intergovernmental Panel on Climate Change, Table 2.3: Default Emission Factors for Stationary Combustion in Manufacturing Industries and Construction |

OD: Other Direct Emissions

# Annex 1. GHG Emissions Related Reporting Principles

## Environmental Performance Indicators

### Scope 1 Greenhouse Gas Emissions

Net Calorific Value: Net calorific values have been taken from the DEFRA 2025 document, in order to ensure that the values used in calculations are consistent with internationally recognized standards.

| | Unit | GJ Coefficient (GJ/Unit) |
|---|---|---|
| Electricity | kwh | 0.0036 |
| SC - Diesel | kg | 0.043027 |
| SC - Fuel Oil | kg | 0.040752 |
| SC – Natural Gas | $Sm^3$ | 0.03669 |
| SC - LPG | kg | 0.045944 |
| SC - Motor Gasoline | kg | 0.044599 |
| MC-Diesel | kg | 0.043027 |
| MC-Gasoline/Petrol | kg | 0.0446500599 |
| MC-LPG | kg | 0.045944 |
| MC-LNG | kg | 0.045745 |
| MC-Biodiesel | kg | 0.0372 |
| MC-Bioethanol | kg | 0.0268 |
| MC-Diesel (from biodiesel content) | kg | 0.042839 |
| MC-Gasoline/Petrol (from bioethanol content) | kg | 0.043061 |
| MC- Diesel Lawn Mowers | kg | 0.043027 |
| MC- Gasoline Lawn Mowers | kg | 0.04465 |
| MC-Gasoline Compact Loader | kg | 0.04465 |
| MC-Diesel Compact Loader | kg | 0.043027 |

SC: Stationary Combustion, MC: Mobile Combustion

**1 TJ = 1000 GJ**

# Annex 1. GHG Emissions Related Reporting Principles

## Environmental Performance Indicators

### Scope 2 Greenhouse Gas Emissions

Scope 2 greenhouse gas emissions include all greenhouse gases arising from the consumption of electricity, steam, heat and cooling by Arçelik and its subsidiaries. The calculations are calculated as tonnes of $CO_2$ conjugates. In these calculations, the following formulation is used.

Emission Amount ($tCO_2e$) = Activity Data x Emission Factor

### Scope 1 and Scope 2 Greenhouse Gas Emissions

The Scope 1 and Scope 2 Greenhouse Gas Emissions value refers to the sum of the emission values verified in the indicators "Scope 1 Greenhouse Gas Emissions ($tCO_2e$)" and "Scope 2 Greenhouse Gas Emissions ($tCO_2e$)" and is calculated using the following formula.

Scope 1 and 2 Greenhouse Gas Emissions ($tCO_2e$) = Scope 1 Greenhouse Gas Emissions ($tCO_2e$) + Scope 2 Greenhouse Gas Emissions ($tCO_2e$)

Emission factors for electricity are sourced from the International Energy Agency data sets. For heat and steam emissions, factors are derived from DEFRA 2024 guidelines.

| Emission Source | $CO_2$ (kg/Unit) | $CH_4$ (kg/Unit) | $N_2O$ (kg/Unit) | $CO_2e$ | REFERENCE |
|---|---|---|---|---|---|
| Türkiye Electricity Amount (kWh) | 0.4142 | 0.0003 | 0.0016 | **0.4161** | IEA, 2025 |
| Romania Electricity Amount (kWh) | 0.2253 | 0.0001 | 0.0006 | **0.226** | IEA, 2025 |
| Russia Electricity Amount (kWh) | 0.3908 | 0.0002 | 0.0008 | **0.3918** | IEA, 2025 |
| South Africa Electricity Amount (kWh) | 0.8726 | 0.0003 | 0.0036 | **0.8765** | IEA, 2025 |
| Thailand Electricity Amount (kWh) | 0.4324 | 0.0023 | 0.0034 | **0.4381** | IEA, 2025 |
| Pakistan Electricity Amount (kWh) | 0.3461 | 0.0003 | 0.0009 | **0.3473** | IEA, 2025 |
| China Electricity Amount (kWh) | 0.5892 | 0.0004 | 0.0026 | **0.5922** | IEA, 2025 |
| Bangladesh Electricity Amount (kWh) | 0.5846 | 0.0004 | 0.0009 | **0.5859** | IEA, 2025 |
| India Electricity Amount (kWh) | 0.7473 | 0.0003 | 0.0032 | **0.7508** | IEA, 2025 |
| Slovakia Electricity Amount (kWh) | 0.0972 | 0.0001 | 0.0003 | **0.0976** | IEA, 2025 |
| Poland Electricity Amount (kWh) | 0.5438 | 0.0003 | 0.0022 | **0.5463** | IEA, 2025 |
| United Kingdom Electricity Amount (kWh) | 0.175 | 0.0008 | 0.0011 | **0.1769** | IEA, 2025 |
| Italy Electricity Amount (kWh) | 0.2574 | 0.0004 | 0.0006 | **0.2584** | IEA, 2025 |
| Egypt Electricity Amount (kWh) | 0.4 | 0.0003 | 0.0003 | **0.4006** | IEA, 2025 |
| Heat Amount (kWh) | 0.17355 | 0.00122 | 0.00052 | **0.17529** | Heat and Steam, Onsite & District (Grid), DEFRA 2025 |
| Steam Amount (kWh) | 0.17355 | 0.00122 | 0.00052 | **0.17529** | Heat and Steam, Onsite & District (Grid), DEFRA 2025 |
| Onsite Renewable Electricity Generated, Solar (kWh) | 0 | 0 | 0 | **0** | Renewable, Emission Factor equals zero |

