

# VESTEL

Beyaz Eşya Integrated Annual Report 2024

## THE WORLD'S TECHNOLOGY COMPANY



# TABLE OF CONTENTS

10

Vestel Beyaz Eşya in a Nutshell

12

Summary Financial and Operational Indicators

14

Shareholding Structure of Vestel Beyaz Eşya

15

Competitive Advantages of Vestel Beyaz Eşya

16

From Vestel to the Entire World...

20

Message from the Chairperson

22

Board of Directors

24

Message from the CEO

26

Senior Management

30

Highlights of 2024

32

Vestel Beyaz Eşya Integrated Business Model

34

Vestel's Value Chain

36

Strategic Approach

38

Materiality Analysis

46

Sustainability Management

50

Ethical Principles

52

Global Trends, Risks and Opportunities

66

Evaluation for 2024

68

Financial Performance

74

Technology and Human-Oriented Transformation

75

Production and Innovation Power

86

Employees

98

Occupational Health and Safety

100

Corporate Citizenship

102

Supply Chain

106

A Net Zero Company

107

The Journey to Net Zero

112

Circular Economy

115

Water Stewardship

116

EU Taxonomy

118

Accessible and Smart Solutions that Make Life Easier

119

Products and Solutions Creating Benefits

126

Quality and Product Safety

128

Customer Experience

132

Additional Disclosures Required by the Legislation

140

Corporate Governance

140

Internal Audit Activities, Internal Control and Corporate Risk Management System

147

Corporate Governance Principles Compliance Statement

148

Corporate Governance Compliance Report

154

Corporate Governance Information Form

160

Structure of the Board of Directors

161

Duties and Authorities of the Board of Directors

162

Board Committees

166

Evaluation of the Board of Directors Regarding the Working Principles and Effectiveness of the Board Committees

170

Annexes

170

Annex 1: About the Report

171

Annex 2: Stakeholder Relations

176

Annex 3: Association Memberships and Supported Initiatives

177

Annex 4: Integrated Management Systems and Environmental Management

179

Annex 5: Awards

181

Annex 6: Performance Indicators

186

Annex 7: Reporting Principles

196

Annex 8: Limited Assurance Report

201

Annex 9: UN Global Compact (UNG) Progress Table

202

Annex 10: Sustainability Principles Compliance Report

210

Annex 11: TCFD Index

211

Annex 12: SASB Index

212

Annex 13: ESRS Compliance Table

216

Annex 14: Sustainability Risks and Opportunities

224

Annex 15: GRI Index

230

Financial Reports

230

Statement of Responsibility for the Financial Statements and Annual Report

231

Independent Auditor's Report on the Annual Report

233

Financial Statements and Independent Auditor's Report

326

Investor Information

At Vestel Beyaz Eşya, we are a worldwide leader in technology manufacturing. Thanks to our innovative products, we rank among Europe's top five white goods manufacturers and are one of the three market leaders in Türkiye. We proudly represent our home country globally, accounting for about 40% of Türkiye's white goods exports.

Our new Berlin store marks another major step toward our international objectives. We are embracing the future through digital transformation and Industry 4.0 processes. We are committed to creating a better tomorrow with our eco-friendly products and responsible business practices.



# VESTEL 4.0: GLOBAL TRANSFORMATION TOWARDS THE FUTURE

As the world rapidly changes through geopolitical developments, economic volatility, and technological transformations, this evolving landscape creates both risks and new opportunities for companies.

At Vestel, our aim is to be a company that closely monitors this change while also actively shaping it. By using our resources most efficiently, we are taking strategic steps to turn this transformation into a competitive advantage. Our new organizational structure is centered around the principles of efficiency, agility, and sustainable growth. While making our operations more effective through our process-based management approach, we are strengthening our position in the global market with innovative business models. Through our technology and innovation-driven investments, we are building Vestel's future today and turning transformation into opportunity.





# GLOBAL POWER, STRATEGIC GROWTH

**At Vestel, we continue our strategic transformation with the goal of creating a powerful brand ecosystem in global and local markets. We are advancing in line with our new structure to increase our competitive advantage and achieve a more effective position in global markets. We aim to double our brand and market value within the next three years.**

Vestel bases its growth strategy on three fundamental pillars:

Expanding our portfolio by investing in new business areas.

Maintaining our position in markets where we are strong with our ODM and OEM business models, while entering new territories with our branded expansion strategy.

Ensuring sustainable growth with Vestel's licensed brands.

Our Vestel Express store, which opened in Germany in 2024, serves as a concrete example of our branded growth strategy and our expansion vision in Europe. While enhancing our effectiveness in the global market, we are committed to improving customer experience and further strengthening the Vestel brand. In our global growth journey, we are shaping the future today by placing innovation and sustainability at the core of our operations.





# R&D, INNOVATION, DESIGN AND TECHNOLOGY THAT TOUCHES LIVES

At Vestel, we place innovation, design, and technology at the center of our strategic growth journey. We are establishing our position as a global provider of technology solutions integrated with artificial intelligence, IoT, and smart living ecosystems.

We make a difference in the industry with a wide range of products – from consumer electronics and white goods to smart devices and advanced engineering technologies. We aim to bolster our international competitiveness by combining innovation with our design power. We operate with an approach that not only develops technology but also transforms it into solutions that touch people's lives and create value. While building the smart world of the future, we support sustainable growth with our investments in R&D and innovation, reinforcing our pioneering role in the global technology ecosystem.





# SMART AND SUSTAINABLE FUTURE WITH ARTIFICIAL INTELLIGENCE AND IOT

At Vestel, we drive transformation in energy efficiency, sustainability, and user experience by focusing on artificial intelligence and IoT technologies in our innovation efforts.

Our smart home solutions better address user needs through connected, learning, and predictable systems, delivering long-term efficiency and cost advantages. In shaping the living spaces of the future, we move forward as a company that develops innovative technology and guides its application towards a sustainable world.





## VESTEL BEYAZ EŞYA IN A NUTSHELL

# A global technology manufacturer

As one of Türkiye's and Europe's largest white goods manufacturers, Vestel Beyaz Eşya accounts for approximately 40% of Türkiye's white goods exports.



Vestel Beyaz Eşya ("Vestel Beyaz Eşya" or "the Company") produces refrigerators, deep freezers, washing machines, tumble dryers, cooking appliances, dishwashers, air conditioners, and water heaters using the latest technologies in its six factories with a total enclosed area of 641,000 m<sup>2</sup> located in Manisa Vestel City.

Since its establishment in 1997, Vestel Beyaz Eşya has maintained steady growth and, with its long-term strategy and vision, has become one of the largest home appliance manufacturers in Türkiye and Europe, leading the market.

Ranking among the leading original design manufacturers (ODM) in Europe, Vestel Beyaz Eşya closely follows technological trends to develop its products and is one of the top five manufacturers of major domestic appliances in Europe and one of the top three players of its sector in Türkiye. Vestel Beyaz Eşya accounts for almost 40% of Türkiye's major domestic appliances exports. While focusing primarily on ODM sales in European countries, Vestel Beyaz Eşya also conducts branded sales with global brands licensed and local brands owned by Vestel Group.

Vestel Ticaret AŞ's (1) logistics-distribution capability, extensive dealer network, and service structure with advanced technological infrastructure strengthen the company's powerful brand image in the domestic market, as they carry out the sales and marketing activities for the company. After-sales services for Vestel Beyaz Eşya's products are provided by the authorized service centers throughout the country and the central services and call center under Vestel Customer Service Directorate.

(1) Vestel Beyaz Eşya's domestic and international sales and marketing activities are carried out by Vestel Ticaret AŞ. ("Vestel Ticaret"), a 100% subsidiary of Vestel Elektronik Sanayi ve Ticaret AŞ.

## VESTEL CITY

Vestel, with Vestel City, is the first electronics and home appliances company in the world and the first brand and industrial facility in Türkiye to be featured in the "Mega Factories" documentary series by National Geographic Channel, which showcases world-renowned brands. Vestel continues its efforts to complete its Industry 4.0 transformation and transition to fully-automated smart plants.

The tumble dryer factory, established within a 66,000 m<sup>2</sup> enclosed area in Vestel City and operational since 2018, was built with Industry 4.0 infrastructure. With the commissioning of the tumble dryer factory, Vestel Beyaz Eşya completed its product range in six main home appliance categories.



Vestel City: Spanning 1.3 million square meters, Vestel City is Europe's largest industrial complex that manufactures both consumer electronics and white goods products in a single location.

Vestel continues its efforts to complete its Industry 4.0 transformation and transition to fully-automated smart plants.



SUMMARY FINANCIAL AND OPERATIONAL INDICATORS

Strong financial performance

With its strong product range and large production capacity, Vestel Beyaz Eşya achieved strong financial results in 2024 despite challenging market conditions.

Summary Income Statement (TL Million)	2023	2024
Net Sales Revenues	88,172	75,327
Export Ratio	70%	68%
Gross Profit	14,402	7,908
Gross Profit Margin	16.3%	10.5%
Operating Profit*	8,577	2,735
Operating Profit Margin	9.7%	3.6%
EBITDA*	11,400	5,784
EBITDA Margin	12.9%	7.7%
Net Profit	6,821	266
Net Profit Margin	7.7%	0.4%

\*Excludes other income and expenses from operating activities.

Condensed Balance Sheet (TL Million)	2023	2024
Cash and Cash Equivalents	1,053	1,092
Trade Receivables	20,057	14,550
Inventories	10,446	9,855
Current Assets	38,254	31,413
Fixed Assets	31,158	36,159
Total Fixed Assets	35,255	40,159
Short-Term Liabilities	36,400	32,100
Long-Term Liabilities	5,938	5,627
Equity	31,171	33,845
Net Financial Debt*	5,572	10,400

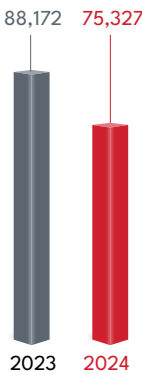
\*Other financial liabilities and blocked deposits are not included in the calculations.

Summary Cash Flow Statement (TL Million)	2023	2024
Net Cash Flows from Operating Activities	5,641	7,741
Net Cash Flows from Investment Activities	-2,733	-4,495
Net Cash Flows from Financing Activities	-2,744	-2,884

\*The Company prepared its financial statements for December 31, 2023 and the year ending on that date by applying the TAS 29 "Financial Reporting in High Inflation Economies" Standard, based on the announcement made by the POA on November 23, 2023 and the published "Implementation Guide on Financial Reporting in High Inflation Economies." According to this standard, financial statements prepared based on the currency of a hyperinflationary economy should be prepared in the purchasing power of this currency at the balance sheet date, and previous period financial statements are also expressed in terms of the current measurement unit at the end of the reporting period for comparison purposes. For this reason, the Company has also presented its financial statements dated December 31, 2023, according to the purchasing power basis as of December 31, 2024.

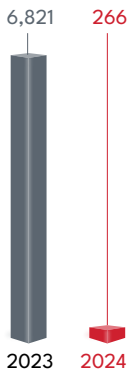
Net Sales (TL million)

In 2024, inflation-adjusted sales revenues were realized as TL 75 billion.



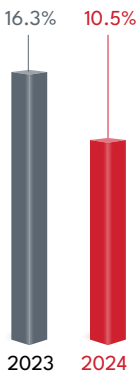
Net Profit (TL million)

Net profit reached TL 266 million.



Gross Profit Margin (%)

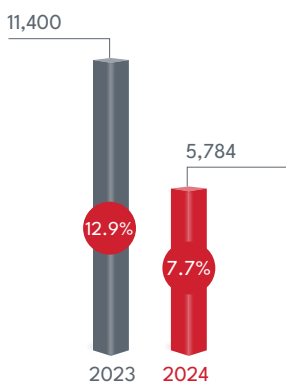
Gross profit margin declined to 10.5% from 16.3% due to higher personnel and raw material costs.



EBITDA\* and EBITDA Margin (TL million), (%)

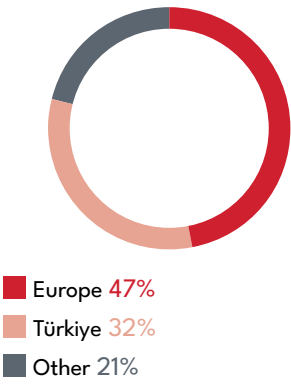
EBITDA reached TL 5.8 billion, while the EBITDA margin was 7.7%.

■ EBITDA ● EBITDA Margin



\*Excludes other income and expenses from operating activities.

Geographic Distribution of Sales (%)



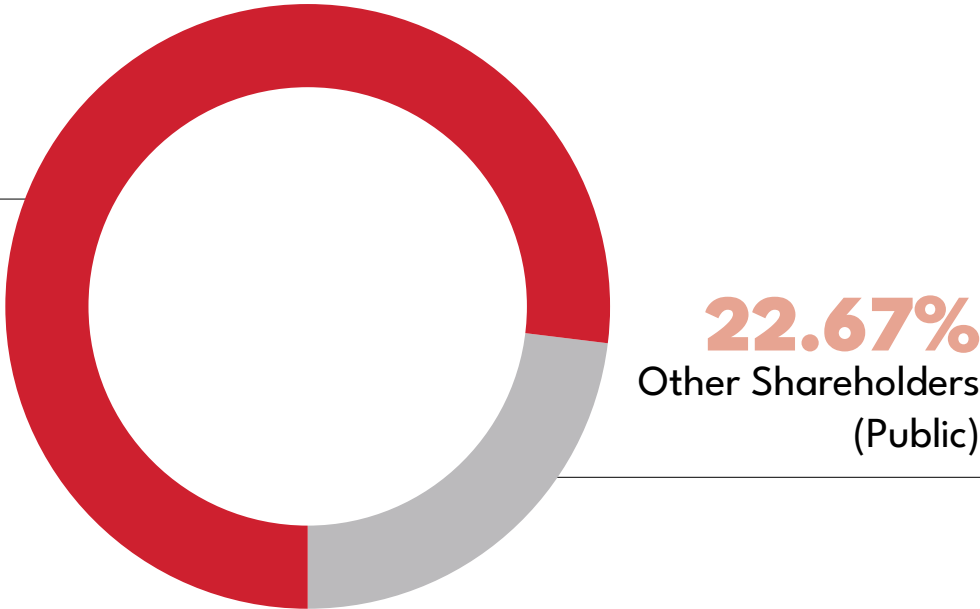


# SHAREHOLDING STRUCTURE OF VESTEL BEYAZ EŞYA

Shareholders	Nominal Value of Shares (TL)	Share in Capital (%)
Vestel Elektronik Sanayi ve Ticaret AŞ*	1,237,302,236	77.33
Other (Free Float)	362,697,764	22.67
<b>Total</b>	<b>1,600,000,000</b>	<b>100.00</b>

\* "Vestel Elektronik" or "Vestel" or "Vestel Group of Companies"

**77.33%**  
Vestel Elektronik  
Sanayi ve Ticaret AŞ



# COMPETITIVE ADVANTAGES OF VESTEL BEYAZ EŞYA

## Innovativeness

- Creating new value for customers with its strong R&D structure, manufacturing capabilities and highly-competent human resources, responding to customer needs swiftly with its technological solutions and rendering innovation fast and accessible to everyone.

## Leading Digital Transformation

- Adopting technology and innovation as a corporate culture building upon its innovative spirit since its establishment,
- Extensive technological capabilities and vision,
- Industry 4.0 transformation,
- Digitalized business processes,
- Customer experience strengthened by digitalization,
- Leading Türkiye's digital transformation as well as its technological transformation,
- Being at the center of digital transformation via its solutions, innovative practices and products as a company exporting technology from Türkiye to the world.

## Cost Advantages

- Benefiting from economies of scale in procurements, particularly in purchases of raw materials/components, which constitute the most important cost item, by leveraging its strong manufacturer identity,
- Efficiency, effectiveness and cost advantages offered by manufacturing in a single complex at Vestel City, one of the largest manufacturing complexes in Europe built over a single site,
- Advantages in transportation cost and delivery times against Far Eastern competitors thanks to the proximity of its manufacturing plants to the European market,
- The existence of a well-developed supplier base in Manisa and proximity to suppliers and distribution and logistical cost advantages facilitated by the production facilities being located close to the İzmir ports,
- Having a significant share in the volume of import and export containers at İzmir ports,
- Reduction in logistics costs by optimizing the application of different and mixed logistics models,
- Lower unit labor cost compared to European manufacturers,
- Newer and more modern production facilities compared to manufacturers in Europe,
- Customs duty advantage against the manufacturers of countries that do not have Free Trade Agreements in place in exports to countries with which Türkiye has signed a Free Trade Agreement.

## Leading the Transition to a Low Carbon Economy

- Offering low-carbon products that reduce environmental impact,
- Emission reduction targets for 2030 and net-zero targets across the entire value chain by 2050, approved by the Science Based Targets initiative,
- Implementation of the Decarbonization Strategy.

## Scalable Production Model, Manufacturing Flexibility, and Product Customization

- Responding to the needs of different customers with various sociocultural backgrounds in foreign markets on time, with the right product, the right price and the right sales channels,
- Ability to develop products in many different models for different customers thanks to its flexible production capability.

## Customer Commitment and Experience

- Providing a seamless ODM service from original design and production to point distribution,
- Refraining from competing directly with customers' brands in Europe,
- Fast production and delivery, ability to meet small assembly orders,
- Vestel's extensive sales and after-sales service network across Türkiye,
- Vestel's after-sales customer experience that makes a difference.



# FROM VESTEL TO THE ENTIRE WORLD...

Reaching a wide customer base through its domestic "omni-channel marketing strategy," Vestel has one of the most extensive sales and after-sales service networks in Türkiye.



 Vestel City Manisa

 Export Markets

 Foreign Trade Offices

- |                 |                          |
|-----------------|--------------------------|
| United Kingdom  | Kazakhstan               |
| France          | Romania                  |
| Germany         | Poland                   |
| Spain           | United Arab Emirates     |
| The Netherlands | United States of America |
| Russia          | Sweden                   |

Export to  
**>160**  
Countries

**12**  
Foreign Trade  
Offices

**1,382**  
Domestic Vestel  
Store



**Vestel in Türkiye**  
All marketing and sales activities of Vestel in Türkiye are carried out by its wholly-owned subsidiary, Vestel Ticaret AŞ (Vestel Ticaret). Vestel's wide product mix of advanced technology and quality and its experience in the multi-brand concept are complemented by Vestel Ticaret's strong distribution network.

Under its omni-channel marketing strategy, Vestel reaches a wide variety of consumers through dealers, sales points and sales outlets as well as household stores, hypermarkets, discount stores, electronics retail chains and e-commerce websites.



**Vestel's Domestic Sales Organization**

- 1,382 Vestel Stores (including 180 Vestel Express and 35 Vestel Corporate Stores)
- 10 VsOutlet Stores
- 954 Regal Stores (in Showroom, Mixed, and Dowry categories)
- [vestel.com.tr](http://vestel.com.tr)
- [vsoutlet.com.tr](http://vsoutlet.com.tr)
- [regal-tr.com](http://regal-tr.com)



**Vestel Domestic Customer Services**

- Call Center
- 396 Authorized Service Providers
- 6 Central Services
- 1 Small Domestic Appliances Base
- 3 Recovery and Central Repair Centers





# FROM VESTEL TO THE ENTIRE WORLD...

At Vestel, we will continue to develop country and region-specific brand expansion strategies based on consumer habits and expectations in each country, rather than implementing a one-size-fits-all sales and marketing approach.

