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**Arçelik**

**Corporate  
Citizenship Policy**

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In line with its vision—Respecting the World, Respected Worldwide—Arçelik aims to ensure long-term sustainable growth, improve the lives of consumers through smart innovations, and lead the way in being a responsible business.

This policy was created to regulate the procedures of corporate citizenship, which is a part of Arçelik's sustainability strategy. All corporate social responsibility activities of Arçelik global brands are subject to this policy.

## **IN TOUCH TECHNOLOGY**

Sustainability is an integral part of Arçelik's business model and value chain. This means that all business strategies and activities are based on respect for both the environment and society. In Touch Technology is Arçelik's new sustainability communication strategy, with an ambitious set of targets for 2030, with shorter 2023 and 2025 milestones along the way. The strategy has been updated in line with the United Nations Sustainable Development Goals (SDGs) and the materiality analysis carried out in 2023. The strategy is a testament to Arçelik's ambition to create smart technologies that are in touch with the needs of the planet and society. In Touch Technology is built on three pillars:

### **1. In Touch with Business: Being a progressive global citizen**

Arçelik is committed to engaging with employees, associates, and customers to establish innovative systems that pave the way for how we do business in the future. By working closely with its employees, Arçelik aims to instill in them the principles of innovation and digitalization to improve the planet and the lives of people across the entire value chain. Through close collaborations, Arçelik strives to share its sustainability know-how and expertise with suppliers and customers to help them make better and more sustainable choices.

Priority areas of action: Business Ethics and Transparency, Corporate Governance, Sustainable Financing, Future Fit Culture, Talent and Organizational Management, Occupational Health and Safety, R&D, Innovation, Digital Transformation and Smart Solutions, Data Privacy and Cybersecurity, Customer and Consumer Experience, Product Quality and Safety, Sustainable Supply Chain Management

### **2. In Touch with Our Planet: Shrinking our footprint to preserve vital resources**

In order to protect the world's natural assets and reduce carbon emissions, Arçelik aims to integrate sustainability into each product and accelerate transition to net-zero emissions and nearly-zero waste by 2050. By collaborating with key stakeholders, Arçelik helps them to reduce their environmental footprint whilst also reducing its own footprint with solutions to global environmental issues.

Priority areas of action: Climate Action, Material Recycling and Reduction, Water Management, Energy and Water Efficient Products, Biodiversity, Waste Management, Durability, Reparability and Refurbishment, Chemicals Management, End of Life Responsibility of Products

### **3. In Touch with Human Needs: We strive for sustainable living**

Arçelik aims to serve as a solution partner that offers a reliable and sustainable lifestyle for digitizing households. By developing innovations and technologies that promote sustainable living, Arçelik constantly challenges and renews itself and the industry in which it operates to make smart and sustainable products accessible to the masses. Through these product developments, Arçelik aims to improve lives and empower local communities. By its corporate responsibility projects, corporate volunteerism activities, community development and partnership programs Arçelik aims to improve lives in the geographies it operates.

Priority areas of action: Gender equality, Quality education, Entrepreneurship ecosystem, Sustainable living and environment

This policy focuses on activities specific to the In Touch with Human Needs pillar in line with the overall In Touch Technology strategy.

## **CORPORATE CITIZENSHIP**

Arçelik's corporate citizenship approach is based on the goals of respect for society and leaving a better world for future generations. In both its operational geography and beyond, Arçelik implements various social projects that are in touch with human needs. Corporate citizenship in Arçelik focuses on the following issues:

- Creating value for society and the environment with its global brands and operate with clearly defined goals.
- Working to develop smart technologies and solutions that serve the local needs and priorities of communities living in the regions where it does business.
- Encouraging corporate volunteering to engage employees to contribute to society and build stronger relationships with the communities they are part of. Building partnerships with different stakeholders by going beyond the industry to expand its sphere of influence and support sustainability and social responsibility.

### **Building purpose-driven global brands**

As part of the company's approach to corporate citizenship, Arçelik and its 22 brands are focused on driving change and improving lives through their own social projects in the light of the company's priority areas. While these projects enable each brand to expand its customer base by reinforcing its reputation in the field of social responsibility, they have been implemented to create maximum social impact:

