
Arçelik

**Strategy to
Combat Climate
Crisis**

The climate crisis is among the biggest threats faced by our planet and ecosystem today.

As Arçelik, we regard the climate crisis as a fundamental risk affecting the sustainability of our operations. As such, we conduct our operations with an awareness of our duty towards this global risk. Sustainability and combating the climate crisis are at the center of all our business strategies and activities.

The Sustainability Board and the Climate Change Sub-Working Group affiliated with this Board was established to determine policies and strategies concerning the corporate sustainability and climate crisis, integrate such strategies into business processes and monitor our sustainability performance, ensuring that the decisions made regarding the climate crisis are widely implemented.

In line with our commitment to combat the climate crisis, we strive to minimize the environmental impact of our products throughout their life cycle. Long before 2006, the designated last transition date for Turkey in the Montreal Protocol, we were the first white goods manufacturer in Turkey to produce refrigerators purified from the chlorofluorocarbon (CFC) gas harmful to the ozone layer in 1995. Since 1995, we have placed our products on the market in compliance with the requirements of energy label regulations. Since 2010, we have calculated the greenhouse gas emissions arising from our production activities within the scope of the ISO 14064 Standard and have received the verification of third-party organizations.

We support the steps, policies and commitments in this field by developing solution-oriented international collaborations to combat the climate crisis. We have been participating in the Climate Change Conference of the Parties since 2011. In 2019, we represented our sector in the *High Level Commission on Carbon Pricing and Competitiveness* with our CEO as a Commissioner.

With the Paris Agreement in 2015, the goal is to limit the global temperature increase to below 2°C, potentially to 1.5°C, compared to the pre-industrial period by 2100. In service of our goal towards 2°C, we, as Arçelik signed up to the *Science Based Targets Initiative* and committed to set our targets that promote energy efficiency in our products and production and adopt climate-friendly practices.

We aim to become a carbon neutral company in production in Turkey by 2025 and to increase our installed renewable energy capacity to 15 megawatts in our operations by 2030. To achieve these goals, we will invest a total of \$50 million, \$10 million of which will be used for the installation of renewable energy sources.

Alongside the European Union, we will introduce our products that comply with the new energy label and environmentally friendly design requirements; increase natural resource efficiency; contribute to a circular economy and are eco-friendly; and are up to 40 percent more energy efficient than the A+++ energy class, for which we will make an investment of approximately \$127 million. We are also closely following the *European Green Deal* to integrate it into our strategy to combat the climate crisis.

As Arçelik, we are committed to do the following in line with our sustainability strategy and targets to combat the climate crisis:

- Prioritize the fight against the climate crisis and sustainability in all our activities;
- Implement new environmentally friendly and energy-efficient technologies in our products and production;
- Position new roadmaps to promote the use of renewable energy;
- Implement an effective carbon-pricing mechanism in our current operations and new investments;
- Contribute to national and international initiatives by developing collaborations in this field;
- Develop collaborations with NGOs and public institutions and organizations for energy-efficient engine conversion, efficient lighting and ventilation technologies in industry for the transition to a low-carbon economy.