**~2,500**  
Overseas Stores  
and Sales  
Outlets

**Vestel's Global Operation Network**

Vestel's overseas sales and marketing organization comprises the local organizations of foreign trade offices in a total of 12 countries as well as direct sales outlets in neighboring regions.

Vestel structures its international sales strategy along two axes: First, sales made under Original Design Manufacturing (ODM) services to A-brand manufacturers, distributors, and retail chains; second, branded sales conducted through regional brands owned by Vestel Group and global brands for which it has acquired licenses.

In addition to enlarging its customer portfolio to which ODM services are offered, Vestel also aims to increase its brand penetration and market share in foreign markets with the regional brands it has acquired and added to its portfolio in Europe as well as its licensed global brands.

In addition to its global sales activities, Vestel began conducting its global after-sales services within its Customer Services organization in 2024, in line with its "From Local to Global" strategy. Under this strategy, significant steps have been taken to harmonize standards between domestic and international service activities, optimize service providers, enhance call center and digital services offered to end users, increase training activities, and strengthen technical guidance and information processes.

Within the global data analytics framework, 5 million data points are analyzed to closely monitor technical trends and develop early warning mechanisms. This approach aims to both increase operational excellence and ensure sustainable customer satisfaction.

With this strategy, Vestel organizes the after-sales service processes for its international products by combining its overseas offices'

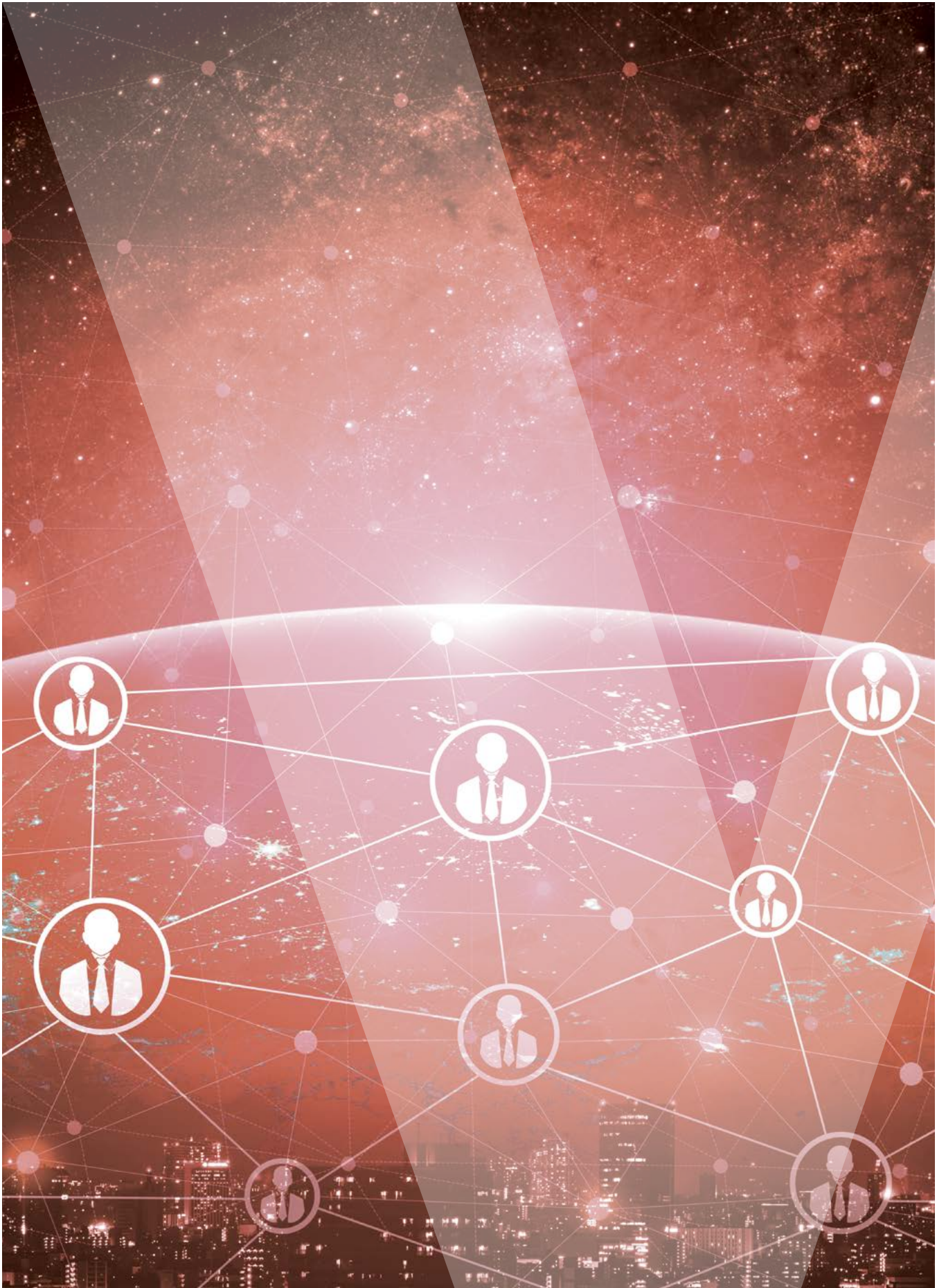
after-sales service organizations in 12 countries with over 400 authorized service centers, spare parts suppliers, and call center partners across 41 countries.

Vestel has completed a year in which it began taking significant steps to increase company value. It achieves this goal through its strategy of investing in new business areas, expanding into new territories, growing with its own brands (particularly Vestel) and licensed brands, and establishing new business partnerships.

Vestel is resolutely advancing its growth strategy in global markets primarily with its own brands. One of the important steps in this strategy is to make a strong entry into the European market with the Vestel brand and strengthen Vestel's presence in Europe. Meanwhile, ODM (Original Design Manufacturing) is a strategy in which Vestel is very strong. Licensing agreements with prominent brands such as Toshiba, Sharp, Daewoo, JVC, and Telefunken play a crucial role in Vestel's growth strategy. One of Vestel's most important plans is to expand into new territories with its licensed brands and increase its effectiveness in existing markets.

The Vestel Express store concept, introduced in Türkiye approximately three years ago, has brought a fresh perspective to retail by combining traditional shopping with digital experiences. In 2024, this successful concept expanded to Europe with the opening of Europe's first 'Vestel Express' store on Friedrichstraße, one of Berlin's busiest thoroughfares. Additionally, with the launch of its first European online store [www.vestel.com/de](http://www.vestel.com/de), in September, German consumers have gained convenient access to Vestel's advanced technology products.

Vestel will continue to develop country and region-specific brand expansion strategies based on consumer habits and expectations in each market, rather than implementing a uniform sales and marketing approach.





MESSAGE FROM THE CHAIRPERSON

Vestel Beyaz Eşya has achieved significant recognition in global sustainability indices.

With a comprehensive sustainability approach extending from its products and services to its manufacturing facilities, Vestel Beyaz Eşya aims to reduce its environmental impact and contribute positively to society.

We are further strengthening our position as a company that shapes markets in Türkiye and worldwide.



We maintained our stable growth thanks to our agile structure, digital transformation-focused business model, and innovation capabilities.

Esteemed Stakeholders,

With our world-class manufacturing approach and innovative, high-quality products, we maintain a leading position in global markets and proudly represent our home country in technology exports. Through our powerful vision and sustainable growth strategy, we are further solidifying our position as a market-leading company not only in Türkiye but also worldwide.

2024 was marked by geopolitical uncertainties, supply chain vulnerabilities, and economic volatility on a global scale. While the Russia-Ukraine war, security threats in the Suez Canal and Red Sea, and global inflationary pressures strained the world economy, Türkiye's economy was directly affected by these developments. Macroeconomic indicators highlighted inflation as a primary agenda item, while growth rates fluctuated during the year. At Vestel Beyaz Eşya, we source a significant portion of our raw materials from the Far East, while conducting the majority of our exports to the European market. Consequently, supply chain management, operational efficiency, and risk management have become increasingly critical. Despite all these challenges, we maintained our stable performance thanks to our agile structure, digital transformation-focused business model, and innovation capabilities.

One of the most striking global events of 2024 was record temperatures and proliferating extreme weather events. The World Economic Forum's Global Risks Report identifies "extreme weather events" as the greatest risk for the next decade. These developments once again emphasize the need to implement our

sustainability goals more decisively and rapidly. At Vestel Beyaz Eşya, we have made significant progress toward our net-zero target through our commitment to the Science Based Targets initiative (SBTi). Throughout 2024, we continued to vigorously pursue our SBTi-approved emission reduction goals. We also conducted comprehensive analyses based on TCFD recommendations to identify and manage climate-related risks. Additionally, Vestel Beyaz Eşya has adopted the Corporate Risk Management Policy and Regulations developed by Zorlu Holding and published in late 2023, as part of our centralized approach to risk management.

With a comprehensive sustainability approach extending from its products and services to its manufacturing facilities, Vestel Beyaz Eşya aims to reduce its environmental impact and contribute positively to society. As a member of Zorlu Holding, the company is actively engaged in carrying out the Holding's sustainability vision, which is outlined in Smart Life 2030. We are among the signatories of the United Nations Global Compact (UNGC) and the Women's Empowerment Principles (WEPS). As a result its dedication and efforts, Vestel Beyaz Eşya has achieved significant success in global sustainability indices. I would like to take this opportunity to extend my gratitude once again to all our employees, customers, investors, business partners, and social stakeholders who have contributed to this success and stood by us in sharing our vision.

Sincerely,

AHMET NAZİF ZORLU  
Chairperson of the Board



# BOARD OF DIRECTORS



**AHMET NAZİF ZORLU**  
Chairperson

Ahmet Zorlu began his career in the family-owned textile business at an early age. In the early years of his business career, Zorlu engaged in textile trade through a store he opened in Trabzon. In 1970, he laid the foundations of Zorlu Holding by relocating the company's headquarters to Istanbul. Ahmet Zorlu established Korteks, his first manufacturing company in 1976, and consolidated all companies under the Zorlu Holding roof in 1990. By incorporating Vestel into Zorlu Holding in 1994, Ahmet Zorlu paved the way for new business ventures. Ahmet Zorlu's entrepreneurship, which began with the textile industry, went on to manifest itself in more companies operating in a wide range of industries such as major domestic appliances, consumer electronics, property development, energy, metallurgy, defense and e-mobility. Ahmet Zorlu is the Chairman of Zorlu Holding and serves as the Chairman or Vice Chairman of the Board in numerous Zorlu Group companies operating in different industries. With a keen interest in non-governmental organizations, Ahmet Zorlu sits on the Board of Directors of Foreign Economic Relations Board (DEİK) and is a member of Turkish Industry and Business Association (TÜSIAD), Education and Culture Foundation of People of Denizli (DENBİR), Babadağ Industry and Business Association (BASİAD) and Turkish Home Textile Industrialists' Association (TETSIAD).



**AYŞEGÜL İLDENİZ**  
Vice Chairperson

Ayşegül İldeniz holds a bachelor's degree in Business Administration from Boğaziçi University and a master's degree in Digital Communications from the San Francisco State University. Ms. İldeniz joined Intel Corporation, the leading global microprocessor company, in 1998 where she served respectively, as General Manager for Intel Türkiye, as Director for the Middle East, Türkiye and Africa region, covering 67 countries and as a European Board Member before being appointed to the position of Global Vice President in the New Devices Group at Intel Headquarters in Silicon Valley. Ms. İldeniz joined Silver Spring Networks in 2016 as COO. In 2016, Ms. İldeniz joined Silver Spring Networks, which is traded on the New York Stock Exchange and holds half of the American smart energy market with 26 million users, as COO and implemented smart cities programs in cities such as Chicago, Singapore, Paris, Copenhagen and Dubai. Ayşegül İldeniz is a pioneering leader in innovation, technology, and future vision both in Silicon Valley and Istanbul. In 2015, she was named one of the "World's Most Creative 100 People" by Fast Company, one of the United States' most prestigious publications, and was selected by Turks of America (TOA) as one of "America's Three Most Influential Turkish Women." In Türkiye, Dünya newspaper honored her as "Woman of the Year in Information Technology" in 2004 and "Woman Executive of the Year" in 2006. She currently serves as Chair of the TÜSIAD Silicon Valley Network and sits on the boards of the American Turkish Society and the New York-based Turkish Philanthropy Funds. Ayşegül İldeniz also serves as a Board Member at Vestel Beyaz Eşya Sanayi ve Ticaret AŞ., Doğan Group Holding AŞ., and Pegasus Airlines AŞ.



**OLGUN ZORLU**  
Board Member

After completing his higher education in textiles and business administration in the UK, Olgun Zorlu started his professional career in 1986 and began to work as a manager at Zorlu Holding companies in 1988, managing the overseas market research and new application development activities of the companies he worked for. Olgun Zorlu, who began serving as a Zorlu Holding Board Member in 1998, currently serves as the Chairman of the Board at Meta Nickel, as well as a Board Member in various Zorlu Holding companies including Vestel Elektronik and Vestel Beyaz Eşya. Olgun Zorlu assumed the position of Vice Chairman of the Board of Zorlu Holding in 2022. Mr. Zorlu is a member of the Turkish Industry and Business Association (TÜSIAD) and the Turkish Home Textile Industrialists' Association (TETSIAD).



**BEKİR CEM KÖKSAL**  
Board Member

Cem Köksal graduated from Boğaziçi University, the Department of Mechanical Engineering in 1988 and completed his master's degree at Bilkent University in 1990. Having worked in the banking sector between 1990 and 2001, Cem Köksal began serving as Deputy General Manager at Denizbank in 1997. Mr. Köksal joined Vestel as the Chief Financial Officer in 2002. Cem Köksal has been working as an Executive Board Member and Board Member in the Vestel Group Companies. He is also the CEO of Zorlu Holding, Chairman of the Zorlu Holding Sustainability Committee, and Board Member at Zorlu Enerji Elektrik Üretim AŞ. and Vestel Beyaz Eşya Sanayi ve Ticaret AŞ.



**MÜMİN CENGİZ ULTAV**  
Board Member

Cengiz Ultav completed his undergraduate and graduate degrees in Electronic Engineering at Middle East Technical University and continued his education at the Philips International Institute in the Netherlands. Subsequently, he worked in the IT and R&D departments of various electronics companies in Türkiye and abroad. While working as Deputy General Manager at NCR and General Manager at Sun Microsistemler AŞ., Cengiz Ultav also provided consulting services to Koç, Sabancı, and Eczaibaşı Groups. After joining Vestel in 1997 as President of Technology, he assumed the role of Executive Board Member responsible for Strategic Planning and Technology, and subsequently continued his duties as a Board Member of Vestel Elektronik Sanayi ve Ticaret AŞ. Mr. Ultav, who served as the Chairman of the Board at TTGV (Turkish Technology Development Foundation), conducted a study for the development of the local electronics industry while consulting for the United Nations Development Programme (UNDP) in Vietnam. Cengiz Ultav, who is one of the Microsoft's certified consultants in Solution Development Discipline, is a founding member of the Turkish Informatics Foundation and the Unix Users Association. He has been honored with the "Lifetime Service Award" by TÜBİSAD.



**ADNAN YILDIRIM**  
Board Member

Adnan Yıldırım graduated from Ankara University, Faculty of Political Sciences, Department of Economics and Finance in 1981, and completed his master's degree in Economic Development at Vanderbilt University. Mr. Yıldırım's professional career began as an Account Expert at the Ministry of Finance and continued with his appointment as Department Head at the General Directorate of Revenues following his ten-year career at the Board of Account Experts. Adnan Yıldırım worked as Financial Affairs Coordinator at EGS Group between 1996 and 2001. As the founder of Denizli and Ipekyolu Free Zones, Yıldırım served in the management of the operating companies of these zones. Adnan Yıldırım established Pamukkale Consulting and Western Certified Public Accountancy and Independent Auditing firm. He has also provided consulting services to leading institutions and organizations such as Aegean Exporters' Associations, Aegean Region Chamber of Industry, Izmir Chamber of Commerce, Izmir Commodity Exchange, and Organized Industrial Zones and Free Zones in Izmir. Mr. Yıldırım served as Deputy Minister of Economy between 2014-2015, and as Chief Advisor at the Ministry of Economy from June 2016 to November 2016. Adnan Yıldırım worked as a General Manager at Turkish Eximbank between 2016-2019.



**EMİN ATAÇ**  
Board Member

After graduating from Middle East Technical University, Department of Mechanical Engineering, Emin Ataç worked as Türkiye Purchasing Manager at Arçelik for 1 year, Ford Otosan for 2 years and Toyota for 10 years. In 2003, he was assigned to Toyota Motor Europe Brussels. Emin Ataç managed purchasing and supplier strategies for various categories in Toyota's European projects and served as Director responsible for all Parts and Component Purchasing for Toyota's European, Turkish, and Russian operations since 2012. Mr. Ataç returned to Türkiye in 2015. After serving as General Coordinator (CEO) at Coşkunöz Holding for 2.5 years, he worked as Board Member/Management Consultant for 3 years in various companies operating in automotive and non-automotive sectors in Türkiye. Emin Ataç has been working as CEO at Farplas Automotive since 2021. Also known for his angel investor and entrepreneur identity, Mr. Ataç is a member of the Arya Investment Platform and provides strong support to the association's activities in angel investing, diversity, inclusivity, gender equality, and mentoring



MESSAGE FROM THE CEO

At Vestel Beyaz Eşya, innovation and sustainability are central to our business operations.

Vestel took an important step toward achieving net zero by making a commitment within the Science Based Targets Initiative (SBTi).

The past year represented not only a period of significant achievements for Vestel Beyaz Eşya but also a turning point where we undertook took decisive steps toward the future.

Esteemed Stakeholders,

In 2024, global economies faced a period focused on continuing the fight against inflation, sustaining growth, and managing uncertainties created by geopolitical risks. While high interest rates continued to place pressure on consumer spending and investments, improvements in inflation trends allowed for a cautious start of interest rate cuts, particularly in developed countries. Geopolitical tensions led to fluctuations in energy prices and continued to impact supply chains. Protectionist trade policies are expected to present both risks and opportunities for global trade in the coming period. Meanwhile, accelerating competition in artificial intelligence indicates that this burgeoning area will play a critical role in the digitalization journey ahead. At Vestel Beyaz Eşya, we reviewed our strategies to focus on opportunities in the evolving global landscape and manage risks, continuing our operations by emphasizing global transformation and digitalization.

The European white goods market began a gradual recovery following its approximate 7% contraction in 2023. The market expanded by 2% in 2024. Despite tight monetary policies and declining purchasing power, the domestic market maintained its resilience during the year. Data from the Turkish White Goods Manufacturers' Association, covering six main products, indicates a 7% increase in domestic wholesale white goods sales in 2024. Similarly, GfK data shows an 11% rise in retail white goods sales during the same period.

According to our inflation-adjusted financial statements (IAS 29 Financial Reporting in Hyperinflationary Economies), Vestel Beyaz Eşya delivered consolidated revenue

of TL 75.3 billion in real terms for fiscal year 2024, with EBITDA of TL 5.8 billion. Despite challenging market conditions, we achieved net profit of TL 266 million during this period.

The past year represented not only a period of significant achievements for Vestel Beyaz Eşya but also a turning point where we undertook took decisive steps toward the future. Global economic volatility, supply chain disruptions, and industry transformations have underscored the importance of maintaining operational agility and organizational resilience.

At Vestel, we intend to double the market value of our company in the next three years by leveraging our productivity gains and turnover growth. This value creation will be driven by our strategic investments in emerging business segments, geographic expansion into high-potential markets, growth through our Vestel brand portfolio and licensed brands, and the formation of strategic business alliances. Our omni-channel strategy in Europe and the launch of our first 'Vestel Express' retail location in Germany represent significant milestones in our global growth trajectory. Additionally, our e-commerce initiatives across European markets are enhancing brand equity by establishing direct consumer relationships.