- **Gender Equality and Diversity:** Having signed the UN Women's Empowerment Principles (WEPs) established by UN Women in 2017, Arçelik supports gender equality across the globe with all of its brands. Embedded the principles of equality and diversity in its culture, it aims to support corporate and social transformation with its policies, CSR projects, and ambitious goals. It is also the supporter of the Action Coalition of the Generation Equality Forum established under the leadership of UN Women, with Koç Holding among its global leaders. It strives to realize its global commitments in this field.
- **Quality Education:** Arçelik recognizes that education is not only a fundamental human right but also a catalyst for social and economic progress. Through targeted partnerships, projects, and resource allocation, Arçelik actively contributes to nurturing a skilled and knowledgeable workforce, fostering innovation, and promoting sustainable development in the communities where it operates.
- **Empowering Entrepreneurship Ecosystem:** Arçelik believes that entrepreneurship drives innovation and drives economic growth, which ultimately benefits the communities. By providing support and resources to entrepreneurs, Arçelik contributes to the creation of new jobs, the development of novel products and services, and the expansion of local economies. Moreover, by collaborating with local organizations and incubators, Arçelik aims to use the collective power of the entrepreneurship ecosystem to address social and environmental challenges to further strengthen the social impact.
- **Sustainable Living and Environment:** Arçelik is committed to ensuring a better future for generations to come. By raising awareness on environmental issues, and developing sustainable practices and campaigns, Arçelik aims to minimize the environmental footprint of itself, its stakeholders, and societies. Three of the company's biggest brands are focused on tackling the following environmental topics:
  - **Beko [Healthy Living is Only Possible on a Healthy Planet](#)** : Beko develops environmentally friendly technologies with the belief that a healthy life is only possible on a healthy planet. With its environmentally friendly products and

sustainable solutions in all processes from packaging to raw materials, it not only ensures its own transformation but also encourages its consumers to change their consumption habits for a healthy life on a healthy planet. It seeks solutions to environmental problems for a healthier planet with its social responsibility projects.

- **Grundig** -Tackling Food Waste: Grundig is committed to fighting against food waste in accordance with its philosophy of “[Respect Food](#)” and its collaboration with the Food for Soul Initiative.
- **Arçelik**- Responsible Production, Responsible Consumption / Climate-Friendly Movement: Arçelik develops projects with a focus on responsible consumption and responsible production through the İYİ-GE Board consisting of nongovernmental organizations, academics, activists, and artists in Türkiye. While developing sustainable solutions in the field of responsible production, it invites consumers to take action for a sustainable life with the climate-friendly movement it has initiated.

### Corporate Volunteerism

Arçelik considers corporate volunteering to be a fundamental element of its corporate citizenship approach. These activities will be focused on:

- Promoting gender equality and women’s empowerment
- Providing technical skills through education and training
- Ensuring the acquisition of digital skills and competencies
- Raising awareness on environmental sustainability, particularly on plastics and the climate crisis

### Community Development and Partnerships

Arçelik works to find solutions to the needs of local communities through partnerships. Arçelik collaborates with various organizations while trying to create value for communities in the priority areas determined in the corporate citizenship policy. Projects and donations made with non-profit organizations are detailed in the [Civil Society Cooperation Policy](#).

### Impact measurement and communication

Arçelik measures its impact on both the environment and society as part of its effort to ensure the continuous improvement of its corporate citizenship and wider sustainability activities. For each social project, Arçelik aims to conduct a social impact assessment.

Arçelik communicates its approach to corporate citizenship and its performance to all relevant stakeholders through the Sustainability Report as well as other channels, including its corporate website and social media.

### Sustainable Development Goals (SDGs)

Arçelik’s understanding of corporate citizenship is aligned with the UN Sustainable Development Goals, as it recognizes that all 17 SDGs are interrelated and essential. The company’s corporate citizenship strategy focuses on supporting 12 global goals. By partnering with public institutions and NGOs, Arçelik also contributes to Goal 17 through its multi-stakeholder approach.






















### **Governance**

The CEO assumes executive responsibility for the social and environmental performance of the company, whilst the Corporate Brand and Projects Management is responsible for developing, coordinating, and reporting on Arçelik's corporate citizenship programs. Led by the Strategic Communication Group Management within the Global Communication Directorate, the team works closely with both internal and external stakeholders to implement social projects in line with Arçelik's material issues. Employee volunteering programs within the scope of these corporate citizenship projects are coordinated by the Social Clubs Management within the HR Directorate.

Corporate citizenship at Arçelik comes with various policies and principles, including [Global Code of Conduct](#), [Global Anti-Bribery and Anti-Corruption Policy](#), [Donation Policy](#), [Corporate Volunteering Policy](#), [Civil Society Cooperation Policy](#) and [Global Sectoral Relations Management & NGO Membership Policy](#).