# Annex 1. GHG Emissions Related Reporting Principles

## Environmental Performance Indicators

### Total Direct GHG Emissions (Scope 1)

Scope 1 emissions are generated from stationary combustion, mobile combustion, fugitive emissions from air conditioners during lifetime and during charge to the products, fire extinguishers, and other chemicals cause GHG emissions, biological wastewater treatment plants in production areas. IPCC Guidelines for National Greenhouse Gas Inventories 2006 (and 2019 amendment), IPCC Sixth Assessment Report (IPCC AR6) and DEFRA 2024 have been used as source for emission factors and methodology for emission calculations. Annual consumptions of Scope 1 sources inventory are used as activity data. The Scope 1 emission calculations have been done by multiplying activity data and emission factors. This metric is calculated using the following formula:

Scope 1 Emissions Generated by Stationary and Mobile Combustion = Annual Fuel Consumption (unit) x Conversion Factor (TJ/unit) x Emission Factor ($tCO_2e/TJ$) ($CO_2$, $CH_4$, $N_2O$)

Fugitive Emissions = Cooling Agents Gas Capacity (tonnes) x IPCC Leakage Ratio (%) x Emission Factor ($tCO_2e$/tonnes cooling agents)

Scope 1 Emissions Generated by Biological WWTP = Total COD amount (tonnes) x Emission Factor ($tCH_4/tCOD$) x $CH_4$ coefficient ($tCO_2e/tCH_4$)

### Location based Scope 2 emissions

The sources of scope 2 location-based emissions are based on average energy generation emission factors for defined geographic locations, including local, subnational, or national boundaries (Definitions from GHG Protocol Scope 2 Guidance). This metric is calculated using the following formula:

Scope 2 Location based Emissions ($tCO_2e$) = Annual Purchased Electricity Consumption (MWh) x Electricity emission factor ($tCO_2e$/MWh)

### Market based Scope 2 emissions

Scope 2 market- based emissions are based on GHG emissions emitted by the generators from which the reporter contractually purchases electricity bundled with contractual instruments, or contractual instruments on their own (Definitions from GHG Protocol Scope 2 Guidance). This metric is calculated using the following formula:

Scope 2 Market based Emissions = Location based Scope 2 emissions ($tCO_2e$) - GHG Emissions from renewable energy sources ($tCO_2e$)

### Total Indirect GHG Emissions (Scope 2)

Total Scope 2 GHG emissions are sum of location and market based GHG emissions. This metric is calculated using the following formula:

Total location-based Scope 2 emissions ($tCO_2e$) + Total market-based Scope 2 emissions (t $CO_2e$)

# Annex 1. GHG Emissions Related Reporting Principles

## Environmental Performance Indicators

### Scope 3 GHG Emissions

### Category1: Purchased Goods and Services

The sources of indirect GHG emissions from purchased goods and services are raw materials, materials, and packaging materials used in Company's sold products. GHG emissions caused by used materials such as plastics, metals, dyes, chemicals, and other materials used in the products are calculated by using the weight of each material, product selling numbers, and emission factors of used materials. Material data (material types and weights) are collected from products' BoM lists. Emissions factors are mainly taken from Ecoinvent Database and DEFRA Greenhouse Gas Reporting: Conversion Factors 2024 published by UK Government. This metric is calculated using the following formula:

"Material weight (tonnes) x Product selling number x Emission factor ($tCO_2e$/tonnes)

### Category2: Capital Goods

The sources of indirect GHG emissions from capital goods are Company's buildings, machinery, equipment, moulds, motor vehicles, and land improvements. The GHG emissions are calculated by using Company's global spend-based data. This metric is calculated using the following formulas:

Σ (Buildings (EUR) x Emission Factor ($tCO_2e$/EUR)
+ Machinery (EUR) x Emission Factor ($tCO_2e$/EUR)
+ Machinery Equipment and Molds (EUR) x Emission Factor ($tCO_2e$/EUR)
+ Motor vehicles (EUR) x Emission Factor ($tCO_2e$/EUR))
+Land improvements (EUR) x Emission Factor ($tCO_2e$/EUR)

### Category3: Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2

The sources of indirect GHG emissions from fuel-and-energy-related activities (not included in Scope 1 or 2) are well-to-tank GHG emissions of fuel consumption reported in Scope 1 and distribution GHG emissions of electricity consumption reported in Scope 2. This category's emissions have been calculated using the GHG Emission Calculator Tool by the UNFCCC Secretariat. This metric is calculated using the following formula:

Σ (fuel consumed (kWh) × upstream fuel emission factor ($tCO_2e$)/kWh)) +Σ (electricity consumed (kWh) × upstream electricity emission factor ($tCO_2e$)/kWh))

### Category4: Upstream Transportation and Distribution

The sources of GHG emissions from upstream transportation and distribution are road, air, railways, and water-borne navigation activities during the transportation of raw materials and components from suppliers to the production plants. The calculation methodology is used based on “EPA Center for Corporate Climate Leadership: GHG Emission Factors for Greenhouse Gas Inventories”. This metric is calculated using the following formula:

Road = Total distance travelled (mile) x Emission Factors ($tCO_2$/vehicle-mile)
Seaway&Railway &Airway= Distance (mile) x mass of goods transported (tonnes) x Emission Factors ($tCO_2$/tonnes.mile)

### Category5: Waste Generated in Operations

The sources of third-party disposal and treatment of waste generated in the reporting Company’s owned or controlled operations in the reporting year. This category includes emissions from disposal of both solid waste and wastewater (Definitions from GHG Protocol Scope 3 Guidance). Emissions factors are taken from DEFRA Greenhouse Gas Reporting: Conversion Factors 2024 published by UK Government. This metric is calculated using the following formula:

Waste amount (tonnes) x Emission Factors according to waste treatment method ($tCO_2$/tonnes)

### Category6: Business Travel

business travel include GHG emissions from the transportation of employees for business related activities such as international and domestic travel by road, railway, and airways. This metric is calculated using the following formula:

Σ (distance travelled by vehicle type (vehicle-km or passenger-km) × vehicle specific emission factor ($tCO_2e$/vehicle-km or $tCO_2e$/passenger-km))

### Category7: Employee Commuting

The sources of business travel emissions includes emitted emissions from the transportation of employees between their homes and their worksites. Emissions factors are taken from DEFRA Greenhouse Gas Reporting: Conversion Factors 2024 published by the UK Government. This metric is calculated using the following formula:

Emissions from employee commuting = Σ (total number of employees using mode of transport x one way commuting distance (vehicle-km or passenger-km) × 2 × working days per year× emission factor of transport mode ($tCO_2e$/vehicle-km or $tCO_2e$/passenger-km))

### Category8: Upstream Leased Assets

These GHG emissions are generated in warehouses. The Company uses the same warehouses for both materials from suppliers and finished products. This metric is calculated using the following formula:

Σ (Warehouse area ($m^2$) x emission factor ($tCO_2e$/$m^2$))

# Annex 1. GHG Emissions Related Reporting Principles

## Environmental Performance Indicators

### Category9: Downstream Transportation and Distribution

The sources of this category includes emissions that occur in the reporting year from transportation and distribution of sold products in vehicles and facilities not owned or controlled by the reporting Company (Definitions from GHG Protocol Scope 3 Guidance).
The calculation methodology is from “EPA Center for Corporate 250 Climate Leadership: GHG Emission Factors for Greenhouse Gas Inventories”. This metric is calculated using the following formula:

Road = Total distance travelled (mile) x Emission Factors (tonnes $CO_2$/vehicle-mile)
Seaway&Railway &Airway= Distance (mile) x mass of goods transported (tonnes) x Emission Factors ($tCO_2$/tonnes.mile)

### Category11: Use of Sold Products

The source of this category includes emissions from the use of sold products in the reporting year for 10 years lifetime. The products which are taken into company's GHG inventory are cooling appliances, dishwasher, dryer, frontload washing machine, top load washing machine washing machine, twin-tub washing machine, single-tub washing machine, hob, hood, microwave, oven, television, vacuum cleaner, washer dryer, air conditioner, small domestic appliances (such as Turkish coffee machine, hair dryer, toast machine, iron, tea machine, kettle etc.), water dispenser, and water heater product groups produced in company's own production plants and joint ventures. In addition to its own production, GHG emissions from the use of outsourced products which are supplied from different countries and sold to different countries are also included in this category. GHG emissions generated from electricity and gas consumption of the products, and GHG emissions generated from refrigerant leakage from the product for 10 years lifetime are calculated. The energy consumption of the products is taken from energy labels. The gas capacity of refrigerators, freezers, air conditioners, and tumble dryers is used to calculate GHG emissions from refrigerant leakage. Country-specific electricity emission factors from the International Energy Agency (IEA) for 90% of countries where most of the products were sold are chosen according to the customers' countries of the sold products. For the rest, the average world electricity emission factor is used. This metric is calculated using the following formula:

Σ (total lifetime expected uses of product × number sold in reporting period × electricity consumption (kWh) × emission factor for electricity ($tCO_2e$/kWh))+
Σ (number sold in reporting period ×refrigerant amount (kg) × emission factor for refrigerant type ($tCO_2e$/kg refrigerant))

### Category12: End-of-Life Treatment of Sold Products

GHG emissions in this category are generated by the recycling and/or disposal process of waste electrical and electronics equipment (WEEE) when 10 years lifetime period of the sold products is ended. GHG emissions are calculated by multiplying product weights (as WEEE) and WEEE recycling emission factors. The products which are taken into Company's GHG inventory are cooling appliances, dishwasher, dryer, washing machine, hob, hood, microwave, oven, television, vacuum cleaner, washer dryer, air conditioner, water dispenser, small domestic appliances, and solar panel product groups produced in Company's own production plants and joint ventures. The weights of the products are collected from product BoM lists, R&D, and other related departments. Emissions factors are taken from DEFRA Greenhouse Gas Reporting: Conversion Factors 2024 published by the UK Government. This metric is calculated using the following formula:

Σ (total mass of sold products at end of life after consumer use (tonnes)× % of total waste being treated by waste treatment method× emission factor of waste treatment method ($tCO_2e$/tonnes))

### Category13: Downstream Leased Assets

These GHG emissions are generated in warehouses. The Company uses the same warehouses for both materials from suppliers and finished products.

This category includes emissions from the operation of assets that are owned by the reporting Company (acting as lessor) and leased to other entities in the reporting year that are not already included in scope 1 or scope 2 (Definitions from GHG Protocol Scope 3 Guidance).
This metric is calculated using the following formula:

Energy need of warehouses (kWh) x Emission factor ($tCO_2e$/kWh)

# Ek 2. TSRS Kapsamında Sınırlı Güvence Raporu

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**Convenience Translation of Auditor's Limited Assurance Report Originally Issued in Turkish**

**LIMITED ASSURANCE REPORT OF THE INDEPENDENT AUDITOR ON THE INFORMATION PRESENTED UNDER THE TURKISH SUSTAINABILITY REPORTING STANDARDS OF ARÇELİK ANONİM ŞİRKETİ AND ITS SUBSIDIARIES**

**To the General Assembly of Arçelik Anonim Şirketi,**

We have been assigned to perform limited assurance engagement on the information ("Sustainability Information") presented in accordance with the Turkiye Sustainability Reporting Standards 1 "General Requirements for Disclosure of Sustainability-related Financial Information" and Turkiye Sustainability Reporting Standards 2 "Climate-Related Disclosures" of Arçelik Anonim Şirketi and its subsidiaries (collectively referred to as the "Group") for the year ended December 31, 2025.

Our assurance engagement does not include other information associated with Sustainability Information (including any images, audio files, website links or embedded videos).