A cornerstone achievement this year was our acquisition of Sweden-based Cylinda AB, which strengthens our branded presence in the Northern European market. Rather than implementing standardized go-to-market strategies, we are developing tailored brand expansion approaches based on consumer preferences and market dynamics in each region. This strategic acquisition will contribute substantially to Vestel's long-term sustainable growth strategy and enhance our competitive position across Northern Europe.

Supply chain management has become increasingly critical in recent years due to growing geopolitical risks, climate change, and global supply-demand imbalances. We are addressing the supply chain disruptions encountered in 2024 by strengthening our sustainable sourcing approach and focusing on minimizing long-term risks. We have successfully overcome these challenges through our near-shoring and friendly-country sourcing strategies. This approach has enhanced our operational flexibility while presenting significant opportunities for expansion into new markets. The American market stands at the center of this strategy. In line with our newly defined road map, we aim to increase our exports to America fivefold by 2028. Additionally, rapidly growing markets such as North America, Africa, Gulf countries, and Turkic Republics are among our target markets. We will strengthen our presence in these international market regions by establishing new business partnerships.

While technologies such as digital transformation, artificial intelligence, and autonomous systems are rapidly changing business operations, at Vestel Beyaz Eşya we view this transformation as an opportunity and continue to be a pioneer in its adoption. With our smart solutions and innovation-focused approach, we meet evolving customer expectations while maintaining our competitive advantage in the industry. Vestel Beyaz Eşya products incorporate smart technologies that simplify users' daily lives, provide energy savings, and support environmental sustainability. International collaborations established by Vestel Beyaz Eşya also play a critical role in this process. As an active member of global initiatives such as the Home Connectivity Alliance (HCA) and Connectivity Standard Alliance (CSA), we contribute to the seamless integration of smart devices.

At Vestel Beyaz Eşya, innovation and sustainability are central to our business operations, and we develop technologies that shape the future. In our product design, we prioritize not only high performance and user experience but also the minimization of environmental impacts.

Reflecting this approach, our washing machine featuring Aqua Microfiber Filter technology, which prevents the release of microfibers into the environment post-washing, was honored with the "Sustainable Product" award in a competition organized by Sustainability Environmental Achievement and



Leadership (SEAL), a globally recognized organization in sustainability. We take pride in being the sole white goods manufacturer to receive an award in 2024 from this organization, which recognizes leading companies on a global scale.

At Vestel Beyaz Eşya, we fully acknowledge our responsibility in the transition to a low-carbon economy. Our carbon reduction targets for 2030 have received official validation from the Science Based Targets initiative (SBTi). Based on our 2021 baseline, we have committed to reducing Scope 1 and 2 greenhouse gas emissions by 42 percent and lowering Scope 3 emissions from product use by 25 percent by 2030. We are implementing a comprehensive road map for decarbonization of both our products and manufacturing processes, aligned with our SBTi-approved targets and 2050 Net Zero goal. We are supporting this transition through strategic investments. Our sustainability initiatives have already yielded meaningful progress toward our emission reduction objectives. We have established a leadership position in eco-friendly manufacturing by pioneering the increased utilization of bioplastics derived from olive pits in our appliances.

Gender equality and talent development constitute cornerstone elements of our corporate culture at Vestel Beyaz Eşya. We are making consistent progress toward our target of increasing female representation to 40% of our workforce by 2030. Our partnership with designer Aslı Filinta

represents a significant contribution to the advancement of women's work in art and design. We are generating positive impact through initiatives that reflect our commitment to social value creation. Our Vestel DIY Workshops program received recognition in the "Creative Volunteering Activities" category at the Social Benefit Awards 2024 hosted by Dünya Newspaper.

In 2024, we achieved inclusion in the prestigious FTSE4Good Emerging Markets Index. Our performance in S&P Global's 2024 assessment secured our place in the S&P Global Sustainability Yearbook-2025. Generally, our performance in global sustainability indices has served as tangible indicators of the steps undertaken in line with our sustainable growth targets. Through our ongoing efforts to strengthen R&D and innovation capacity, minimize environmental impacts, and contribute to a carbon-free future, we at Vestel Beyaz Eşya will continue to be among the pioneers of transformation in the industry. The successes achieved in 2024 are a testament to the dedicated work and future commitment of the Vestel Beyaz Eşya family. With the support of our stakeholders, we believe Vestel Beyaz Eşya will achieve even greater successes in the years to come.

ERGÜN GÜLER  
CEO



SENIOR MANAGEMENT




**ERGÜN GÜLER**  
Chairman of the Executive Committee

Ergün Güler (was born in Berlin, in 1974) holds a Business Administration undergraduate degree from Dokuz Eylül University and an MBA from Bilkent University, and participated in Stanford University's Stanford Lead Program. He began his career at Vestel in 1999 as a Finance Specialist and served as Deputy General Manager responsible for Financial Affairs and Treasury of Vestel Group of Companies between 2006 and 2012. In May 2012, Mr. Güler was appointed Zorlu Holding Corporate Risk and Treasury Coordinator from October 2012 to September 2023 and he served as the General Manager responsible for Domestic Sales and Marketing at Vestel Ticaret AŞ. Ergün Güler has been serving as the Chief Executive Officer of Vestel Group Companies since September 1, 2023.



**BEKİR CEM KÖKSAL**  
Executive Committee Member

Cem Köksal (was born in Ankara, in 1967) graduated from Boğaziçi University's Mechanical Engineering Department in 1988 and completed his master's degree at Bilkent University in 1990. After working in the banking sector between 1990 and 2001, Cem Köksal began serving as Deputy General Manager at Denizbank in 1997. Mr. Köksal joined Vestel as the Chief Financial Officer in 2002. Cem Köksal serves as an Executive Board Member and Board Member of Vestel Group Companies. He is also the CEO of Zorlu Holding, Chairman of the Zorlu Holding Sustainability Committee, and Board Member at Zorlu Enerji Elektrik Üretim AŞ. and Vestel Beyaz Eşya Sanayi ve Ticaret AŞ.



**NECMİ KAVUŞTURAN**  
Executive Committee Member

Necmi Kavuşturan (was Born in Gaziantep, in 1956) graduated from Ankara University's Faculty of Political Sciences in 1979. Mr. Kavuşturan began his professional career as a specialist at Türkiye İş Bankası in 1979 and became Deputy General Manager at Interbank in 1985. Necmi Kavuşturan, who led initiatives such as Management Trainee programs, open performance systems, and total quality management at Interbank, served as the Deputy General Manager of Management Services at DenizBank from 1997 to 2003. Mr. During this period, Kavuşturan also managed the Advertising, Public Relations, Construction, and Purchasing Departments at Denizbank. Appointed Head of Human Resources Group at Zorlu Holding in 2003, Necmi Kavuşturan has been serving as Executive Board Member responsible for Human Resources at Vestel Group Companies since 2005.




**ALP DAYI**  
Executive Committee Member

Alp Dayı (born in Alaşehir, in 1963) graduated from Dokuz Eylül University's Industrial Engineering Department in 1985 and received a Finance diploma from the University of California, UC Berkeley in 2006. Mr. Dayı has worked as a senior executive responsible for financial affairs in various industrial organizations since 1987. After joining Vestel Group Companies in 1999 and most recently serving as Chief Financial Officer of Vestel Group Companies, Mr. Alp Dayı was appointed as Head of Financial Affairs Group Chief Financial Officer effective March 1, 2024.




**HASAN UĞUR**  
General Manager of Vestel Production and R&D

Hasan Uğur graduated from Middle East Technical University's Mechanical Engineering Department in 2004. He began his professional career in 2005 as a Design Engineer in the Dishwasher R&D Department at Vestel Beyaz Eşya. Mr. Uğur subsequently served as R&D Mechanical Hydraulic System Design Manager and Senior Design Architect. Between 2013-2019, Uğur worked as R&D Manager in Refrigerator Factories. From February 2019 to September 2023, he served as Deputy General Manager responsible for Refrigerator Factories, and between September 2023 and January 2025, he held the position of General Manager at Vestel Beyaz Eşya Sanayi ve Ticaret AŞ. Hasan Uğur has been serving as Vestel Production and R&D General Manager since January 1, 2025.



**ULAŞ ÖZCAN**  
General Manager of Vestel Elektronik and Beyaz Eşya Supply Chain and Purchasing

Ulaş Özcan (was born in Izmir, in 1975) graduated from Boğaziçi University's Economics Department and completed the Lead Executive Program at Stanford University in 2022. Mr. Özcan began his career at Vestel in 1998 as the Taiwan Office Manager. He established Vestel's first Far East office and subsequently served in Hong Kong as Purchasing and Sourcing Manager between 2001-2003, and in Shanghai as Purchasing and Sourcing Director between 2004-2008. After becoming Deputy General Manager responsible for Product Supply in 2008, Mr. Özcan was appointed as General Manager responsible for Asian Operations as of December 2018, where he was in charge of sourcing, purchasing, and engineering services in the Far East. As of December 2023, he also became responsible for Vestel's sales in the Asia-Pacific Region in addition to his existing duties. Ulaş Özcan has been serving as Vestel Elektronik and Beyaz Eşya Supply Chain and Purchasing General Manager since January 1, 2025.



**BÜLENT KIRACIOĞLU**  
Chief Financial Officer

Bülent Kiracioğlu (was born in Balıkesir, in 1979) graduated from Dokuz Eylül University's English Business Administration Department in 2001 and worked in corporate banking at various domestic and multinational banks between 2003-2015. Mr. Kiracioğlu began working at Vestel Group Companies as Central Finance Manager in 2015 and was appointed Deputy General Manager of Finance in 2019. Bülent Kiracioğlu has been serving as Vestel Group Companies Chief Financial Officer since March 1, 2024.



**ZEYNEP TARHAN**  
General Manager of Human Resources Vestel Group Companies

Zeynep Tarhan (was born in Sivas, in 1982) graduated from Uludağ University's Labor Economics and Industrial Relations Department in 2004 and completed her master's degree in Human Resources at Istanbul University in 2006. Ms. Tarhan began her professional career in 2006 at Zorlu Holding Human Resources and has assumed various positions in the Human Resources departments of Vestel and its group companies. Ms. Tarhan was appointed Vestel Human Resources Director in 2019. As of September 1, 2024, she has been serving as Human Resources General Manager at Vestel Group Companies.



# SENIOR MANAGEMENT

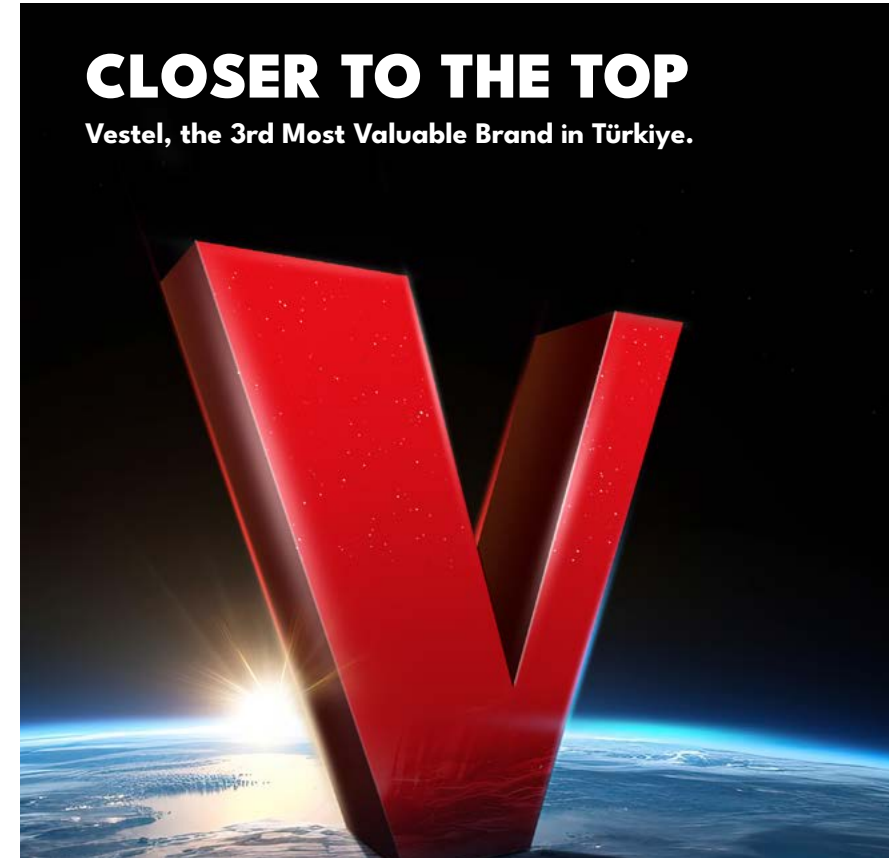
 <p><b>ÖZGÜR YILMAZ</b> General Manager of Vestel Customer Services and Quality</p> <p>Özgür Yılmaz (was born in İzmir, in 1976) graduated from Middle East Technical University's Mechanical Engineering Department in 1998. Between 1998-2001, he worked on attack helicopters in the Turkish Armed Forces. Mr. Yılmaz began working at Vestel Beyaz Eşya as a Washing Machine Design Engineer in 2002 and subsequently served as R&amp;D Mechanical Design Chief Engineer, R&amp;D Manager, Deputy General Manager in charge of the Washing Machine and Tumble Dryer Plant and Deputy General Manager in charge of Purchasing. He served as Vestel Customer Services General Manager between September 2023 and January 2025. Since January 1, 2025, Özgür Yılmaz has been serving as Vestel Customer Services and Quality General Manager.</p>	 <p><b>ÖNER TEKİN</b> General Manager of Vestel Technology, Lentatek &amp; AYESAŞ</p> <p>Öner Tekin (was born in İstanbul, in 1978) completed his undergraduate education in Electronic and Communication Engineering at Yıldız Technical University in 2002. He is currently pursuing his doctorate in Electronic and Communication Engineering at Yildız Technical University. Mr. Between 1998-2017, Tekin worked at NETAŞ Telekomünikasyon A.Ş., most recently serving as Deputy General Manager and Executive Board Member for the Public, Defense, and Telecom Sector, as well as Board Member at Kron Telekomünikasyon A.Ş. In 2017, he assumed the roles of General Manager and Board Member of Lentatek and AYESAŞ companies, as well as Vestel Ventures General Manager, alongside his position as Executive Board Member of Vestel Group Companies. In addition to his role as General Manager of Lentatek &amp; AYESAŞ, Öner Tekin was appointed as General Manager at Vestel Group Companies, responsible for Technology as of January 1, 2025. Mr. Tekin has served as Chairman and Member of the SASAD Board of Directors. He has undertaken various roles in NGOs such as TESİD and İTÜ-ETA Foundation, and currently serves as a member of the SSI Audit Committee.</p>	 <p><b>HASAN EMRAH ŞAFAK</b> Deputy General Manager of Refrigerator Plants Production</p> <p>Hasan Emrah Şafak graduated from the Department of Mechanical Engineering at Ege University in 2004. He completed his Master's degree in Mechanical Engineering at Ege University. Mr. Şafak began his professional career in 2005 as a Design Engineer in the Refrigerator R&amp;D Department at Vestel Beyaz Eşya. He subsequently served as R&amp;D Acoustics Manager, Senior Design Architect, Quality Assurance Manager, and R&amp;D Manager. Having served as Deputy General Manager, responsible for the Clothes Dryer Factory since 2022, Mr. Şafak was appointed Deputy General Manager responsible for Refrigerator Factories as of October 1, 2023. Since January 1, 2025, Hasan Emrah Şafak has served as Deputy General Manager of Refrigerator Plants Production within the Production and R&amp;D Division.</p>	 <p><b>SERKAN BALCI</b> Deputy General Manager of Washing Machine &amp; Dryer Plants Production</p> <p>Serkan Balcı graduated from the Department of Mechanical Engineering at Dokuz Eylül University in 2004. He completed his Master's degree in Mechanical Engineering at Özyeğin University. Mr. Balcı began his career at Vestel Beyaz Eşya in 2006 as a Laboratory Engineer in the Washing Machine R&amp;D Department. He later served as R&amp;D Laboratory Manager, Senior Design Architect, and R&amp;D Manager. Appointed Deputy General Manager, responsible for Washing Machine and Clothes Dryer Factories as of January 1, 2020, Mr. Balcı continued his role as Deputy General Manager responsible for Washing Machine Factories from September 1, 2020, following an organizational change. Serkan Balcı has been serving as the Deputy General Manager of Production for Washing Machine and Tumble Dryer Plants within the General Directorate of Production and R&amp;D since 1 January 2025.</p>	 <p><b>ÖZGÜN DÖŞEMECİLER</b> Deputy General Manager of Dishwasher and Plastic Injection Molding &amp; Styrofoam Plants Production</p> <p>Özgün Döşemeciler graduated from the Department of Mechanical Engineering at Ege University in 2005. He completed his Master's degree in Mechanical Engineering at Özyeğin University. Mr. Döşemeciler began his career at Vestel Beyaz Eşya in 2006 as a Design Engineer in the Washing Machine R&amp;D Department. He subsequently served as R&amp;D Washing Group Manager, Senior Design Architect, and Clothes Dryer Factory R&amp;D Manager. After serving as Deputy General Manager responsible for the Clothes Dryer Factory since September 1, 2020, Mr. Döşemeciler was appointed as Deputy General Manager responsible for the Dishwasher Factory as of November 1, 2022. Since January 1, 2025, Özgün Döşemeciler has been serving as Deputy General Manager of Dishwasher and Plastic Injection &amp; Styrofoam Plants Production within the Production and R&amp;D Division.</p>	 <p><b>MEHMET YAVUZ</b> Deputy General Manager of Cooking Appliances and Air Conditioner &amp; Water Heater Plants Production</p> <p>Mehmet Yavuz graduated from İstanbul Technical University's Industrial Engineering Department in 2002. Between 2002-2004, he worked at Aykim Metal Sanayi ve Ticaret AŞ. as Quality Assurance Manager. After joining Vestel Beyaz Eşya in 2004, Mr. Yavuz held various positions in the Washing Machine Factory, Dishwasher Factory, and Refrigerator Factories. Mr. Yavuz has been serving as Acting Deputy General Manager responsible for Cooking Appliances Factory since October 2017 and was officially appointed to this position as of February 2018. Since January 1, 2025, Mehmet Yavuz has served as Deputy General Manager of Cooking Appliances and Air Conditioner &amp; Water Heater Plants Production within the Production and R&amp;D Division.</p>	 <p><b>FUNDA KURU</b> Deputy General Manager of Technical Operations &amp; Quality</p> <p>Funda Kuru graduated from Dokuz Eylül University's Mechanical Engineering Department in 2007. She completed her Master and Doctorate degrees in Energy at Dokuz Eylül University's Institute of Science. In 2011, she began working as a Mechanical Design Specialist in the R&amp;D Department of Washing Machine Factory of Vestel Beyaz Eşya. Since 2017, she worked at the newly established Clothes Dryer Factory as Drying System Design Group Manager between 2017-2020 and as R&amp;D Manager between 2020-2023. Ms. Kuru has been appointed to the position of Deputy General Manager of the Clothes Dryer Manufacturing Plant, effective October 1, 2023. As of January 1, 2025, Ms. Funda Kuru has assumed the role of Deputy General Manager of Technical Operations and Quality within the Customer Service and Quality General Directorate.</p>	 <p><b>CANER YILDIZ</b> Deputy General Manager of Production Technologies and Operational Excellence</p> <p>Caner Yıldız graduated from Ege University's Faculty of Engineering, Department of Mechanical Engineering, began his career at Vestel Beyaz Eşya in 2006 as an R&amp;D Engineer in the Dishwasher Factory. Subsequently, he served as Control Group Design Lead, Senior Design Architect, R&amp;D Manager, and Procurement Manager responsible for Component Purchasing. Since October 1, 2023, Mr. Bal has been serving as the Deputy General Manager of Purchasing. As of January 1, 2025, Evren Bal has assumed the position of Deputy General Manager of Central Procurement in the Supply Chain and Purchasing Division.</p>	 <p><b>EVREN BAL</b> Deputy General Manager of Central Procurement</p> <p>Evren Bal, a graduate of Ege University's Faculty of Engineering, Department of Mechanical Engineering, began his career at Vestel Beyaz Eşya in 2006 as an R&amp;D Engineer in the Dishwasher Factory. Subsequently, he served as Control Group Design Lead, Senior Design Architect, R&amp;D Manager, and Procurement Manager responsible for Component Purchasing. Since October 1, 2023, Mr. Bal has been serving as the Deputy General Manager of Purchasing. As of January 1, 2025, Evren Bal has assumed the position of Deputy General Manager of Central Procurement in the Supply Chain and Purchasing Division.</p>	 <p><b>TURGAY BÜYÜK</b> Deputy General Manager of Technology Development and Test &amp; Verification</p> <p>Turgay Büyük graduated from the Department of Electric and Electronic Engineering at Middle East Technical University in 2004. He started working at Vestel Beyaz Eşya as a Laboratory Engineer in the Dishwasher R&amp;D Department in 2005. Mr. Büyük then served as R&amp;D Laboratory Supervisor and Senior Design Architect, respectively. Since 2016, Turgay Büyük has been the Technology Development Manager at Vestel Beyaz Eşya and was appointed as the Deputy General Manager of R&amp;D at Vestel Beyaz Eşya Headquarters as of 1 September 2020. Turgay Büyük has been serving as the Deputy General Manager of Technology Development and Test &amp; Verification within the General Directorate of Production and R&amp;D since 1 January 2025.</p>
---	---	--	--	---	---	--	--	---	--



## HIGHLIGHTS OF 2024

# At the top with the power of innovation

Vestel has strengthened its achievements in 2024 by receiving numerous international awards across multiple categories.



