

VESTEL SCIENCE BASED TARGETS AND TRANSITION PLAN EXECUTIVE SUMMARY

As Vestel Group of companies, we reaffirm that our sustainability commitments align with international standards and underscore our dedication to environmental responsibility with our validation from the Science-Based Targets initiative. This brings Vestel one step closer to achieving our net-zero emissions goal, as we continue to implement our decarbonization roadmap and related investments.

As Vestel Group of companies, we've set our SBTi validated decarbonization targets both for group level (Vestel Group of companies listed with ticker symbol "IST:VESTL" covering Vestel Elektronik, Vestel Beyaz Eşya, Vestel Mobilite) and for our particular stock-listed company "Vestel Beyaz Eşya" which produces white goods. For both Vestel Group (Vestel Elektronik Sanayi ve Ticaret A.S.) and Vestel Beyaz Eşya, we aim to reduce our absolute scope 1 and 2 GHG emissions 42% by 2030 from a 2021 base year. We also focus on our value chain emissions and commit to reduce our absolute scope 3 GHG emissions from use of sold products category by 25% within the same timeframe. To achieve these emission reductions group-level and company level action plans are developed.

Our approach includes the following key actions:

- **Energy & Process Efficiency Investments:** Regular investments in energy and process efficiency at Vestel Beyaz Eşya, specifically within our white goods manufacturing, are projected to reduce approximately 10.2% of the 2030 Scope 1 and 2 emissions for Vestel Beyaz Eşya. Similar initiatives in our electronics manufacturing unit will provide an additional 9% mitigation, targeting overall energy usage improvements.
- **Renewable Energy Investments:** Installation of photovoltaic (PV) plants on facility roofs is anticipated to reduce around 20.4% of Vestel Beyaz Eşya's 2030 Scope 1 and 2 emissions. For our electronics manufacturing unit, smaller-scale PV installations are expected to contribute about 2% to Scope 1 and 2 reductions.
- **I-REC Certificates:** Where direct renewable energy generation is limited, credible I-REC certificates will be used to achieve Scope 2 reductions. For Vestel Beyaz Eşya, this will mitigate about 17% of forecasted Scope 2 emissions in 2030. Additionally, I-REC utilization for our electronics unit is projected to account for approximately 22.4% of its Scope 2 reduction target.
- **Scope 3 Reductions:** In the product use phase, we are advancing energy efficiency in response to regulatory trends, aiming for a 25% reduction in Scope 3 Category 11 emissions by 2030. Further, carbon offset credits will support this reduction target, helping us mitigate emissions from the use of sold products.

Through these combined measures, Vestel Group's decarbonization strategy addresses both direct and value chain emissions in alignment with our overall GHG reduction commitments.

Emission Reductions in Detail

For our Scope 1+2 emissions targets;

- Structured and regular energy & process efficiency investments focused on our white goods manufacturing (Vestel Beyaz Eşya) unit. These investments will enable us to

achieve an approx. 10.2 % mitigation amount from our forecasted 2030 Scope 1+2 emissions for Vestel Beyaz Eşya.

- Renewable Energy Investments (specifically PV plants that will be established on our available roofs) will be responsible of an approx. 20.4% mitigation from our forecasted 2030 Scope 1+2 emissions for Vestel Beyaz Eşya.
- Apart from this, we will use credible I-REC certificates to reduce an approx. 17% of our forecasted Scope 2 emissions of Vestel Beyaz Eşya for the year 2030.
- Structured and regular energy & process efficiency investments focused on our electronics manufacturing unit. These investments will enable us to achieve an approx. 9% mitigation amount from our forecasted 2030 Scope 1+2 emissions for our electronics manufacturing unit.
- Although limited in terms of impact, Renewable Energy Investments (specifically PV modules that will be established on our garage roofs of our electronics manufacturing unit) will be responsible of an approx. 2% mitigation from our forecasted 2030 Scope 1+2 emissions.
- In addition to the previous two set of actions, we plan to utilize I-RECs to reduce our Scope 2 impact with a mitigation amount of almost 22.4% in our electronics manufacturing unit.
- As Vestel Mobility has a high Scope 2 profile in its own operations and a relatively small impact in our consolidated emissions, we'll use I-RECs to mitigate its operational impact and achieve the fair share of Vestel Mobility in our Vestel group level 42% Scope 1+2 SBTi target.

For our Scope 3 emissions targets;

- We plan to implement energy efficiency measures for the use phase for our products following the regulative trend for the mandatory advancement of energy efficiency labels. Since uncertainty is very high for calculating this effect, we'll see the affiliated consequences of this trend in our Scope 3 emission reductions. Apart from this, we'll use carbon offset credits to reduce our group level Scope 3 Category 11 impact by 25% in 2030 compared to our base year 2021.