**Limited Assurance Conclusion**

Based on the procedures performed and the evidence obtained, as summarized under the section "Summary of the Work we Performed as the Basis for our Assurance Conclusion", nothing has come to our attention that causes us to believe that Group's Sustainability Information for the year ending December 31, 2025, has not been prepared in accordance with the Turkiye Sustainability Reporting Standards ("TSRS"), as published by the Public Oversight Accounting and Auditing Standards Authority of Turkiye ("POA") in the Official Gazette dated December 29, 2023 and numbered 32414(M). We do not provide any assurance conclusion regarding any other information associated with the Sustainability Information (including any images, audio files, website links or embedded videos).

**Inherent Limitations in the Preparation of Sustainability Information**

The Sustainability Information is subject to inherent uncertainties due to lack of scientific and economic information. The inadequacy of scientific data leads to uncertainties in the calculation of greenhouse gas emissions. Additionally, due to the lack of data regarding the likelihood, frequency, and impacts of potential physical and transition climate risks, the Sustainability Information is subject to uncertainties related to climate-related scenarios.



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**Responsibilities of Management and Those Charged with Governance Regarding Sustainability Information**

The Group's Management is responsible for:

- Preparing the Sustainability Information in accordance with the principles of Turkiye Sustainability Reporting Standards;
- Designing, implementing and maintaining internal control over information relevant to the preparation of the Sustainability Information that is free from material misstatement, whether due to fraud or error;
- Additionally, the Group Management is responsible for selecting and implementing appropriate sustainability reporting methodologies as well as making reasonable assumptions and suitable estimates.

Those Charged with Governance is responsible for overseeing the Group's sustainability reporting process

**Responsibilities of the Independent Auditor Regarding the Limited Assurance of Sustainability Information**

We are responsible for the following:

- Planning and performing the engagement to obtain limited assurance about whether the Sustainability Information is free from material misstatement, whether due to fraud or error;
- Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- Reporting our conclusion to the Group Management.

Since we are responsible for providing an independent conclusion on the Sustainability Information prepared by management, we arenot permitted to be involved in the preparation process of the Sustainability Information in orderto ensure that our independence is not compromised.

**Professional Standards Applied**

We performed a limited assurance engagement in accordance with the Standard on Assurance Engagements 3000 "AssuranceEngagements other than Audits or Reviews of Historical Financial Information" and in respect of greenhouse gas emissions included in the Sustainability Information, in accordance with Standard on Assurance Engagements "3410 Assurance Engagements on Greenhouse Gas Statements", issued by POA.



A member firm of Ernst & Young Global Limited

# Ek 2. TSRS Kapsamında Sınırlı Güvence Raporu

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**Independence and Quality Control**
We have complied with the independence and other ethical requirements of the Code of Ethics for Independent Auditors, issued by the POA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. Our firm applies Standard on Quality Management 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our work was carried out by an independent and multidisciplinary team including assurance practitioners, sustainability and risk management specialists. We have used the work of our expert team to assess the reliability of the information and assumptions related to the Group's climate and sustainability-related risks and opportunities. We remain solely responsible for our assurance conclusion.
**Summary of the Work we Performed as the Basis for our Assurance Conclusion**
We are required to plan and perform our work to address the areas where we haveidentified that a material misstatement of the Sustainability Information is likely to arise. The procedureswe performed were based on our professional judgment. In carrying out our limited assurance engagement on the Sustainability Information,

- Face-to-face and online interviews were conducted with the Group's key senior personnel to understand the processes in place for obtaining the Sustainability Information for the reporting period.
- The Group's internal documentation was used to review and assess the sustainability related information.
- The disclosure and presentation of sustainability-related information have been evaluated.
- Through inquiries, we obtained an understanding of Group's control environment and information systems relevant to the preparation of the Sustainability Information. However, we did not evaluate the design of particular control activities, we did not obtain evidence about their implementation or we did not test their operating effectiveness.
- The appropriateness and consistency of the Group's estimation development methods were evaluated. However our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate Group's estimates.



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The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik
Anonim Şirketi A member firm of Ernst & Young Global Limited

Didem Tuşel Özdoğan, SMMM
Partner

24 July 2026
İstanbul, Türkiye

Arçelik

# Türkiye Sustainability Reporting Standards Compliant Sustainability Report 2025

*Reporting structure, content, and design prepared internally by the Arçelik Sustainability Department*

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