### Vestel is among the Top 3 of Türkiye's Most Valuable Brands

According to the 2024 results of the "Türkiye's Most Valuable Brands" research conducted by international brand valuation organization Brand Finance, Vestel has secured a position among the top 3 with a value of USD 917 million. Maintaining its third-place ranking for two consecutive years, Vestel continues to sustain its high brand value and market position with remarkable consistency.

### Vestel's Science-Based Targets Approved

The Science Based Targets initiative (SBTi) has endorsed Vestel Beyaz Eşya's commitments to achieve its emission reduction goals by 2030. Using 2021 as the baseline year, Vestel Beyaz Eşya pledges to reduce greenhouse gas emissions in Scope 1 and 2 by 42 percent by 2030, while simultaneously committing to a 25 percent reduction in Scope 3 emissions from the use of sold products during the same period.



### Sustainability Meets Data Science

All sustainability indicators and targets monitored within the scope of environmental, social and governance continue to be monitored and reported through MAP, a digital data platform.

### International Success for Vestel's Sustainability Performance

Vestel Beyaz Eşya achieved a score of 68 points in S&P Global's 2024 assessment, representing a 3-point improvement compared to the previous year. With this score, Vestel Beyaz Eşya was entitled to be included in the S&P Global The Sustainability Yearbook-2025, where 7,690 companies from 62 sectors were evaluated and 780 companies were selected.

### Vestel Beyaz Eşya Featured in the FTSE4Good Emerging Markets Index

Vestel Beyaz Eşya has qualified for inclusion in the FTSE4Good Emerging Markets Index, which recognizes companies demonstrating strong environmental, social, and governance performance as assessed by FTSE Russell.

### Double Award for Vestel Beyaz Eşya from Manisa Teknokent

At the Manisa Teknopark II Innovation and Technology Awards 2024, Vestel Beyaz Eşya earned second-place honors in both the Intellectual Property and Commercialization categories.

### Vestel Beyaz Eşya Received Six Awards in OSB Stars Research

Vestel Beyaz Eşya achieved remarkable success in the OSBÜK (Organized Industrial Zones Supreme Organization) OSB STARS research, winning awards across all 2024 categories and receiving a total of six accolades including a special distinction. Within Organized Industrial Zones, Vestel Beyaz Eşya ranked third for highest R&D expenditure, second for highest sales volume, and claimed first place in three categories: highest exports, highest overall employment, and highest female employment. The company also earned the top position among the most successful companies overall.

### Major Award for Aqua Microfiber Filter Technology from SEAL

Vestel Beyaz Eşya's washing machine with "Aqua Microfiber Filter" technology, which prevents the release of microfibers into nature after the washing process, was awarded the "Sustainable Product" award in the competition organized by Sustainability Environmental Achievement and Leadership (SEAL), one of the world's leading and prestigious organizations on sustainability. Vestel Beyaz Eşya was the only white goods manufacturer to receive an award in 2024 in the organization where world-renowned companies received awards.

### Best Machinery Company of the Year Award

Vestel received the Best Machinery Company of the Year Award at the sixth annual Hacettepe University Crystal Deer Awards held in 2024.

### Two Great Achievements for Vestel Beyaz Eşya at the Hammers Awards 2024

At The Hammers Awards 2024, Vestel Beyaz Eşya received two prestigious honors: the Best Team Supporting Qualified Educated Youth Award for its "DIY Workshops with Vestel" initiative and the Best Team in Animal Rights award for its Walker Project for Disabled Animals.

### Social Benefit Awards Recognizes "DIY Workshops with Vestel" Project

The Social Benefit Awards 2024—launched by Dünya Newspaper to enhance social responsibility awareness and create public engagement through impressive, sustainable initiatives—honored Vestel Beyaz Eşya in the Creative Volunteering Activities category for its "DIY Workshops with Vestel" project. This awards program aims to become an established tradition in future years.



## VESTEL BEYAZ EŞYA INTEGRATED BUSINESS MODEL

## Inputs

## Financial Capital

- Total capital and assets
- Strong and sustainable liquidity position
- Use of different financing instruments (domestic/ international bank loans, capital market products, etc.)

## Human Capital

- Competent senior management and board of directors
- 9,628 competent employees
- 570 subcontracted employees
- 14% female board member ratio

## Intellectual Capital

- R&D team of 603 people
- 27 years of industrial know-how and innovation capacity
- TL 1.1 billion worth of R&D investment

## Manufactured Capital

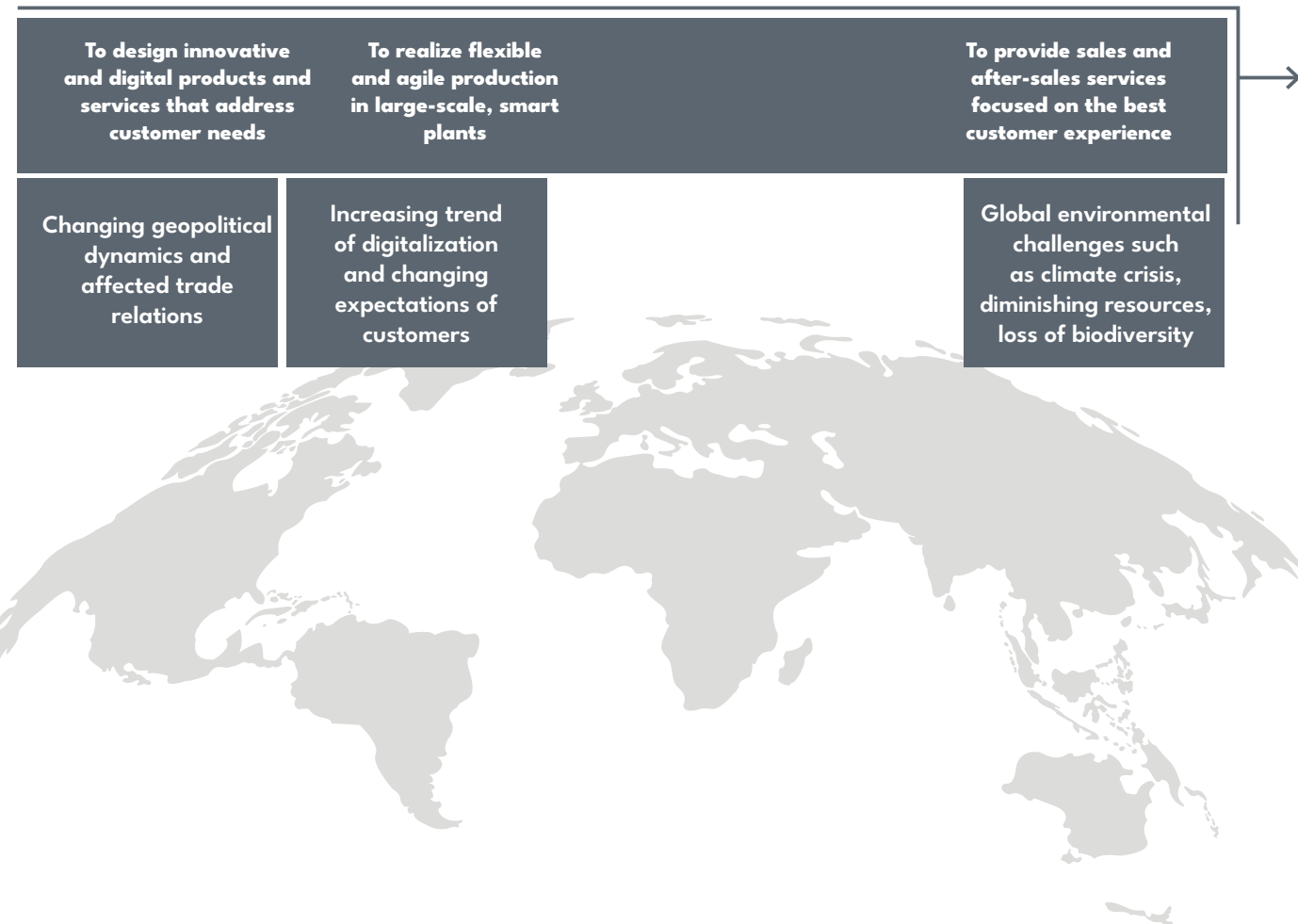
- One of Europe's largest manufacturing facilities built on a single site
- Six factories with a total indoor area of 641,000 m<sup>2</sup> located within Vestel City's 1.3 million m<sup>2</sup> campus
- Retail network comprising 1,382 Vestel stores, 954 Regal stores, and 10 VsOutlet locations
- TL 914 million investment in facilities, machinery, and equipment
- Annual production capacity of 16.1 million units

## Social and Relationship Capital

- Collaborations with 21 industry stakeholders
- Transparent and accountable investor relations
- Customer base comprising 1.6 million individual customers in Türkiye and nearly 550 corporate clients globally
- Supply chain network of 2,372 total suppliers, including 1,880 local suppliers and 116 critical suppliers

## Natural Capital

- 407,796 tons of raw material input
- 214,577 MWh energy consumption
- 1,036,938 m<sup>3</sup> water withdrawal



## GLOBAL TRENDS AND DEVELOPMENTS

## Strategic Approach

**TECHNOLOGY AND HUMAN-ORIENTED TRANSFORMATION**  
Achieving human-oriented transformation in the entire value chain with the power of technology

**A NET-ZERO COMPANY**  
Applying innovative business  
models and adopting  
the circular economy for  
transition to an economy  
based on net zero emissions

**ACCESSIBLE AND SMART SOLUTIONS  
THAT MAKE LIFE EASIER**  
Developing solutions that meet the  
needs of the future and make life  
easier by creating environmental and  
social benefits

## Outputs

## Products

- Refrigerator
- Deep Freezer
- Dishwasher
- Washing Machine
- Tumble Dryer
- Cooking Appliances
- Air-conditioner
- Water Heater
- Vaccine Storage Cabinet

## Services

- Smart and digital solutions
- Customer services
- Hygiene solutions

## Waste and Emissions

- 72,679 tons of Scope 1 and 2 carbon emissions
- 48,928 tons of waste

## Impact Created

## Financial Capital

- Market value of TL 27.1 billion as of December 31, 2024
- Net profit of TL 266 million
- Revenue of TL 75.3 billion
- EBITDA of TL 5.8 billion
- TL 482.1 million in savings achieved through process innovation initiatives
- Export value of TL 51.5 billion
- Gross dividend payment of TL 1,161 million (inflation-adjusted TL 1,366 million)
- Net financial debt to EBITDA ratio of 1.8x

## Human Capital

- Women representing 31% of the workforce
- High-performing employee turnover rate of 4.69%
- 77,581 hours of occupational health and safety training delivered to employees
- 14 hours of training per employee annually

## Intellectual Capital

- 54 awards in the fields of digitalization and technology
- 61 patent applications to the Turkish Patent and Trademark Office (TÜRKPATENT) in 2024,
- 14 patent applications to the World Intellectual Property Organization (WIPO),
- 16 European Patent (EP) applications
- A total of 91 patent applications and 152 registered patents in 2024
- 127 active R&D projects currently in progress
- Vestel ranks among Türkiye's top 3 most valuable brands with a brand value of USD 917 million

## Social and Relationship Capital

- 88 customer loyalty score in the domestic market
- 91 Vstar customer satisfaction score in the domestic market
- TL 15.1 million invested in community initiatives
- Strong brand identity and perception
- Collaborative relationships with 20 universities under open innovation framework

## Natural Capital

- 9,500 MWh energy savings and prevention of 13,699 tons of carbon emissions
- 188 MWh renewable energy consumption
- 95% waste recycling rate
- 39,700 white goods appliances refurbished within the circular economy framework
- Reduction of 5,755 tons in unprocessed plastic usage

# VESTEL'S VALUE CHAIN



## 1. R&D and Product Design

With our 603-strong R&D team, we develop low-carbon products and services that reduce environmental impact and create benefits.

## 2. Supply Chain Management

We expect our 2,372 suppliers to act in accordance with our social and environmental standards and ethical principles in all supply processes from start to finish.

## 3. Production

We aim for excellence in operational processes with our lean production principles at our Vestel City production facility, built on an area of 1.3 million m<sup>2</sup> in Manisa.

## 4. Logistics

By using lower emission fuel in our logistics processes, we ensure that our products are distributed with minimum environmental impact.

## 5. Marketing and Sales

As part of our omni-channel marketing strategy, we reach a wide range of consumers through 1,382 domestic stores and approximately 2,500 international stores and sales points.

## 6. Consumer (Product) Use

We aim to minimize the environmental impact of our products throughout their life cycle.

## 7. After Sales Services

Through our comprehensive after-sales service network—comprising a Call Center, 396 Authorized Service Centers, 6 Central Service Centers, 1 Small Home Appliances Hub, and 3 Recovery and Central Repair Units—we reach a broad consumer base while continuously striving to enhance the customer experience.

## 8. End of Product Life

At the end of product life cycle, we evaluate reuse and recycling options, implementing recycling processes for suitable components and products.



STRATEGIC APPROACH

# An Approach Shaped by Strategic Priorities

Vestel Beyaz Eşya has developed its strategic approach in alignment with its vision of being a technology company that creates social and environmental benefits through life-simplifying, accessible, and intelligent products.

**VISION:**  
Being a technology company creating social and environmental benefits through accessible and smart products that make life easier

Strategy Area	Technology and Human-Oriented Transformation	A Net Zero Company	Accessible and Smart Solutions that Make Life Easier
	<ul style="list-style-type: none"><li>Achieving human-oriented transformation in the entire value chain with the power of technology</li><li>Spreading the transformation culture driven by technology and digitalization to the entire company and increasing the Company's share in the global market</li><li>Applying to the value chain the technological innovations adding value to human life</li><li>Focusing on diversity, inclusion and social benefit</li></ul>	<ul style="list-style-type: none"><li>Applying innovative business models and adopting the circular economy for transition to an economy based on net zero emissions</li><li>Achieving net zero emissions, first in the Company's operations and then in the entire value chain</li><li>Implementing circular models that improve the company's impact on natural resources</li></ul>	<ul style="list-style-type: none"><li>Developing solutions that meet the needs of the future and make life easier by creating environmental and social benefits</li><li>Developing new ideas and business models</li><li>Developing digital service platforms by understanding customer needs</li><li>Offering products and services that create environmental and social benefits</li></ul>
Relevant Priority Issue	<ul style="list-style-type: none"><li>R&amp;D and Innovation</li><li>Digitalization</li><li>Talent Management and Employee Engagement</li><li>Responsible Supply Chain</li></ul>	<ul style="list-style-type: none"><li>Climate Crisis and Transition to a Zero Carbon Economy</li><li>Circular Economy and Waste</li></ul>	<ul style="list-style-type: none"><li>R&amp;D and Innovation</li><li>Digitalization and Consumer Experience</li><li>Products Creating Environmental and Social Benefits</li><li>Customer Satisfaction and Communication</li></ul>
Main Targets	<ul style="list-style-type: none"><li>Achieving a female employee share of 40% by 2030</li><li>Ensuring 100% compliance of all critical suppliers with the Supplier Code of Conduct by 2030</li></ul>	<ul style="list-style-type: none"><li>Being a net zero company in the entire value chain by 2050</li></ul>	<ul style="list-style-type: none"><li>Increasing online sales ratio to 25% in Türkiye by 2030</li></ul>
Relevant Sustainable Development Goals (SDGs)	<div><div>5 GENDER EQUITY</div><div>8 DECENT WORK AND ECONOMIC GROWTH</div></div> <div><div>9 INDUSTRY INNOVATION AND INFRASTRUCTURE</div><div>10 REDUCED INEQUALITIES</div></div>	<div><div>6 CLEAN WATER AND SANITATION</div><div>7 AFFORDABLE AND CLEAN ENERGY</div></div> <div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div>13 CLIMATE ACTION</div></div>	<div><div>9 INDUSTRY INNOVATION AND INFRASTRUCTURE</div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div></div> <div><div>17 PARTNERSHIPS FOR THE GOALS</div></div>

Vestel Beyaz Eşya is expanding its global sphere of influence by increasing its market share in world markets through the power of its transformation culture.

**Technology and Human-Oriented Transformation**  
Vestel Beyaz Eşya aims to transform its corporate culture in a human-oriented way by leveraging the power of technology and digitalization.

The Company extends this culture to the entire company and develops the competencies of its employees in line with the new needs of the century, and implements digital and technological innovations in its operations. Adopting diversity, inclusiveness and social benefit as its core principles, in its value chain, Vestel Beyaz Eşya implements technological innovations that add value to people's lives, and expands its global impact by increasing its share in the world market with the power of its transformation culture.

Major Capital Areas
Financial Capital
Intellectual Capital
Social and Relationship Capital
Human Capital

**A Net Zero Company**  
Vestel Beyaz Eşya, which believes that taking part in the fight against the declining natural resources and climate crisis should be on the agenda of everyone from the public to the private sector, based on this responsibility, the Company invests in regenerative business models for the transition to a net zero emission economy and works to implement circular models in both its products and operations.

Major Capital Areas
Financial Capital
Natural Capital

**Accessible and Smart Solutions that Make Life Easier**  
Vestel Beyaz Eşya believes that the products and services it offers will play a key role in the construction of a sustainable society, and considers producing solutions that meet the needs of the future by creating environmental and social benefits, make life easier and are accessible to everyone among its main goals. The company focuses on determining emerging needs and meeting them with new ideas and business models.

