
Arçelik

**Arçelik Corporate
Citizenship
Policy**

Creating smart innovation that is in touch with the needs of our planet and society

Respecting the World, Respected Worldwide

Arçelik specializes in consumer durables and electronics with production, marketing and after-sales support in these sectors. Its 12 brands offer products and services in nearly 150 countries around the world. Through Arçelik's company vision – Respecting the World, Respected Worldwide - the business aims to ensure long-term sustainable growth, improve the lives of consumers through smart innovations and lead the way in being a responsible business.

In Touch Technology

At Arçelik sustainability is integrated into the business model and throughout the 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 strategy with an ambitious set of targets to 2030, with shorter 2023 and 2025 milestones along the way. It has been developed in line with the UN's Sustainable Development Goals (SDGs) and in light of the most recent materiality analysis which was completed in 2019. The strategy encapsulates Arçelik's ambition to create smart technologies that are in touch with the needs of the planet and society.

In Touch Technology is comprised of three main pillars:

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

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

Priority areas: responsible supply chain, decent work and diversity, occupational health and safety, talent acquisition and development

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

Arçelik aims to integrate sustainability into every product made and accelerate the company's transition to carbon-neutral and zero-waste operations by 2030 in order to protect the world's natural resources and reduce GHG emissions. By collaborating with key stakeholders Arçelik supports them to reduce their environmental footprint whilst also reducing its own footprint with solutions to global issues such as plastic pollution, food waste and the climate crisis.

Priority areas: climate crisis, waste, plastics, water, green chemistry

3. In Touch with Human Needs: Improving the lives of people

Arçelik strives to become a trusted lifestyle solutions provider to the digital household. By developing innovations and technologies that promote sustainable living, Arçelik is constantly challenging 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.

Priority areas: healthy living, food waste, local communities

Corporate Citizenship

Arçelik's approach to corporate citizenship is based on respecting 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 at Arçelik is focused on:

- Building purpose-driven global brands that create a positive impact on society and the environment.
- Developing smart technologies and solutions that target specific needs and priorities in the communities where Arçelik operate.
- Going beyond the industry and partnering with stakeholders to expand Arçelik's impact, endorse sustainability and social responsibility.

Building purpose-driven global brands

As part of Arçelik's approach to corporate citizenship, three of the company's biggest brands are focused on driving change and improving lives through their own social projects. These projects have been implemented to achieve maximum societal impact against the company's corporate citizenship priorities whilst reinforcing each brand's responsible reputation and attracting new customers.

- **Healthy Next Generation:** Beko educates people on healthy living and encourages families to adopt more healthy living habits through innovative technologies and its [Eat Like a Pro Program](#).
- **Combating Food Waste:** Grundig is committed to fighting against food waste with its "[Respect Food](#)" philosophy and its partnership with the Food for Soul Initiative.
- **Supporting Local Communities:** Arçelik supports the needs of local communities in Turkey, Romania, South Africa and Pakistan through volunteering programmes that empower young people and women.

Employee volunteering

Corporate volunteerism is a fundamental part of corporate citizenship at Arçelik. By 2030 Arçelik will establish a corporate volunteering platform in every country that it operates and engage more than 50% of its employees in volunteering activities. These will be focused on:

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

Measuring and communicating impact

Arçelik measures its impact on both the environment and society as part of its approach to ensuring 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 Arçelik Sustainability Report as well as other channels including its corporate website and social media.

Sustainable Development Goals (SDGs)

Arçelik's corporate citizenship approach is aligned with the UN's Sustainable Development Goals. While Arçelik recognises that all 17 SDGs are interrelated and mutually important, the corporate citizenship strategy focuses primarily on supporting 6 global goals. By partnering with public institutions and NGOs Arçelik also contributes to Goal 17 through its multi-stakeholder approach.






Governance

The General Manager assumes executive responsibility for the social and environmental performance of the company whilst the Corporate Brand and Projects team is responsible for coordinating and reporting on Arçelik's corporate citizenship projects. 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 programmes within the scope of these corporate citizenship projects are coordinated by the Social Clubs team within the HR Directorate.

Corporate citizenship at Arçelik is governed by the following policies and guidelines: [Global Code of Conduct](#), [Global Anti-Bribery and Corruption Policy](#), [Global Donation Policy](#), [Corporate Volunteerism Policy](#), [Civil Society Cooperation Policy](#).

Corporate Citizenship Priorities and KPIs

Priorities	SDGs	Business Benefit KPIs	Social/Environmental KPIs
Healthy Next Generation	 <p>3 GOOD HEALTH AND WELL-BEING</p>	<p>Through Beko's Eat Like a Pro Program and healthy living initiatives Arçelik aims to:</p> <ul style="list-style-type: none"> • Reinforce Beko's brand identity and uplift brand awareness in different markets. • Increase Beko's market share. • Increase Beko's turnover and the number of units sold. • Develop new products and services. 	<p>By 2023</p> <p>To raise awareness of healthy living amongst 25.6 million people.</p> <p>To innovate technologies and projects that encourage healthy living.</p> <p>To raise awareness and knowledge of healthy living through education.</p> <p>To generate excitement amongst families to adopt healthy living habits.</p> <p>By 2025</p> <p>To raise awareness of healthy living amongst 35.5 million people.</p> <p>By 2030</p> <p>To raise awareness of healthy living amongst 80 million people.</p>
Combating Food Waste	 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>Through Grundig's "Respect Food" philosophy and its partnership with Food for Soul Initiative Arçelik aims to:</p> <ul style="list-style-type: none"> •Uplift Grundig's brand awareness in different markets. •Increase brand performance score, brand Power Index and brand recall. •Increase Grundig's market share. •Increase Grundig's turnover and the number of units sold. •Develop new products and services. 	<p>By 2023</p> <p>To raise awareness on combating food waste amongst 1.1 million people.</p> <p>To combat food waste and promote responsible consumption through projects with different stakeholders.</p> <p>To save 500 tonnes of food from being wasted and to serve 420,000 means to 210K people in need of the Food for Soul initiatives.</p> <p>To raise awareness through It Starts At Home to inspire people to take every day actions at home for a better future.</p> <p>By 2025</p>

			<p>To raise awareness on combating food waste amongst 1.5 million people.</p> <p>To save 800 tonnes of food from being wasted and to serve 600K means to 300K people in need of the Food for Soul initiatives.</p> <p>By 2030</p> <p>To raise awareness on combating food waste amongst 3.5 million people.</p> <p>To save 1,200 tonnes of food from being wasted and to serve 1 million means to 500K people in need of the Food for Soul initiatives.</p>
<p>Supporting Local Communities</p>		<ul style="list-style-type: none"> • Make our technologies, products and services available to a wider audience through collaborations with public institutions, private companies and NGOs. • Develop new business models and products that respond to communities' needs. 	<p>By 2023</p> <p>To reach 250K young people and to empower them with 21st century skills and digital competencies.</p> <p>To promote gender equality by empowering women to participate in STEM and other male-dominated areas by providing business skills and equal access to finance.</p> <p>To lead projects and programmes for children and consumers to raise awareness on climate change.</p> <p>By 2030</p> <p>To support local needs of communities with local hero brands in Turkey, Romania, South Africa and Pakistan</p>