Vestel's Transition Plan about Material Scope 3 Emissions

Vestel Group's transition plan includes targeted actions to address material Scope 3 emissions. We have committed to reducing our Scope 3 GHG emissions from the use of sold products by 25% by 2030 from a 2021 base year. To achieve this goal, we are implementing several specific actions aimed at improving energy efficiency during the product use phase.

Key actions in our Scope 3 emissions reduction strategy include:

- **Product Energy Efficiency Improvements:** We are continuously advancing the energy efficiency of our products in line with regulatory trends, particularly through upgrades in energy efficiency labels. This step is designed to directly lower emissions during the product use phase, helping us achieve our Scope 3 target.
- **Carbon Offset Credits:** To further support our Scope 3 target, we plan to use carbon offset credits. These credits will contribute to reducing our Group-level Scope 3 Category 11 emissions by the targeted 25% by 2030.

These actions demonstrate our commitment to addressing material Scope 3 emissions within our transition plan, complementing our Scope 1 and 2 reduction efforts. By focusing on both direct actions, such as product efficiency improvements, and supportive measures like carbon offsets, Vestel is on a structured path to achieve meaningful Scope 3 reductions aligned with our overall GHG targets.

Near Term and Long Term Horizon Transition Plan

The correct terminology when disclosing science-based climate-related targets comes in 2 dimensions.

- 1- Near-term
- 2- Long-term (and when it's aligned with 1.5°C climate scenarios, this long-term target should aim net-zero emissions)

As stated above, Vestel as a group of companies and its specific component Vestel Beyaz Eşya (ticker symbol IST:VESBE) has SBTi validated near-term (2030) targets. These targets and progress related to them may be checked via: <https://sciencebasedtargets.org/companies-taking-action#dashboard> We're planning to commit to generate a long term 1.5°C aligned net-zero target in the upcoming years.

In line with the global agenda, Vestel Group of Companies aims to achieve net zero emissions by 2050, first in its own operations and then in its entire value chain. In this respect, an important step towards achieving net zero was taken by committing to the Science Based Targets Initiative (SBTi).

Transition Efforts Reflected in Financial Planing

Vestel Group has aligned its financial planning with its climate transition plan to ensure that our financial decisions directly support our long-term decarbonization goals. Our strategy includes a commitment to develop low-carbon products and services over time, particularly through focused investments in renewable energy, energy-efficient manufacturing processes, and product innovation. We aim to transition our existing assets, operations, and product portfolio towards a 1.5°C trajectory.

We have structured financial allocations for research and development (R&D) to advance product energy efficiency, such as our ongoing work on more energy-efficient white goods and electronics. This R&D focus aligns our product portfolio with our climate transition plan, enhancing the sustainability of our offerings and responding to regulatory trends in energy efficiency standards.

Additionally, capital expenditures are allocated to specific transition-related actions, such as:

- Renewable energy investments to reduce Scope 1 and 2 emissions.
- Energy and process efficiency initiatives across our manufacturing units to mitigate emissions.
- Use of I-REC certificates and carbon offset credits to support reductions in Scope 2 and Scope 3 emissions.

Through these financial planning elements, Vestel demonstrates a strong commitment to integrating climate transition goals into our long-term business strategy and financial outlook, reinforcing our path toward achieving the 1.5°C target.

Capital Expenditure Alignment with Decarbonisation Goals

We will disclose the methodology and criteria to assess the alignment of our capital expenditure decisions with our decarbonization goals in the upcoming reporting periods. In line with the development phase of this methodology, we will evaluate each investment proposal in terms of its impact on our Scope 1, 2, and 3 GHG reduction targets, ensuring that capital expenditures support our carbon reduction commitments.

Our assessment approach will include the following elements:

- Carbon Intensity Analysis: Every investment will be evaluated based on its potential to decrease the carbon intensity of our operations and product lifecycle.
- Internal Carbon Pricing: Although specific internal carbon prices will not be in place in near future, we plan to apply an evaluation framework to ensure the projects align with our overall decarbonization roadmap.
- Sustainability Review: Our Sustainability Department will review capital expenditure proposals to assess their contributions to achieving our decarbonization targets. Only projects that positively impact our GHG reduction trajectory and align with the Paris Agreement's 1.5°C goal will be prioritized.

This structured methodology will help Vestel maintain consistency in capital allocation towards decarbonization objectives, reinforcing our commitment to low-carbon growth and ensuring financial resources are strategically deployed to meet our GHG reduction goals.