Major Capital Areas
Financial Capital
Intellectual Capital
Manufactured Capital
Social and Relationship Capital

STRATEGIC APPROACH

Vestel Beyaz Eşya has updated its material issues in accordance with the double materiality approach, taking into consideration stakeholder expectations, management perspectives, and global trends.

MATERIALITY ANALYSIS

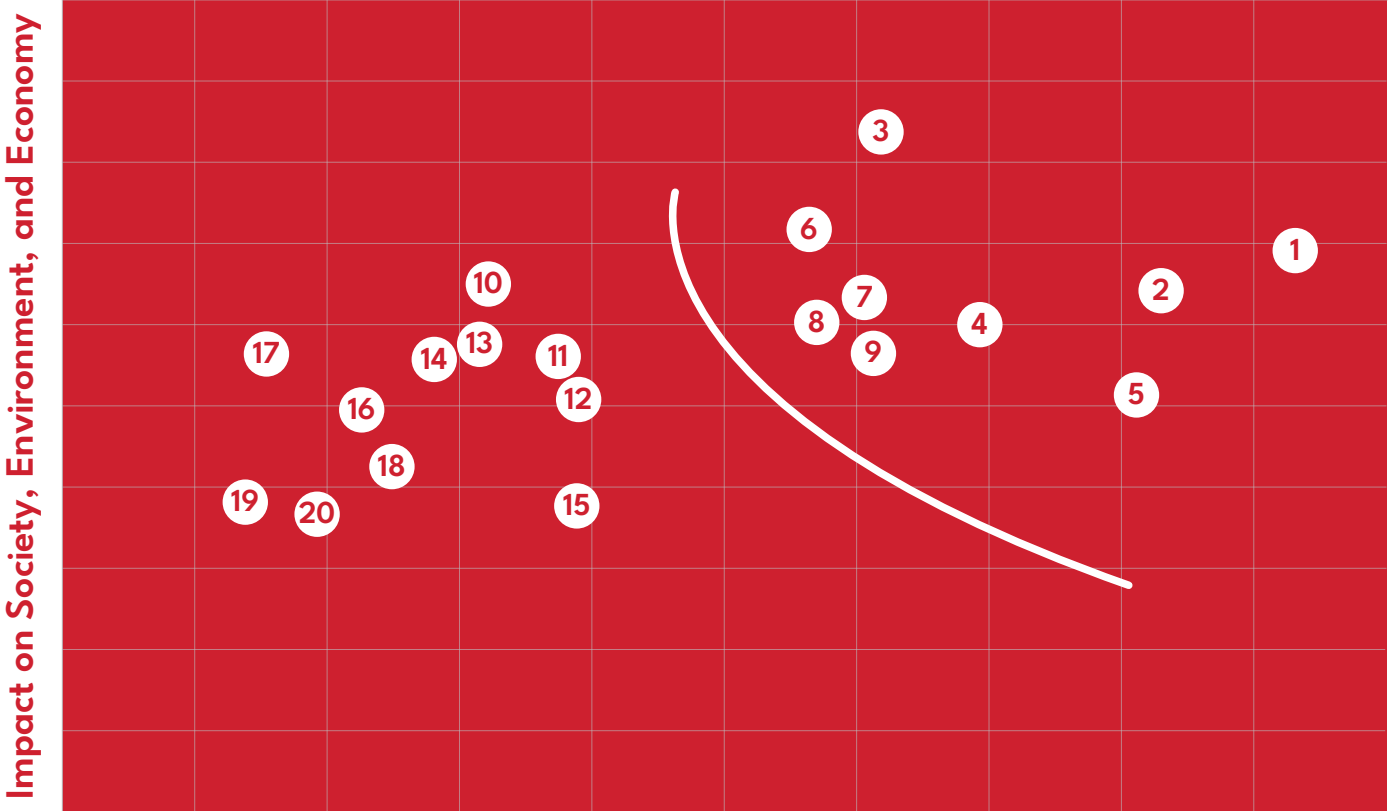
During the materiality analysis process, a long list of topics including issues relevant to the sector in which the Company operates was first developed through an extensive literature review. A comprehensive stakeholder analysis was conducted in 2021 by consulting a total of 2,372 stakeholders, and different stakeholder groups prioritized the list of issues through online surveys. In addition, Vestel benefited from the reports of international and sectoral initiatives and associations, global trends, sustainability index criteria and the priorities of other sector players under the external trend analysis.

External trend analysis and stakeholder perspectives have contributed significantly to determining stakeholder priorities, while Vestel's business strategy, executive insights, four-stage impact assessment, and the **Zorlu Smart Life 2030 strategy** have collectively shaped the identification of Vestel's strategic priorities. Common issues that stand out in both areas formed the material issues. While 12 general managers and 1 board member in Vestel Group of Companies were interviewed to identify the opinions of the executives, the opinions of 31 deputy general managers were collected through online surveys. During the four-stage impact analysis, each topic was evaluated in terms of financial impacts and risks, regulatory impacts, innovation opportunities, sectoral examples, and competitive advantage.

In 2024, Vestel Beyaz Eşya updated its material issues in line with the double materiality approach, taking into account stakeholder expectations, executive opinions and global trends. While assessing global trends, the expectations of current standards and indices, particularly the United Nations Sustainable Development Goals (SDGs), the World Economic Forum Global Risks

Report (WEF), MSCI, S&P Global Corporate Sustainability Assessment (CSA), were reviewed. To determine financial impacts for Vestel Beyaz Eşya, we conducted in-depth interviews with 5 executives and 2 investors, gathering their perspectives on how various issues create both risks and opportunities for the company. Our comprehensive assessment of impacts, risks, and opportunities—conducted within the double materiality framework—enables us to evaluate not only factors that may affect Vestel Beyaz Eşya's financial performance but also the company's broader influence on society, the environment, and the economy. In the impact assessment, the impact of each topic was analyzed on the basis of whether the impact was positive and/or negative, the size, scope and likelihood of the impact. Careful consideration of global risks and opportunities further contributed to determining the significance levels of the identified issues. Within this framework, risk and opportunity management shapes the prioritization of key issues and supports Vestel Beyaz Eşya's long-term strategic priorities. Following the analysis updated in 2024;

- Digitalization and Consumer Experience have been identified as the top priority.
- The number of very high priority topics increased to 9 with the inclusion of Data Security and Cyber Risks.
- The number of topics decreased by two topics to 20 compared to the analysis in 2021.
- The topic of Employee Engagement and Satisfaction was combined with Talent Management and included in the joint evaluation.
- Stakeholder Interaction and Collaboration topics have been removed from the list of prioritized topics.
- The double materiality approach and its outcomes have been thoroughly evaluated and formally approved by senior management.



Top Priority Issues

- 1 Digitalization and Consumer Experience
- 2 R&D and Innovation
- 3 Climate Crisis and Transition to a Zero Carbon Economy
- 4 Talent Management and Employee Engagement
- 5 Customer Satisfaction and Communication
- 6 Circular Economy and Waste
- 7 Responsible Supply Chain
- 8 Products that Create Environmental and Social Benefits
- 9 Data Security and Cyber Risks

High Priority Issues

- 10 Product Quality and Safety
- 11 Corporate Governance
- 12 Equal Opportunity, Diversity and Inclusion
- 13 Occupational Health and Safety
- 14 Water and Waste Water
- 15 Integrated Risk Management
- 16 Ethics, Compliance and Transparency
- 17 Human Rights
- 18 Responsible Raw Materials Management and Minerals from High Risk and Conflict Zones

Medium Priority Issues

- 19 Biodiversity
- 20 Community Investment Programs



STRATEGIC APPROACH

The impact assessment enables a comprehensive evaluation of not only factors affecting Vestel Beyaz Eşya's financial performance, but also the company's broader influence on society, the environment, and the economy.

Vestel Beyaz Eşya has addressed its material issues in accordance with the European Sustainability Reporting Standards (ESRS). Disclosures on very high priority issues identified as a result of the materiality analysis are made based on the European Sustainability Reporting Standards (ESRS). Vestel Beyaz Eşya reports in compliance with topic-specific standards including ESRS E1 - Climate Change, ESRS E5 - Resource Use and Circular Economy, ESRS S1 - Own Workforce, ESRS S2 - Workers in the Value Chain, ESRS S4 - Consumers and End Users, and ESRS G1 - Business Ethics, sharing information with the public in accordance with the disclosure requirements of each standard.

MATERIAL TOPICS

Material Topic	Importance	Relevant Stakeholders	Relevant Section
Digitalization and Consumer Experience	In parallel with digitalization, customers demand digital products and services with emerging technologies. Developing digital products responding to customer needs by closely following evolving consumer behaviors is among the basic requirements for being a pioneer in the rapidly transforming sector.	Customers, employees	Accessible and Smart Solutions that Make Life Easier
R&D and Innovation	As a technology company, R&D and innovation are critical for Vestel Beyaz Eşya in terms of both developing new products and transforming operations.	Employees, customers	Technology and People-Oriented Transformation
Climate Crisis and Transition to a Zero Carbon Economy	It is important to achieve net zero in greenhouse gas emissions as quickly as possible to keep global warming below 1.5 °C by 2050 and minimize the effects of the climate crisis. The steps taken by the Company in its product portfolio and operations play a key role in the transition to a zero carbon economy.	All stakeholders/society	Net Zero Company
Talent Management and Employee Engagement	With the rapid increase in digitalization, especially due to COVID-19, many jobs and job descriptions now have to transform. In a constantly-transforming environment, existing capabilities need to be continuously developed and adapted to current needs. It is critical to find right talents and invest in talents according to the requirements of the new century in order to remain a pioneering company in technology and digitalization.	Employees	Employees
Customer Satisfaction and Communication	Keeping customer satisfaction high by always offering innovative products and the best services to customers plays a key role in the continuity of business success.	Customers	Customer Experience
Circular Economy and Waste	The prevailing linear economy model stands out as a model in which waste is considered as worthless and the increasing pressure on natural resources is ignored, leading to negative consequences such as economic loss and environmental pollution. In order to prevent these phenomena and protect the continuity of production, the adoption of cyclical models through which products are designed to be reintroduced to the economy and which accordingly changes the perspective on resources and waste, becomes prominent.	All stakeholders/society	Net Zero Company
Responsible Supply Chain	Management of the supply chain has a very important place in terms of the continuity of operations and the reputation of the company. Monitoring environmental and social performance within the supply chain is among the basic requirements of successful supply chain management.	Suppliers	Supply Chain
Products Creating Environmental and Social Benefits	Vestel aims to enhance social welfare through solutions that simplify life for individuals with disabilities and disadvantaged groups, while simultaneously reducing its environmental footprint by manufacturing products with high energy and water efficiency, reduced carbon emissions, and components made from recyclable materials.	Customers, society	Accessible and Smart Solutions that Make Life Easier
Data Security and Cyber Risks	The digitalization of business processes, products and services leads to cyber risks. Effective management of these risks is a fundamental requirement to ensure the continuity of digitalized business models.	Employees, customers	Technology and People-Oriented Transformation

MATERIALITY CRITERIA FOR CORPORATE VALUE CREATION

	Climate Crisis and Zero Carbon Transition to Economy	R&D and Innovation	Equal Opportunity, Diversity and Inclusion
Impact on Vestel Beyaz Eşya	<p>Transition to a zero-carbon economy has become a strategic priority for Vestel Beyaz Eşya to enhance its competitiveness and strengthen its long-term growth potential.</p> <p>Around the world, particularly in Europe, demand for low-carbon products is on the rise and companies are facing growing pressure to reduce their emissions. This poses an important challenge for Vestel Beyaz Eşya's future reputation and sales.</p> <p>Detailed information is available in the <b>Global Trends, Risks and Opportunities</b> section of the report.</p>	<p>As a technology company and a company operating in an innovation-oriented sector, R&amp;D and innovation play a critical role for Vestel Beyaz Eşya in both developing new products and transforming operations. The inability to maintain continuity in research and development initiatives could significantly impact Vestel Beyaz Eşya's competitive position in the marketplace and adversely affect its financial performance</p>	<p>Embracing the principles of equal opportunities, diversity and inclusion positively affects Vestel Beyaz Eşya's corporate culture. Lack of diverse perspectives and experiences can lead to a decline in innovation and efficiency. This could have a negative impact on Vestel Beyaz Eşya's reputation, resulting in loss of market share and difficulties in attracting potential talent.</p>
Impact on Environment, Society and Economy	<p>Record-breaking high temperatures are making the impacts of the climate crisis more and more evident, and disasters and extreme weather events are becoming more frequent.</p> <p>Actions taken to combat climate change have a significant impact on the Company's Scope 3 emissions, especially considering Vestel Beyaz Eşya's wide range of products. It is therefore an important field for Vestel Beyaz Eşya to manage its impact on climate and contribute to the Paris Agreement's goal of limiting global warming to 1.5 C.</p>	<p>The innovative products developed through Vestel Beyaz Eşya's R&amp;D activities possess significant potential to create meaningful impact in people's daily lives and environmental footprints, reaching a broad audience and enhancing home living experiences. Such solutions not only support the mitigation of environmental impacts and improve the welfare of society, but also contribute to economic growth by increasing the company's competitiveness.</p>	<p>Investing in a diverse workforce enhances the quality of life for Vestel Beyaz Eşya's 9,628 employees and their families while simultaneously driving meaningful societal transformation. Creating a more equitable and fair social structure supports community well-being and economic growth</p>
Affected Stakeholders	All stakeholders/society	Employees, customers	Employees
Impact on Value Chain	Entire value chain	Entire value chain / Operations	Operations
Strategy	<p>Vestel Beyaz Eşya started to implement its "Decarbonization Strategy." Accordingly, actions include transitioning to technologies that result in less greenhouse gas emissions in production, increasing renewable energy investments, carrying out energy efficiency projects, and manufacturing products with high energy efficiency, less water consumption, less carbon emissions, and low environmental impact.</p>	<p>Through the power of R&amp;D and innovation, Vestel Beyaz Eşya has been strategically expanding its production capacity with intelligence and responsibility. The company has maintained consistent research and development activities for 27 years, supported by a dedicated team of 603 professionals.</p>	<p>Vestel established the Gender Equality Group within Vestel in order to develop volunteering projects that raise awareness with the motto "An Equal Life is Possible for All."</p> <p>The Company encourages efforts to ensure gender equality throughout the Company, including in recruitment practices. Zorlu Holding's <b>"Equal Life Gender Equality Manifesto"</b> has been fully embraced across the organization.</p>
Objectives	<ul style="list-style-type: none"><li>• Vestel Beyaz Eşya has established emission reduction targets through 2030, which have received formal approval from the Science Based Targets initiative (SBTi). In accordance with these commitments, Vestel Beyaz Eşya aims at achieving net-zero emissions throughout its value chain by 2050</li><li>• Reducing Scope 1 and 2 GHG emissions by 42% in 2030 compared to the base year (2021),</li><li>• Vestel Beyaz Eşya targets a 25% reduction in Scope 3 Category 11 emissions in 2030 compared to the base year (2021).</li></ul>	<p>In 2025, Vestel Beyaz Eşya's R&amp;D centers aim to carry out 120 projects.</p>	<p>Vestel Beyaz Eşya aims to increase the share of female employees to 40% by 2030</p> <p>Increasing the share of female employees in STEM positions to 29%</p>
Performance	<p>In line with its emission reduction targets approved by the Science Based Targets initiative (SBTi), Vestel Beyaz Eşya achieved an 18% reduction in Scope 1 and 2 emissions in 2024 compared to the base year 2021. We have also made substantial advancements in addressing our value chain impact, achieving a 16% reduction in Scope 3 emissions from product usage in 2024.</p>	<p>The R&amp;D centers of Vestel Beyaz Eşya conducted 114 projects during 2024.</p>	<p>In 2024, women represented 32% of Vestel Beyaz Eşya's total workforce, while the proportion of women in STEM positions reached 22%.</p>

STRATEGIC APPROACH

Vestel Beyaz Eşya has substantially enhanced its sustainability performance through methodical progress against established targets across priority focus areas.

IMPACT ANALYSIS OF MATERIAL TOPICS FOR EXTERNAL STAKEHOLDERS

Vestel Beyaz Eşya		
	Products Creating Environmental and Social Benefits	Climate Crisis and Transition to a Zero Carbon Economy
Material Topics for External Stakeholders	One of Vestel Beyaz Eşya's most significant spheres of influence lies in its products and solutions, which reach a broad consumer base. Through its products, Vestel Beyaz Eşya aims to create social benefit by reducing environmental impact, optimally meet consumer needs, and simplify life through intelligent, high-quality, and safe products and services.	As record-breaking high temperatures make the effects of the climate crisis increasingly apparent, disasters and extreme weather events occur with greater frequency.
	The largest component of Vestel Beyaz Eşya's Scope 3 emissions comes from emissions generated throughout product lifespans. To reduce this environmental impact, Vestel Beyaz Eşya monitors the revenue ratio derived from low-carbon products. Vestel Beyaz Eşya defines its low-carbon products as follows: A substantial portion of the carbon footprint for all manufactured products stems from energy and water consumption during product use. Consequently, producing more energy-efficient and water-saving products represents a primary driver of R&D initiatives. When identifying low-carbon products, the company uses products that consume less energy and water compared to industry averages as reference points. In this context, the company identifies products consuming less energy and water than industry averages based on the mean consumption of products sold in the European white goods sector as of 2024, including countries outside Europe.	Given Vestel Beyaz Eşya's extensive product range, steps taken to combat climate change have a particularly significant impact on the company's Scope 3 emissions. Therefore, managing its climate impact and contributing to the Paris Agreement's goal of limiting global warming to 1.5°C represents a critical priority area for Vestel Beyaz Eşya.
		In 2024, 32 energy kaizen initiatives resulted in savings of 9,500 MWh of energy and TL 19.9 million. These improvements prevented a total of 13,699 tons of carbon emissions.
Output Metric	Emissions prevented through low-carbon products sold by Vestel Beyaz Eşya in 2024: 32,757.46 metric tons CO <sub>2</sub>	Emissions prevented through energy kaizen initiatives by Vestel Beyaz Eşya in 2024: 13,699 metric tons CO <sub>2</sub>
Impact Assessment	The impact assessment is conducted based on the social cost of carbon. According to the <b>EPA's report on "Social Cost of Carbon Gases,"</b> this cost amounts to \$208 per ton of CO <sub>2</sub> (Short-term rate 2.0%).	The impact assessment is conducted based on the social cost of carbon. According to the <b>EPA's report on "Social Cost of Carbon Gases,"</b> this cost amounts to \$208 per ton of CO <sub>2</sub> (Short-term rate 2.0%).
Impact Metrics	Total social cost savings from prevented carbon emissions: 32,757.46 × 208 = \$6,813,551.68	Social cost savings from carbon emissions prevented through energy kaizen initiatives: 13,699 × 208 = \$2,849,392

2030 TARGETS

Topic	Target	Unit	Target	Base year: 2021 Performance	2024 Performance	Change compared to base year	Related SKA
Climate Crisis and Transition to a Zero Carbon Economy	42% reduction in Scope 1 and 2 greenhouse gas emissions	tCO <sub>2</sub> e	2030	88,632	72,679	18% ↓	13 Climate Action
	15% reduction in energy intensity (per unit product)	Energy	2030	18,29	18,76	2.57% ↑	7 Affordable and Clean Energy
Water and Waste Water	Reducing the amount of water withdrawn per unit of production by 20%	Withdrawn water liters/unit product (units)	2030	81.1	90.68	11.8% ↑	6 Clean Water and Sanitation
	Using 50% recovered and recycled water	Reclaimed and recycled water (m³) / Total water withdrawal (m³)	2030	0.5%	7.2%	6.7% ↑	12 Responsible Consumption and Production
Circular Economy and Waste	Setting the amount of hazardous waste sent to landfills to zero by 2025	Amount of Waste (Tons)	2025	0.90	0.72	20% ↓	12 Responsible Consumption and Production
Talent Management / Equal Opportunity, Diversity and Inclusion	Achieving a female employee share of 40% in the total workforce	%	2030	31%	32%	1% ↑	5 Gender Equality
	Executive Increasing the proportion of women in management positions (Supervisor and above) to 18%	%	2030	14%	18%	4% ↑	8 Decent Work and Economic Growth
	Increasing the share of women working at the first level of management (Supervisor) to 24%	%	2030	18%	22%	4%	10 Reduced Inequalities
	Increasing the share of women working at middle level of management (Manager) to 13%	%	2030	10%	7%	3% ↓	5 Gender Equality
	Increasing the share of women working at senior level of management (DGM, GM, Executive Committee) to 14%	%	2030	0%	8%	8% ↑	8 Decent Work and Economic Growth
	Increasing the share of female employees in income-generating positions* to 33%	%	2030	17%	25%	8% ↑	10 Reduced Inequalities
	Increasing the share of female employees in STEM positions to 29%	%	2030	25%	22%	3% ↓	4 Quality Education
Talent Management	Increasing the average annual training hours per employee to over 20 hours	Hours	2030	14	17	21% ↑	8 Decent Work and Economic Growth
Community Investment Programs	Increasing the share of social investments in EBITDA to 1%	Annual %	2030	0.2%	0.26%	0.06% ↑	1 People with Dignity, 4 Quality Education, 8 Decent Work and Economic Growth, 10 Reduced Inequalities, 16 Peace, Justice and Strong Institutions, 17 Sustainable Cities and Communities

\*Share of female employees in revenue-generating positions refers to the ratio of the number of women in management positions in revenue-generating functions to the total number of employees in management positions in revenue-generating functions during the reporting period.