**Corporate Citizenship Priorities and Key Performance Indicators (KPIs)**

Priorities	SDGs	KPIs for business results	Social/Environmental KPIs
Gender Equality and Diversity	    	<p>Having signed the UN Women’s Empowerment Principles (WEPs) established by UN Women in 2017, Arçelik aims to achieve the following goals with respect to gender equality:</p> <ul style="list-style-type: none"> <li>• Provide its products, services, and projects to a wider audience by collaborating with local and global public institutions, private companies, and NGOs.</li> <li>• Increase brand awareness in different markets.</li> <li>• Improve competitive advantage through innovation.</li> <li>• Introduce competent and well-equipped women employees into the Arçelik ecosystem.</li> <li>• Make Arçelik an attractive career option for young talents.</li> </ul>	<p><b>By 2026:</b></p> <ul style="list-style-type: none"> <li>-Fulfill our commitments at the UN Women Generation Equality Forum Action Coalitions to support Gender equality.</li> <li>-Expand the “WEin-Tech” project in Türkiye to Pakistan, Romania, and South Africa.</li> <li>-Ensuring that 1,000 women receive technical training and start working as technical service personnel in Arçelik Authorized Services</li> </ul>
Quality in Education	   	<p>Arçelik aims to achieve following goals in the quality in education:</p> <ul style="list-style-type: none"> <li>• Empower younger generations to achieve highly skilled future workforce</li> <li>• Reduce inequalities in education to prevent youth brain drain</li> <li>• Enhance company reputation through CSR activities</li> <li>• Make Arçelik an attractive career option for young talents</li> <li>• Increase higher employee performance and innovation</li> </ul>	<p><b>By 2026</b></p> <ul style="list-style-type: none"> <li>- Provide STEM training to 100,000 girls with Arçelik and Beko brands in Türkiye</li> </ul>
Empowering Entrepreneurship Ecosystem	      	<p>Arçelik is determined to support entrepreneurs to drive sustainable innovation. Establishing Garage Innovation Hub, Arçelik created a bridge between startups, mentors, investors, non-governmental organizations, representatives of private and public institutions to work to turn ideas into reality. By doing so, Arçelik aims to:</p> <ul style="list-style-type: none"> <li>• Increase innovation and collaboration</li> <li>• Increase brand reputation</li> <li>• Increase in development of sustainable solutions to current global problems</li> <li>• Increase partnerships for the diversification of business activities and investment opportunities to ensure sustainable growth</li> <li>• Support equal opportunities in business and local development</li> </ul>	<p><b>By 2026</b></p> <ul style="list-style-type: none"> <li>- Increase the number of women entrepreneurs in the dealer ecosystem by boosting the percentage of women Beko dealers from 4.8% to 25%</li> <li>- Reach 2,500 women entrepreneurs and contribute to fund transfers for women-led startups every year</li> </ul>

<p>Sustainable Living and Environment: Healthy Living Is Only Possible on a Healthy Planet</p>		<p>With its Beko brand, Arçelik looks to achieve the following goals with the efforts it carries out in line with its “Healthy Living Is Only Possible on a Healthy Planet” vision:</p> <ul style="list-style-type: none"> <li>• Reinforce Beko’s brand identity and increase brand awareness and reputation in different markets.</li> <li>• Increase Beko’s market share.</li> <li>• Increase Beko’s turnover and the number of units sold.</li> <li>• Develop new products and services.</li> </ul>	<p><b>By 2030:</b></p> <ul style="list-style-type: none"> <li>- Raise awareness among 450M unique people about healthy living</li> <li>-Develop innovative technologies and projects that encourage healthy living.</li> <li>-Raise awareness about healthy living through education.</li> <li>-Generate excitement amongst families to adopt healthy living habits.</li> </ul>
<p>Sustainable Living and Environment : Fighting Food Waste</p>		<p>With its Grundig brand, Arçelik looks to achieve the following goals in accordance with its philosophy of “Respect for Food” and its collaboration with the Food for Soul Initiative:</p> <ul style="list-style-type: none"> <li>• Increase Grundig’s brand awareness in different markets.</li> <li>• Increase brand scores, brand consideration set, and brand health index.</li> <li>• Increase Grundig’s market share.</li> <li>• Increase Grundig’s turnover and the number of units sold.</li> <li>• Develop new products and services.</li> </ul>	<p><b>By 2030:</b></p> <ul style="list-style-type: none"> <li>- Raise awareness on how to prevent food waste among 400M unique people through Respect Food communication campaigns</li> <li>- Serve 8 M meals to people in need and save 4,700 tonnes of food from being wasted</li> </ul>
<p>Sustainable Living and Environment : Responsible Production, Responsible Consumption / Climate-Friendly Movement</p>		<p>Arçelik brand develops projects with a focus on responsible consumption and responsible production through the İYİ-GE Board consisting of NGOs, academics, activists, and artists in Türkiye. It looks to achieve the following goals:</p> <ul style="list-style-type: none"> <li>• Provide its technologies, products, and services to a wider audience by collaborating with public institutions, private companies, and NGOs.</li> <li>• Increase brand awareness, reputation, and competitive advantage in the target market.</li> <li>• Develop climate-friendly technologies and become the first brand that comes to mind in the market.</li> <li>• Serve as a solution partner with sustainable products by providing consumers with suggestions for a sustainable life as part of the climate-friendly movement.</li> </ul>	<p><b>By 2025:</b></p> <ul style="list-style-type: none"> <li>-Raise awareness among 15 million people in Türkiye, including customers and children, for the adoption of a climate-friendly lifestyle with Arçelik.</li> </ul>