STRATEGIC APPROACH

In the 2024 S&P Global corporate sustainability assessment, Vestel Beyaz Eşya achieved an impressive score of 68 points, securing the second-highest ranking in its industry sector.

Vestel Beyaz Eşya has earned prestigious recognition with its inclusion in S&P Global's The Sustainability Yearbook-2025, a distinction awarded to only 780 companies from an evaluated pool of 7,690 organizations across 62 sectors.

INITIATIVES AND SUSTAINABILITY INDICES INCLUDED

	2023 score	2024 score
LSEG ESG	82	84*
S&P Global CSA	65	68
CDP Climate Change	A-	A-
CDP Water Security	C	B
EcoVadis	53- Bronze	67- Silver

\*Reflects the LSEG score dated 24.02.2025.

Vestel Beyaz Eşya believes in the importance of working together with different stakeholders and participating in multi-stakeholder initiatives as key to improving performance on its material issues and driving sectoral transformation. Vestel Beyaz Eşya supports the United Nations Global Compact (UNGC) and Women's Empowerment Principles (WEPs) and is among the supporters of the Task Force on Climate-related Financial Disclosures (TCFD). In addition, as a signatory to the Business Plastics Initiative (BPG), the Company has made a commitment to reduce the plastic use and to recycle and reuse plastics.

Vestel Beyaz Eşya aims to achieve net zero emissions by 2050, first in its own operations and then in its entire value chain. A significant step towards achieving net zero was taken by committing to set a Science Based Target initiative (SBTi). Vestel Beyaz Eşya's emission reduction targets for 2030 received formal validation from the Science Based Targets initiative in 2024.

With this verification from SBTi, the company has commenced implementation of its reduction plan and associated investments, with existing initiatives set to accelerate moving forward.

Besides supporting various initiatives, Vestel Beyaz Eşya is included in various indices due to its outstanding performance in environmental, social and governance (ESG) issues. Vestel Beyaz Eşya has maintained consistent inclusion in the Borsa Istanbul Sustainability Index since 2016. The company ranks third globally among 100 sector competitors, having achieved an exceptional ESG score of 84 from the LSEG rating agency. In the 2024 S&P Global corporate sustainability assessment, Vestel Beyaz Eşya achieved an impressive score of 68 points, securing the second-highest ranking in its industry sector. With this score, Vestel Beyaz Eşya was entitled to be included in the S&P Global The Sustainability Yearbook-2025, where 7,690 companies from 62 sectors were evaluated and 780 companies were selected. While maintaining a strong A- score in the 2024 CDP Climate Change assessment, Vestel Beyaz Eşya also demonstrated progress in water management by elevating its CDP Water score to level B in 2024. Vestel Beyaz Eşya increased its Ecovadis score by 24% year-on-year, reaching Silver level.

ASSOCIATION MEMBERSHIPS AND SUPPORTED INITIATIVES



United Nations  
Global Compact



TASK FORCE ON  
CLIMATE-RELATED  
FINANCIAL  
DISCLOSURES



SCIENCE  
BASED  
TARGETS





# STRATEGIC APPROACH

An effective governance structure is of utmost importance for Vestel Beyaz Eşya in integrating environmental, social and governance issues across the entire company.

## SUSTAINABILITY MANAGEMENT

Acting with the vision of becoming a technology company that generates social and environmental benefits with its accessible and smart products facilitating life, an effective governance structure is of great importance for Vestel Beyaz Eşya in integrating environmental, social and governance (ESG) issues across the entire company.

Vestel Beyaz Eşya manages sustainability matters, risks, and opportunities at the highest level through its Sustainability Committee established at the Board of Directors level. This committee, formed in 2023, includes the CEO of Vestel Group of Companies and a member of the Board of Directors. The decisions of the Committee are reported to the BoD and also provide input to other committees at the BoD level. In addition, sustainability issues are managed by the Sustainability Department reporting to the CEO. The committee meets at least four times a year, at least every three months. Frequency of meetings is decided annually upon the proposal of the Committee members and the approval of the Chairman of the Committee.

The Sustainability Committee also ensures the effective management of issues, risks and opportunities related to climate change. Climate change issues are the responsibility of the CEO at the highest level. The BoD is responsible for reviewing and approving the decisions and strategies. Other climate-related issues are regularly included on the agenda of the Sustainability Committee. Committee decisions are disseminated to relevant departments through all Vestel General Managers, thus ensuring that climate, environment, business continuity,

reputation, and sustainability issues are effectively brought to the company agenda in top-level decision-making processes in line with committee decisions.

Performance indicators across sustainability categories undergo annual adjustments in accordance with senior management approval, particularly from the CEO. These indicators comprise between 5-10% of the performance scorecards for executives at the General Manager and Deputy General Manager levels. The performance targets of the Sustainability Manager, Energy Efficiency Managers, and relevant team members also contain annual indicators and goals aligned with sustainability objectives.

The duties and responsibilities of the Sustainability Committee, which was established to determine Vestel Beyaz Eşya's sustainability strategy, goals, risks, and opportunities in the context of sustainability, as well as to integrate all sustainability efforts throughout the Company, are as follows:

### 1. Monitoring sustainability efforts:

- 1.1. Reviewing the sustainability strategy, goals and policies, including climate change, and submitting recommendations to the Board of Directors.
- 1.2. Following current developments in the field of sustainability and advising the Board of Directors accordingly on how to improve existing strategies, policies and practices,

### 2. Coordination of sustainability efforts:

- 2.1. Taking preventive/remedial measures to ensure the implementation of sustainability principles and informing the Board of Directors.



### 3. Overview, recommendations and other activities:

- 3.1. Submission of proposals on the necessary management and organizational structure in line with the sustainability strategy and goals.
- 3.2. Submission of proposals on sustainability-related issues assigned by the Board of Directors.
- 3.3. Proposing local and international memberships and collaborations to support the success of the sustainability strategy and goals.
- 3.4. Providing evaluation and feedback to Vestel Beyaz Eşya Sanayi ve Ticaret AŞ regarding the "Smart Life 2030 Strategy Framework and Long-Term Strategic Targets," which constitute Zorlu Group's sustainability vision, and the "Sustainability Action Steps" established by Zorlu Holding AŞ to achieve these targets, monitoring Vestel Beyaz Eşya Sanayi ve Ticaret AŞ's targets, determining performance criteria and ensuring the accurate and consistent measurement of performance.

- 3.5. Following national and international sustainability issues.
- 3.6. Ensuring presence on platforms where sustainability-related issues are addressed, where necessary.
- 3.7. Gaining insight into the activities of sub-working groups on sustainability issues, evaluating them, and reviewing them before presenting to the Board of Directors.

### 4. Reporting and Communication

- 4.1. The preparation of meeting minutes by the Board Secretary and submission for approval by the Committee members.
- 4.2. The Committee Chairman presenting information about the committee's activities and meeting outcomes to the Board of Directors at the first meeting following each committee session.

Vestel Beyaz Eşya, as part of Zorlu Holding, actively participates in and contributes to the Smart Life 2030 initiatives, which are part of Zorlu Holding's sustainability vision. Under the main strategies of preparing for the future with an innovative business model approach and developing people-oriented ecosystems, the Company has set sustainability targets in the areas of environmental, social and governance (ESG). Vestel Beyaz Eşya aligns its sustainability goals with the Smart Life 2030 vision, thereby contributing to Zorlu Holding's overall objectives. The comprehensive particulars pertaining to the Smart Life 2030 vision and Vestel Beyaz Eşya's participation in these distinguished endeavors may be accessed via this [link](#).



# STRATEGIC APPROACH

Vestel develops proactive solutions addressing sustainability, climate change, and water management risks and opportunities.

The Office of Sustainability Governance, having inaugurated its operations in the year 2021, maintains its executive functions as a division reporting directly to the Chief Executive Officer.

**Office of Sustainability Governance**  
Within the Vestel Group of Companies, the orchestration of all sustainability initiatives falls under the purview of the Office of Sustainability Governance. The Office of Sustainability Governance, having inaugurated its operations in the year 2021, maintains its executive functions as a division reporting directly to the Chief Executive Officer. The official mandate and jurisdictional purview of the Office of Sustainability Governance encompasses the following domains:

- Implementing sustainability as the main strategy in processes,
- Implementing the decarbonization strategy of Vestel Group of Companies,
- Setting the Sustainability Committee meeting agendas,
- Implementing the decisions of the Sustainability Committee,
- Preparing the integrated annual reports of Vestel Group of Companies,
- Managing the process of compliance with new reporting regulations related to sustainability,
- Serving as the point of contact between Zorlu Holding sustainability directorate and Vestel Group of Companies,
- Improving sustainability-related data/information collection processes,
- Developing proactive solutions for the Company's risks and opportunities related to sustainability, climate change and water management, reporting the said solutions and sharing best practices,
- Preparing and/or coordinating action plans for sustainability targets, implementing action plans, monitoring progress towards targets and reporting results through key performance indicators (KPIs).



As of 2023, Vestel Beyaz Eşya has implemented a digital data platform to monitor and internally report all sustainability indicators and targets encompassing environmental, social, and governance parameters.

### Sustainability Data Management at Vestel

At Vestel, all sustainability indicators and targets monitored within the scope of environmental, social and governance issues started to be monitored and reported internally through a digital data platform as of 2023.

With the cooperation with MAP360, a sustainability-focused data science platform that operates to help organizations use modern data science technologies to drive value-oriented transformation throughout their operations, all Vestel Sustainability targets can be easily reported and monitored.

Quarterly reports are submitted to the Sustainability Committee, consisting of the CEO and General Managers, and annual sustainability data obtained from many different units of Vestel can be easily managed through MAP360. This way, Vestel is able to expand, make visible, and monitor all of its environmental, social, and governance targets at all levels within the company.

# STRATEGIC APPROACH

Vestel Beyaz Eşya aims to ensure the compliance of all stakeholders with the Ethical Principles by integrating the ethical conduct into the entire institution.

## ETHICAL PRINCIPLES

Vestel Beyaz Eşya adopts an ethical way of doing business based on Zorlu Holding Ethical Principles. Guided by the Ethical Principles to realize its vision, it conducts its activities in line with the principles of accountability and transparency.

Zorlu Holding Ethical Principles regulate the basic principles, values and ways of doing business of the Holding and all Group companies. Ethical Principles, which constitute an indispensable set of rules created with the cornerstones of "integrity" and "honesty," are in harmony with corporate policies, values and principles. Concerning the entire workforce, the Ethical Principles are binding for all stakeholders, especially suppliers, business partners, dealers, authorized vendors and authorized services as well. They ensure the effective management of stakeholder relations.

By integrating the culture of ethical behavior into the entire institution, Vestel aims to ensure compliance of all stakeholders with the Ethical Principles. In the fight against all kinds of corruption, including bribery, the Company makes use of tools such as Zorlu Holding's internal audit mechanism, independent company audits, and information management systems as well as the Ethical Principles.

Zorlu Holding Code of Ethics is available [here](#).

### Compliance with the Ethical Principles

All employees and stakeholders can send an e-mail to the Ethical Principles Hotline (etik@vestel.com.tr, etik@zorlu.com) and call +90 212 456 23 23 or +90 850 226 23 23 phone numbers at any time of the day to report and consult about the irregularities they encounter on ethical issues.

The Ethics Committee, established for the purpose of instilling, developing, and sustaining an ethical culture, operates under the chairmanship of the Vice Chairman of Zorlu Holding's Board of Directors. The committee consists of the Head of Zorlu Holding's Human Resources Group, the Head of Zorlu Holding's Legal Group, and the Head of Zorlu Holding's Audit Group.

Notifications (complaints, denunciations and claims) submitted to the Ethical Principles Hotline are reviewed, prioritized, listed and reported to the Ethics Committee by Zorlu Holding's Audit Group that report directly to the Board



### As a Zorlu Group company, Vestel Beyaz Eşya offers Ethical Principles e-training through the Zorlu Academy online training platform.

of Directors. Identity of the employee/ persons who notify the breach shall be kept confidential within the framework of legal/legal and administrative requirements. Employees shall not be retaliated against for their notifications. The necessary activities, examinations or investigations regarding the complaints, claims and denunciations received by the Ethics Hotlines are carried out by the Internal Audit Review Department under the Zorlu Holding Audit Group Presidency, an independent department, in accordance with the principles of impartiality and confidentiality. In the event of identifying a violation of Ethical Principles, the report concerning such violation or the examination result indicating no violation of Ethical Principles is communicated by the Internal Audit Examination Department to the relevant company's General Manager, Sector President, Ethics Committee members, along with the Board members and CEO. In 2024, Vestel Beyaz Eşya received 2 notifications regarding Ethical Principles. Of these two notifications received in 2024, one has been resolved, while the process for the other remains ongoing.

There were no lawsuits on environmental and governance (including corruption) issues in 2024. There are a total of 63 finalized cases regarding social issues.

As a Zorlu Group company, Vestel Beyaz Eşya offers Ethical Principles e-training through the Zorlu Academy online training platform. These trainings, which aim to increase awareness about ethical principles, explain how employees' way of doing business, approaches, and perspectives should be arranged in accordance with these principles. Ethics Principles Training is conducted under the Smart Life 2030 framework and has been prepared and implemented under the coordination of the Audit Group Presidency and Human Resources Group Presidency, as part of the Holding Corporate Governance Working Group activities. In 2024, a total of 212 employees at Vestel Beyaz Eşya received one hour of Ethics Principles training.



# Proactive risk management

Throughout the year, Vestel Beyaz Eşya focuses on proactively managing global and local developments and related risks, and seizing emerging opportunities in order to maintain its resilience in the financial and ESG areas.

The political, economic, social, and environmental developments occurring globally in 2024 continue to influence the white goods sector, as they affect all industries. As in previous years, ongoing geopolitical risks this year are causing global supply chain disruptions while simultaneously increasing costs, thereby destabilizing trade dynamics.

Economic uncertainty affecting the entire world emerges as a significant risk factor, precipitating global inflation, currency fluctuations, and financial instability. The World Meteorological Organization's (WMO) confirmation that 2024 exceeds pre-industrial temperatures by 1.5 degrees, making it the warmest year on record, demonstrates the daily intensification of climate crisis effects. With the World Economic Forum's 2025 Global Risks Report positioning environmental risks related to the climate crisis among the foremost concerns in both short and long terms, sectoral initiatives pertaining to Paris Agreement objectives are accelerating, bringing forth both risks and opportunities.

Artificial Intelligence and Automation stand out as one of the most significant trends supporting the transformation of the white goods sector in 2024. Artificial intelligence plays a critical role in creating innovation in product development, manufacturing processes, and customer services, while enhancing operational efficiency and strengthening supply chains. Companies adopting artificial intelligence-based

innovations to meet evolving customer demands and expectations are advancing and improving the customer experience by developing next-generation intelligent products offering personalized services.

The increased utilization of digitalization and artificial intelligence in every aspect of our lives necessitates robust security measures as it simultaneously introduces cybersecurity threats.

Throughout the year, Vestel Beyaz Eşya focuses on proactively managing global and local developments and related risks, and seizing emerging opportunities in order to maintain its resilience in the financial and ESG areas.

**RISK MANAGEMENT AT VESTEL BEYAZ EŞYA**

Vestel Beyaz Eşya's corporate risk management perspective, which serves to diagnose the potential consequences of situations threatening the continuity of operations, aims to create a structure that provides a holistic management approach to foresee events that may hinder the Company's achievement of its objectives, to allocate resources for assessments and preventive measures, and to ensure continuous monitoring of the risks associated with these events.

Vestel Beyaz Eşya has defined its risk management approach as defining and implementing organization-wide mitigation/elimination actions for risks that may affect

its current or future performance and/or reputation. Throughout the year, risk appetite and risk management for major risks are systematically reviewed and updated. Each department and function of the Company monitors and evaluates the risks that it faces/may face and implements actions.

As a critical part of risk management at Vestel Beyaz Eşya, when determining the Company's risk appetite and tolerance, not only financial considerations but also the impacts on reputation, innovation, sustainability, occupational health and safety, human rights, environment, productivity, employee and customer satisfaction and the Company's uncompromisable Ethical Principles, are meticulously assessed.

Within the Vestel Group Companies, the corporate risk management function is executed by the Corporate Risk Management Department, which operates under the Internal Control and Corporate Risk Management General Directorate—a division directly subordinate to the Zorlu Holding Chief Executive Officer as of January 2023. Zorlu Holding's Corporate Risk Management Department carries out its duties in collaboration with the Sector Corporate Risk Management Coordinator appointed at Vestel Group Companies and the relevant management.



**Vestel Beyaz Eşya has defined its risk management approach as defining and implementing organization-wide mitigation/elimination actions for risks that may affect its current or future performance and/or reputation.**

By structuring the corporate risk management framework in compliance with the ISO 31000 international standard and the COSO framework, and in an integrated manner with company strategies and corporate culture, it is aimed that the framework is adopted and implemented by all employees as a substantial component of corporate sustainability. In order to ensure adequate oversight procedures for corporate risk management options, the Risk Early Detection Committee (REDC) meetings—comprised of independent Board of Directors members—were conducted regularly in 2024. These meetings addressed the unit risk management framework, principal risks, emerging risks, risk appetite, and sections related to risk culture, risk assessment results, determined risk mitigation actions, and the status of these elements.

The Sustainability Department actively participates in monitoring sustainability risks and opportunities within Vestel Beyaz Eşya and prioritizing them under the company's risks and opportunities in a comprehensive manner through the Corporate Risk Management Department. This enables consolidated and comprehensive company-wide monitoring and prioritization of risks, including sustainability risks and opportunities, and the integration of sustainability risks into the overall risk

management processes. Vestel Beyaz Eşya, referencing the recommendations of TCFD (Task Force on Climate-related Financial Disclosures), identifies climate-related risks and opportunities; these risks and opportunities directly influence the strategic decisions of senior management through the Sustainability Committee, Sustainability Directorate, ESG Committee, and corporate risk management processes.

Within the scope of centralized risk management, Vestel Beyaz Eşya adopted the Zorlu Holding Corporate Risk Management Policy and Corporate Risk Management Regulation, which were prepared within Zorlu Holding and published by the end of 2023. One of the basic characteristics of a corporate risk management system is that it is carried out by people and decisions are taken at every business step. Therefore, all Group managers and employees have the duty and responsibility to implement and maintain an effective corporate risk management system. To enhance corporate risk management awareness, a comprehensive training encompassing the organizational procedures and responsibilities of all employees on this matter has been assigned as mandatory training for employees at every level. Completion rates are monitored in the performance scorecards of both managers and employees.

GLOBAL TRENDS, RISKS AND OPPORTUNITIES

The corporate risk management initiatives encompass Zorlu Holding, its Group companies, and the principal operations conducted within these enterprises.

At Vestel Beyaz Eşya, as in all processes, managerial, operational, financial, and other relevant risks in product and service development processes are determined on a process basis according to risk assessment matrices.

**CORPORATE RISK MANAGEMENT ACTIVITIES AT VESTEL BEYAZ EŞYA**

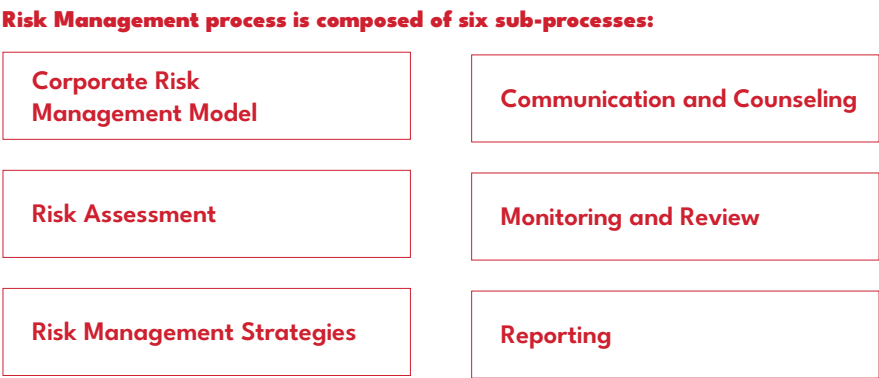
The corporate risk management initiatives encompass Zorlu Holding, its Group companies, and the principal operations conducted within these enterprises. The Corporate Risk Management Department aims to identify the potential consequences of the situations which threaten the continuity of the Group's activities, to envisage the incidents that may pose barriers to its goals, to allocate resources for the measures that can be taken by evaluating them, and to establish and develop a structure for continuous monitoring of the relevant risks.

Zorlu Group's corporate risk management system considers the following standards. However, the framework is developed and reviewed annually, based on the main needs of the Group.

- ISO 31000 (2018), international standard principles, framework and risk management process from ISO
- The COSO CRM integrated framework (2017 and 2022), an internationally recognized framework that defines the ideal typical organizational structure and process of enterprise-wide Risk Management
- IIO (International Internal Auditors Organization)

**Integration of Risk Criteria in Product and Service Development Processes**

At Vestel Beyaz Eşya, as with all processes, managerial, operational, financial, and other relevant risks in product and service development processes are determined on a process basis according to risk assessment matrices. Actions are taken for identified high-risk elements in accordance with relevant risk management strategies, thereby ensuring effective process management. In product and service development processes, risks in product group-specific projects are analyzed through various methodologies (FMEA, DFM, DFT, etc.), and necessary precautionary measures are defined. Within this framework, periodic monitoring and control mechanisms are implemented to enhance the effectiveness of risk management processes. To minimize identified risks, requisite tests are conducted in accredited internal laboratories or appropriate external laboratories, and compliance with relevant standards and regulations is verified.



CUSTOMER EXPERIENCE AND DIGITALIZATION		Impact	Maturity
Risk Definition	To respond to fast-changing sector and consumer needs due to the pandemic, all processes need to be restructured within the scope of digital transformation. Digital technologies such as Industry 4.0, Internet of Things, Smart Home Systems, Big Data and Artificial Intelligence are becoming more widespread, improving customer experience and providing competitive advantage. The inability to create solutions for new technologies and innovations that are large and impactful enough to create new sectors that change existing ways of doing business and the entire industry dynamics appears to be a significant risk.	Medium	Short-medium
	Artificial intelligence chatbots have emerged with the rapid development of artificial intelligence and these technologies continue to become increasingly popular. According to the World Economic Forum Global Risks 2025 Report, misinformation and disinformation generated by artificial intelligence are considered the greatest global risk within the next 2 years.		
Possible effects of risk	Decreased efficiency and performance of the Company due to Vestel Beyaz Eşya's ineffective use of tools such as data analytics, Customer Relationship Management (CRM) and artificial intelligence		
	Loss of turnover and market due to failure to provide fast, connected and smart products and services demanded in the sector to customers in a timely manner and at sufficient performance		
	Increased costs in comparison to competitors due to failure to integrate digitalization into processes		
Risk prevention/mitigation activities	Vestel missing out on sales and marketing opportunities due to ineffective use of digital channels and platforms in customer interaction		
	At Vestel, work is underway to establish the Data Science Department and to design a new process.		
	Vestel Beyaz Eşya has designated the Internet of Things (IoT) approach as one of its principal strategies under the Vestel Smart Life framework. In accordance with IoT data, the process of enhancing after-sales services has been initiated, with projects being conducted in collaboration with IoT teams. Channels through which users may receive instantaneous support have been established, and personalized information mechanisms have been instituted for users.		
Opportunities	Vestel Customer Services improves the customer experience through digital tools such as Vestel Support Center and e-appointment systems. The Vestel Assistant project, launched in 2023, provides customers with artificial intelligence-based support 24 hours a day, 7 days a week. The following initiatives have been planned for 2025. Voice-Bot, Speech Analytics, Technician Assistant, Artificial Intelligence Based Comment Management and Knowledge Base, IFS PSO. In addition, digital applications specific to new generation retailing are used in Express stores. VeeZy provides services such as energy management, smart living and after-sales support. AI-based projects such as veeChef, veeAssist and Vestel AI offer various digital services to improve the customer experience. Customer-specific and general push notifications, Stories, and permission-based communication campaigns have been implemented to enhance customer interaction.		
	Gaining new customers by enriching the personalized products, experiences and services offered to customers through technologies such as data analytics, artificial intelligence (AI), Internet of Things (IoT), CRM and big data		
	Ensuring growth and increasing market share through innovative digital products and services offered to customers (IoT, connected and smart products with AI systems, products with the most advanced technology, digital assistant, etc.)		
	Ensuring efficiency, speed and cost advantage by integrating digital tools in production		



GLOBAL TRENDS, RISKS AND OPPORTUNITIES

CYBER RISKS		Impact	Maturity
Risk Definition	According to the Global Risks Report 2025 prepared by the World Economic Forum, cyber espionage and warfare risks are ranked among the top 10 global risks in both the short and long term. While the digitalization of business processes and products and services offers opportunities such as efficiency and higher performance in the working environment, it also poses cyber risks, especially data security and privacy. Failure to prevent external and internal attacks and unauthorized access to confidential/critical information and documents on information systems, corruption, damage, viruses, etc., failure to prevent security vulnerabilities, failure to prevent necessary measures related to the system, process or organization, network damage due to attacks, viruses, etc., loss, theft or leaking of confidential/critical information and documents are considered as a significant risk.	Medium	Short-medium
Possible effects of risk	<p>Cyber-attacks linked to intense spear phishing (2) and spamming activity, malicious external activities, phishing and social engineering causing financial and reputational losses to Vestel Beyaz Eşya</p> <p>Decreased performance and efficiency for Vestel Beyaz Eşya due to risks related to the use of risky software and applications, online payment processors, connected database technologies, industrial control systems, and communication tools</p> <p>Vestel Beyaz Eşya suffering financial loss, loss of reputation, loss of customers and exposure to criminal sanctions as a result of incidents such as data leakage, interruptions and cyber-attacks</p>		
Risk prevention/ mitigation activities	<p>Cyber threat intelligence management is of great importance at Vestel Beyaz Eşya. Dark web platforms are periodically scanned with threat intelligence services. In case of data breaches concerning the Company, necessary notifications are made and timely action is taken.</p> <p>At Vestel Beyaz Eşya, an effective process management is implemented through periodic scanning management, periodic studies and warnings against vulnerabilities and weaknesses. Risks are minimized by using e-mail security and end-user antivirus and intrusion prevention system (IPS) to prevent spam activity and malware.</p> <p>The applications and platforms served to the outside world are monitored for vulnerabilities that have been published in global markets, and security scenarios are implemented through version updates.</p> <p>At Vestel Beyaz Eşya, in addition to the improvement and control processes (scanning, troubleshooting and planned improvements) implemented before applications are launched in the outside world, access to services is provided in a controlled manner through security solutions such as DNS, SPF, SSL, DDOS, etc.</p> <p>Access to critical data is isolated by implementing multiple authentication services and security architectures.</p> <p>Vestel Beyaz Eşya makes systematic infrastructure improvements and receives consultancy services against external threats and actors. At Vestel Beyaz Eşya, where comprehensive intrusion detection systems are used, risks are managed at controllable levels through the use of denial of service attacks (DDOS), load balancers and firewalls. Vestel Beyaz Eşya's Cyber Security Action Plan was prepared, and significant progress was made in terms of rapid action, road map and solutions. Efforts to purchase cyber insurance to cover the entire inventory are ongoing.</p>		
Opportunities	<p>Strengthened corporate reputation through a strong cyber security structure</p> <p>Opening of new business areas by developing products against cyber risks</p>		

(2) Phishing is a type of online attack committed by fraudsters sending random e-mails to user accounts.

PLASTIC AND WASTE POLLUTION		Impact	Maturity
	Ineffective management of waste generated throughout the product life cycle, lack of recycling and inefficient use of natural resources pose risks.		
Risk Definition	While increased plastic consumption and microplastics turned plastic pollution into an urgent environmental problem, rapidly developing technology and consumer habits have turned electronic waste into one of the world's fastest growing waste types. Due to the hazardous substances they contain, when improperly disposed of, these wastes, like plastic waste, pose a threat to the environment, human health and biodiversity. Growing number of regulations for both plastic and circular economy pose various risks.	Medium	Medium-long
Possible effects of risk	The impending implementation of new regulations designed to minimize waste generation and enhance circularity (specifically the Eco-design Regulation for Sustainable Products and the Packaging and Packaging Waste Regulation) presenting a financial risk to Vestel in forthcoming fiscal periods through the introduction of potential taxation frameworks aligned with eco-design requirements		
	The possibility of experiencing rising recycled plastic costs and supply problems due to increased demand for recycled plastic raw materials for primary plastic reduction		
	Quality and durability problems that may arise in products depending on recycled plastics may cause disruptions in Vestel's production and trade cycle		
	The potential negative impact on the finances of Vestel and its ODM customers due to additional taxes arising from life-cycle approach implementations mandated by the European Union's Waste Electrical and Electronic Equipment (WEEE) Directive, which considers factors such as product durability, repairability, and the presence of hazardous substances		
Risk prevention/ mitigation activities	Vestel Beyaz Eşya persists in its commitment to designing environmentally conscientious products by integrating eco-design principles throughout its design conceptualization and Research & Development endeavors. In accordance with this objective, the organization methodically monitors taxation-subject requirements to strategically direct essential initiatives.		
	Comprehensive investigations regarding alternative material compositions and potential supplier diversification are being substantially expanded.		
	The systematic implementation of technical proficiency enhancements within Research & Development and quality assurance protocols, complemented by strategic laboratory infrastructure investments, is being facilitated.		
	It is planned to carry out studies to improve the durability and repairability of products and to benefit from tax reductions through these practices.		
Opportunities	To access various Horizon funds for circular economy R&D projects within the scope of the EU Green Deal		
	Ensuring quick compliance with new regulations, reducing the cost of compliance and possible additional financial burdens, and eliminating the risk of penalties		
	Providing cost advantages through reusable, repairable, durable products with a high level of recycled content and appealing to customers who are conscious of these issues, as well as developing new business areas through second-hand and rental models		
	Reducing raw material costs in production by reusing raw materials		
	Creating growth areas with innovative products that address circular economy, e-waste and plastic pollution		

GLOBAL TRENDS, RISKS AND OPPORTUNITIES

TALENT		Impact	Maturity
Risk Definition	While digitalization leads to an increasing demand for talent in the business world, this demand is especially evident in the engineering and technology sectors. However, the concentration of tech talent in specific markets exposes companies to the risk of a significant talent gap. According to the Global Risks Report 2025, talent scarcity is among the top 5 risks facing Türkiye. Therefore, companies, particularly those operating in engineering and technology, should attach great importance to attracting new talent, retaining existing talent, upskilling and reskilling. In addition, in the post-pandemic period, the rise of agile working culture, such as flexible working hours and locations, adaptation to new technologies and encouragement of innovation, poses a risk for companies that fail to adapt to this change.	Medium	Short-medium
	Failure to attract talents that will contribute to Vestel's achievement of its strategies and targets, and failure to retain/retain existing competent human resources		
Possible effects of risk	Inability to adapt to the agile and flexible working culture, causing Vestel Beyaz Eşya to lose its existing talents or failing to attract new talents		
	The inadequacy of Vestel Beyaz Eşya in areas such as compensation, fringe benefits, training, and career planning, leading to decreased employee loyalty and satisfaction, and an increased turnover rate		
	Due to the emergence of an HR structure at Vestel Beyaz Eşya that fails to meet the competency needs, positions remain vacant for long periods of time and failure to assign the relevant talent to the right position		
	Weakening of the talent pool at Vestel Beyaz Eşya due to a lack of training to upskill existing roles to meet changing requirements or to learn new skills for a new job (reskilling)		
	The decrease of Vestel Beyaz Eşya's product development and innovation capabilities resulting from an inability to acquire requisite new competencies for digitalization and innovation initiatives		
Risk prevention/mitigation activities	Policies and practices are being implemented for the development of existing competencies and acquisition of new proficiencies in alignment with novel skill and competency sets demanded by the business environment, pursuant to the Group's strategic objectives.		
	Hybrid working is practiced in departments where possible.		
	Employee satisfaction is supported by Vestel Employer Brand and Employee Loyalty Projects (Heartfelt Conversations, Seniority Plaques and Awards, New Year's Eve Sweepstakes, Welcome Package, etc.).		
	Concurrent with the streamlining and enhancement of recruitment processes, employee satisfaction is being augmented through the implementation of rotation and position reassignment systems.		
	The focus is on effective talent management using the outputs of the White-Collar Talent and Career Management project.		
Opportunities	Development-oriented training projects are being implemented for employees, with upskilling and reskilling programs offered at both departmental and company-wide levels.		
	Competitiveness in offering digital, smart products and developing innovation capacity		
	Vestel Beyaz Eşya to strengthen its productivity and financial performance with a talented workforce that fully realizes its potential		
	Reduced employee turnover, lower costs for Vestel Beyaz Eşya and enhanced Company reputation		

SUPPLY CHAIN RISKS		Impact	Maturity
Risk Definition	The pandemic, geopolitical tensions, climate change and rising inflation have clearly demonstrated the vulnerabilities and risks in the global supply chain. The global supply shortage of an important input such as semiconductors highlighted that the management of risks in this area has become even more critical. The security crisis in the Suez Canal following the Russia-Ukraine war has prompted route changes in maritime transportation, posing a threat to global supply chains. With the extension of sea voyage times, it is expected that there will be cost increases and disruptions in the supply chain.	Medium	Short-medium
	To prevent potential violations of human rights and the environment in supply chains, regulations such as the German Supply Chain Act and the EU Corporate Sustainability Due Diligence Directive (CSDDD) impose certain obligations on the business world. Supply chain risks are addressed in the following main categories.		
	<b>Supply risk:</b> Potential problems in Vestel Beyaz Eşya's supply chain and the risk of not being able to procure products from suppliers in a timely/complete manner		
	<b>Demand risk:</b> The risk that Vestel Beyaz Eşya may under or over supply products to the market as a result of a sudden decrease or increase in customer demand due to sudden major shocks (e.g. epidemics, war, etc.)		
	<b>Environmental risks:</b> Risks such as cost increases, production disruptions, etc. in the Vestel Beyaz Eşya supply chain due to the climate crisis and environmental problems		
Possible effects of risk	<b>Business and financial risks:</b> Risks arising from reasons such as increasing costs in the supply chain, potential loss of financial stability regarding Vestel Beyaz Eşya's suppliers and organizational errors, etc.		
	<b>Compliance risks:</b> Risks arising in the supply chain due to non-compliance with legal regulations related to human rights (such as the prohibition of child labor and forced labor), conflict minerals (Tin, Tungsten, Tantalum, Gold (3TG)), ethical and environmental issues		
	Potential disruptions in the supply chain and inability to procure timely/critical products from suppliers, resulting in an impact on operations and production		
	Negative impact on Vestel Beyaz Eşya's reputation due to possible human rights, environmental and ethical violations in operations and the value chain		
	Fines imposed on suppliers for non-compliance with legal regulations		
Risk prevention/mitigation activities	Vestel Beyaz Eşya conducts alternative material studies for the materials it procures and cooperates with more than one supplier.		
	The Vestel Supplier Monitoring and Development Program is implemented to identify and improve the ESG performance of suppliers.		
	In cases where the risk increases in the short term, the focus is on faster procurement strategies.		
	In cases of sudden shock, supplies are diverted to alternative uses. Safety stocks approach is adopted in case of uncertainties that may arise in the supply of goods. Sourcing offices and component departments are continuously implementing projects to mitigate single-source supplier risks. Through TM and SNC programs, supplier material procurement continuity is being monitored in real time.		
	Increased ESG performance and competitiveness in the sector by adopting responsible and sustainable procurement principles in the Vestel Beyaz Eşya supply chain		
Opportunities	An effective supply chain management contributing to Vestel Beyaz Eşya's financial performance		
	Good relations with suppliers and effective management, enhancing Vestel Beyaz Eşya's reputation and facilitating the establishment of new business relationships		



GLOBAL TRENDS, RISKS AND OPPORTUNITIES

Climate Risks

According to the World Economic Forum (WEF) Global Risks Report 2025, extreme weather events, biodiversity loss and ecosystem collapse, and critical changes in natural systems are the most threatening risks in the 10-year horizon. Climate risks increase vulnerability to catastrophic climate change-induced disasters and changing weather patterns. Based on studies conducted by the Intergovernmental Panel on Climate Change (IPCC), the impact of climate change on humans and ecosystems is much more extensive and severe than expected. Additionally, with rising temperatures, these effects are expected to **increase further.** <sup>(3)</sup>

The International Financial Reporting Standards (IFRS) S2 Climate-Related Disclosures Standard and Türkiye Sustainability Reporting Standards 2 (TSRS), published with the aim of mandating companies to disclose their climate-related risks and opportunities to all stakeholders, require companies to disclose their risks and opportunities within the scope of transition and physical risks. In this regard, Vestel Beyaz Eşya's climate-related risks have been identified as follows.

Vestel conducts scenario analyses on an annual basis to evaluate climate-related risks and opportunities. In these analyses, it comprehensively addresses transition and physical risks by using internationally recognized scenarios such as IEA 2DS, RCP 2.6, RCP 4.5, and RCP 8.5. The analyses cover the time periods of 2025, 2030, 2040, and 2050, and include all operational processes. In terms of water management, water scarcity risks are analyzed using WRI Aqueduct scenarios, and water recovery projects are implemented. Scenario analyses contribute to ensuring long-term resilience through integration into the company's business model and strategic planning.

Maturity	Time frame
Short term	0-3 years
Medium term	3-10 years
Long term	10-20 years

Transition Risks					
Main Risk Factor	Identification of Risk	Description of the Effect	Impact	Maturity	Vestel Beyaz Eşya's Response
Policy Risk	Numerous regulations and policies are rapidly being implemented with the goal of limiting activities that contribute to climate change and/or promoting adaptation to climate change.	New rules such as eco-design frameworks and the Eco-design Requirements for Sustainable Products Regulation introduced by the EU for household appliances like washing machines and refrigerators necessitate reducing the environmental impact of products within the scope of energy efficiency and making products more energy-efficient. Within this framework, Vestel Beyaz Eşya, which exports nearly 80% of its products to European countries, is at risk of losing market share or facing fines in the event of a failure to comply with regulations.	Low	Short-Medium	In line with its Science Based Targets initiative (SBTi) commitment, Vestel Beyaz Eşya is also committed to reducing product emissions, which constitute the highest portion of Scope 3 emissions. Vestel Beyaz Eşya offers refrigerators, washing machines, clothes dryers, dishwashers, cooking appliances, and air conditioners that belong to the highest energy efficiency class, utilize resources efficiently through the technologies they develop, and are user-friendly, all at competitive and marketable prices. Vestel Beyaz Eşya designs its products to align with high energy efficiency classes. Additionally, design work continues to enhance product durability and repairability, and to reduce the carbon footprint created throughout the product's life cycle.
					Detailed information can be found in the <b>Accessible and Smart Solutions that Make Life Easier</b> section of the report.

<sup>(3)</sup> (2023) 10 Big Findings from the 2023 IPCC Report on Climate Change, World Resources Institute

Transition Risks					
Main Risk Factor	Identification of Risk	Description of the Effect	Impact	Maturity	Vestel Beyaz Eşya's Response
Legal Risk	Tightening legal regulations or the introduction of new regulations on climate change pose legal risks. Failure to meet commitments and targets related to combating climate change can lead to penalties, sanctions, and lawsuits.	Climate-related legal risks stem from factors such as changes or tightening of environmental regulations and the introduction of new legal regulations such as carbon taxes or emission quotas. In addition, anti-green laundering legislation under negotiation in the EU introduces stringent measures. Such risks can increase production costs for companies and lead to negative effects such as penalties, reputation loss, and business continuity problems.	Medium	Medium	Vestel Beyaz Eşya continuously monitors regulations and allocates necessary resources to swiftly comply with not only national legislation but also EU regulations and international legal frameworks to mitigate potential impacts. In this regard, Vestel takes measures across a wide range of areas, from product design to production processes, waste management, and energy efficiency. In its green claims, the company avoids practices that might mislead consumers and places importance on ensuring these claims are verifiable.
		In addition, Vestel Beyaz Eşya may also face financial and reputational damages in the event of lawsuits by consumers or other stakeholders for making false climate change statements and causing climate change.			
Market Risk	Changes in consumer behavior and shifts in supply and demand for certain goods, products, and services create risks in market share and competition. In addition, factors such as imbalances in supply and demand related to climate-related risks in procurement processes and raw material sources, as well as disruptions in the supply chain, also affect the market.	The decarbonization initiatives, especially in sectors with high emission intensity such as aluminum and iron-steel, and the introduction of financial obligations that will arise from the CBAM (Carbon Border Adjustment Mechanism) by 2026 pose a financial risk as they may lead to an increase in Vestel Beyaz Eşya's input costs.	Medium	Medium	Vestel Beyaz Eşya prioritizes reducing environmental impact and making life easier for its customers with the products it produces by listening to consumer expectations within the framework of its focus area of "Accessible and Smart Solutions that Make Life Easier."
		Alongside this, there is a growing trend towards low-carbon and environmentally-friendly products in line with new consumer preferences. There is a risk of losing market share for Vestel Beyaz Eşya if it falls behind these trends.			The carbon emissions related to iron-steel and aluminum inputs are being closely monitored, and work is being done to develop programs that will calculate the carbon footprint of products and monitor indirect emissions in order to comply with the expanding scope of CBAM in the future.

GLOBAL TRENDS, RISKS AND OPPORTUNITIES

Transition Risks					
Main Risk Factor	Identification of Risk	Description of the Effect	Impact	Maturity	Vestel Beyaz Eşya's Response
Technology Risk	Technological advancements are among the most significant tools in transitioning to a low-carbon and energy-efficient economic model. Competitiveness, production and distribution costs, and demand for products and services from end-users are shaped by technological advancements.	For Vestel Beyaz Eşya, a corporation at the forefront of technological innovation, research and development initiatives hold critical significance in both the advancement of novel product offerings and the comprehensive transformation of operational methodologies. Moreover, inadequate energy and resource efficient product technologies or production efficiency technologies can increase operational costs and lead to market loss.	Medium	Medium	Vestel Beyaz Eşya benefits from the power of Industry 4.0 and automation and considers them as among its focus areas. Through innovative products, it supports the reduction of energy consumption and resource efficiency.
					Through Vestel Ventures, the Company contributes to studies on innovative devices, advanced materials, smart urbanism, smart homes, and smart plants.
Reputational Risk	Reputational risk encompasses the effects created on stakeholders and company image due to insufficient contribution to the transition to a low-carbon economy and/or the failure to achieve climate objectives.	Vestel Beyaz Eşya's failure to achieve its climate change-related targets and its inability to adapt to global and sectoral developments may lead to a negative impact on its reputation and loss of market share.	Low	Medium-Long	At Vestel Beyaz Eşya, numerous R&D and innovation projects aimed at reducing carbon emissions are being pursued in connection with climate risk.
					Vestel Beyaz Eşya aims to achieve net zero emissions by 2050. In addition, the company is working on a decarbonization plan within the scope of its Science Based Targets initiative (SBTi) approved objectives.
					Detailed information is available in the <b>Net Zero Company</b> section of the report.

Physical Risks					
Main Risk Factor	Identification of Risk	Description of the Effect	Impact	Maturity	Vestel Beyaz Eşya's Response
Chronic Physical					
Water Stress	Water risk includes insufficient water resources, drought or problems with water quality in the region where the Company operates.	World Resources Institute According to the <b>Water Risk Atlas</b> (WRI Aqueduct), Vestel City has a high water risk due to its location. Any problems related to water access at Vestel City, which has been chosen as one of the largest factories in Europe, may lead to interruptions in operations, especially in the dyeing operations due to water shortages. However, costs may increase during periods of high water stress	Low	Medium	Vestel Beyaz Eşya implements rainwater collection and wastewater recycling projects.
		Working towards purchasing recycled water from the advanced water treatment plant in the Manisa Organized Industrial Zone, Vestel Beyaz Eşya conducts periodic water quality analyses.			
Acute Physical					
Extreme Air Temperatures	With the climate crisis, temperatures are rising steadily. Extreme weather conditions severely affect both man-made and natural systems.	Extreme temperatures may cause damage to production facilities, storage areas and transportation processes. Sensitive equipment that is used in the manufacturing of electronic products may perform poorly or malfunction when exposed to high temperatures. Malfunctions and breakdowns in Vestel Beyaz Eşya products may adversely affect the brand reputation and result in additional financial burden.	Low	Medium	Vestel Beyaz Eşya systematically tests each product in its product portfolio in terms of the highest and lowest heat levels to which it can be exposed.
		Costs of cooling may increase due to the heat waves.			Vestel Beyaz Eşya carries out R&D activities to ensure that the product designs are more suitable for the current weather conditions. During high temperatures, the Company carries out activities to mitigate risks such as reduced performance, breakdown and malfunctioning of products.
Flood, Forest Fires, Extreme Weather Events	Extreme weather events such as forest fires, floods, tornadoes and hailstorms are expected to increase in the context of global climate change.	Fires that may break out in the forests and electricity transmission lines close to Vestel Beyaz Eşya due to extreme temperatures may cause production to stop and result in financial losses.	Low	Medium-Long	Detailed measures to be taken for any possible natural emergencies are included in the Emergency Action Plan. The plan includes what needs to be done before and after an emergency. Actions such as regular cleaning of roof gutters, installation of new rain manholes, regular cleaning of manholes are carried out to avoid the adverse effects of extreme rain conditions.
		Disruption of operations due to production facilities being damaged by floods or forest fires, interruption of supply and logistics processes if procurement, logistics, and dealership operations are affected by extreme weather events, increased insurance costs, and delayed product delivery to customers may create additional financial burdens as a consequence of extreme weather events.			



GLOBAL TRENDS, RISKS AND OPPORTUNITIES

Vestel Beyaz Eşya Climate Opportunities

While climate change poses significant risks, it also presents significant opportunities for companies that are able to adapt accordingly. Sustainability-oriented business models provide a competitive advantage and create new markets for companies. These opportunities also have the potential to deliver more efficient and innovative products and services, reduce costs and promote long-term sustainable growth. Therefore, Vestel Beyaz Eşya is assessing climate opportunities in addition to the risks associated with climate change.

Opportunities	Description of Opportunity	Vestel Beyaz Eşya's Actions
Energy Source	Renewable energy sources, which play a critical role in emission reduction strategies, reduce energy costs in the long term and increase the company's resilience against global energy crises.	Vestel Beyaz Eşya invests in renewable energy as part of its strategy to reach the 2050 net zero target. In this regard, the Company has been working to purchase or generate renewable energy.
Products and Services	As consumer preferences shift towards low and/or zero-emission products, investing in this area provides companies with market and revenue growth.	Vestel Beyaz Eşya also invests in the development of new products and services that mitigate and adapt to climate change, including air conditioning solutions, renewable energy solutions, and energy- and water-efficient products.
Resilient Supply Chain	Increased focus on sustainability principles and high performance in this field attracts the attention of customers and investors, improves brand reputation and provides competitive advantage. Additionally, a resilient supply chain enables companies to mitigate risks and become more durable in times of crisis.	By supporting suppliers to make investments to mitigate climate change risks, we build resilience against possible business interruptions and price/supply fluctuations along the supply chain.  We aim to reduce carbon costs by providing a competitive advantage in terms of performance regarding climate change.

Emerging Risks

Fast Changing Technologies - Artificial Intelligence (AI) Development	
Category of Risk	Technological
Risk Definition	The rapid development of artificial intelligence (AI) technology offers opportunities to develop innovative products, optimize business processes, and increase operational efficiency, while also bringing various risks. Among these risks, data security breaches, ethical issues, and regulatory non-compliance stand out. Failure to keep pace with technology can lead to the loss of competitive advantage. Particularly, the inability to integrate new technologies into products and processes in a timely and effective manner can lead to decreased customer satisfaction and a decline in market position.
	The rapid standardization of AI-powered devices (such as smart home assistants) in the market can lead to companies that cannot offer these products not being preferred by consumers and losing market share.
Possible effects of risk	Misconfiguration of AI-based systems or automation deficiencies can make companies vulnerable to cyber attacks.  Non-compliance with regulations such as PDPL (Personal Data Protection Law) can result in heavy fines, system outages, and disruption of business processes. These risks are not limited to financial losses but carry multidimensional effects such as reputation loss and legal sanctions.
Risk prevention/mitigation efforts	Vestel Beyaz Eşya regularly participates in trade fairs to closely monitor innovations, changes, and trends in the industry. Thanks to its strong R&D structure, developments and improvements can be made quickly when necessary. Vestel's ownership of its own Mechanical, Optical, Electronic, Audio, Video, and Software capabilities allows it to rapidly incorporate new technologies into its product range.
	To minimize adverse effects, proactive strategies are developed, implementing technological measures, organizational policies, and compliance efforts together. The establishment of security infrastructure is supported by continuous monitoring and evaluation activities. Regular training and practices are conducted to increase employees' awareness of cyber threats.

US Sanctions; Competitiveness of Far East-Based Companies	
Category of Risk	Economic
Risk Definition	US sanctions are changing the competitive balance of Far East-based companies in global trade networks. The supply surplus in Far East markets is pushing these companies to look for alternative markets, increase local innovations, and strengthen regional partnerships. The aggressive pricing policies, innovative product strategies, and rapid production capacity of Far East-based companies turning to the European market after US sanctions threaten the position of existing players in the European market.
	Affordable priced and technology-focused products from Far East-based brands are attracting European consumers' attention, increasing the risk of established brands losing customer loyalty.
Possible effects of risk	The rapid establishment of Far East companies in the European market with low-cost and technology-focused products can cause local and global players to lose market share. Price-sensitive consumers turning to these companies can lead to companies that cannot maintain competitive advantage withdrawing from the market or downsizing their operations in the long term.
	Aggressive pricing strategies can force other companies operating in Europe to lower their prices. This situation leads to reduced profit margins and makes cost management more difficult. Price-focused competition can weaken companies' competitive power by limiting investments in quality and innovation.
Risk prevention/mitigation efforts	Vestel Beyaz Eşya focuses on differentiating elements such as quality, innovation, and sustainability against price competition. As part of this strategy, the first physical store was opened in Berlin, Germany with the message 'Fashion for Home, Passion for Life'.
	The opening of the first online store in Europe strengthens the position of the Vestel brand in the European market by offering a seamless site experience, advanced customer support, secure shopping opportunities, and comprehensive delivery solutions.  The acquisition of Swedish white goods company Cylinda supports Vestel's aim to increase its presence in the Northern European market and achieve long-term sustainable growth goals.

# Strong steps in global markets

In 2024, Vestel Beyaz Eşya continued to develop and launch products suitable for non-European markets and recorded strong growth, particularly in Africa and North America.

Vestel Beyaz Eşya continued to increase the share of smart and IoT-enabled products in its total sales in 2024.

Demand in Europe, Vestel's primary export market, continued to remain under pressure in 2024. According to GfK data covering 24 European countries (EU24), the European home appliance market showed 2.4% growth (12-month) in 2024 despite the continuing high interest rate environment, rising cost of living, and geopolitical uncertainties, following a 7% contraction in 2023. Among the five major European countries (EU5), France was the only contracting market with 0.4%, while the United Kingdom, Spain, and Italy markets showed growth of around 4%.

As part of its market diversification and sustainable growth strategy, Vestel continued to develop and introduce products suitable for markets outside Europe in 2024 and recorded strong growth particularly in Africa and North America regions. However, adverse macroeconomic and geopolitical developments in some key markets limited this growth in 2024.

According to data from the Turkish White Goods Manufacturers' Association (TÜRKBEŞD), exports of the Turkish white goods sector declined to 22.4 million units (12-month) in 2024, a decrease of 3% (12-month data) compared to the previous year, despite increased demand in overseas markets.

In contrast to the situation in overseas markets, the Turkish white goods market exhibited 2% growth in 2024. This growth was mainly driven by consumers bringing their demand forward. According

to data from the Turkish White Goods Manufacturers' Association covering 6 main products, domestic wholesale white goods sales grew by 6.7% in 2024, while data covering 4 main products showed a contraction of 4.6%. According to GfK, the growth in retail sales stood at 11%. Vestel's domestic white goods sales increased in line with the market in 2024.

Vestel Beyaz Eşya continued to increase the share of smart and IoT-enabled products in its total sales in 2024. During the year, features such as:

- "Cold Hygiene Program" that provides hygiene even at low temperatures, saving energy in washing machines,
  - Washing machine with A-65% energy class featuring Rainfall technology,
  - Dryer with A+++ -20% energy class utilizing Multi-Inverter+ technology, known as the most energy-efficient dryer in the market,
  - Refrigerators with moisture control systems that provide optimum humidity levels according to food type for fruits and vegetables,
  - Products using bio-based raw materials instead of plastic,
  - Products with recyclable packaging elements,
  - Dishwasher product family that consumes 10% less energy than A energy class thanks to recycled energy with Self-Heating technology,
  - Auto Clean Filter technology that automatically performs filter cleaning after each use, offering a user-friendly product family,
- were introduced to the market.



Vestel Beyaz Eşya continues to enhance its sales not only in the entry and mid-range segments but also in the premium segment by leveraging competitive products and new technologies, aiming to create new segments for its customers. Continuously updating its energy efficiency goals, the Company dedicates a significant portion of its R&D efforts to developing technologies and products that utilize resources efficiently by providing the highest level of energy and water conservation.

With the increasing importance of the negative effects of plastic waste on the environment and human health, Vestel is making corresponding changes to the

materials used in its products and product packaging. The Company has begun using bioplastic-featured and recyclable parts that decompose more easily in nature without leaving toxic residues, and aims to increase the use of bioplastic and recyclable parts in 2025.

As part of the capacity expansion program initiated in white goods in 2021, the construction of the new dishwasher factory and installation of production lines were completed in 2023, and as of April 1, 2024, all production lines in the factory, including those transferred from the old factory, have been commissioned. As a result, the first stage investments under

the capacity expansion program have been completed and Vestel's production capacity in household appliances has increased by 29% compared to the end of 2020.

Vestel Beyaz Eşya will continue to develop new projects tailored to Asian, African, and American markets in 2025 as part of its goal to expand its footprint in these regions. The Company aims to sustain its strong and sustainable growth in non-European regions by developing projects for both its own brands and its customers.

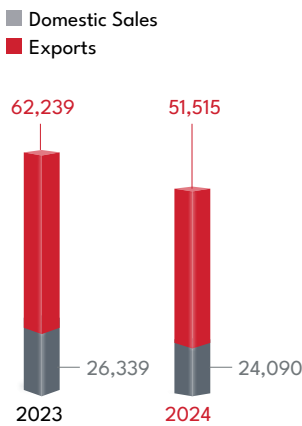


# Robust financial performance

Despite challenging market conditions, Vestel Beyaz Eşya generated revenue of TL 75 billion in 2024.

Vestel Beyaz Eşya made 47% of its total sales to European countries, 32% to the domestic market, and 21% to other countries.

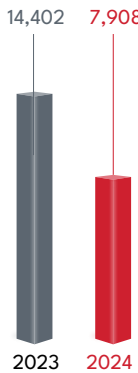
Gross Sales Revenues (TL million)



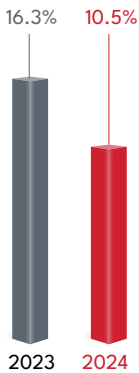
In 2024, inflation-adjusted gross sales amounted to TL 76 billion, with TL 52 billion (68%) of this amount comprising international sales. Of total sales, 47% were made to European countries, 32% to the domestic market, and 21% to other countries.

Net sales revenue totaled TL 75 billion in 2024.

Gross Profit (TL million)

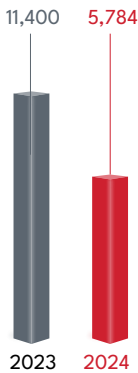


Gross Profit Margin (%)



Gross profit margin declined to 10.5% from 16.3% due to higher personnel and raw material costs.

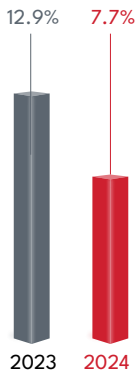
EBITDA (TL million)\*



\*Excludes other income and expenses from operating activities.

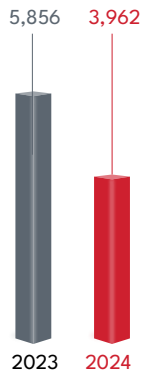
Inflation-adjusted EBITDA reached TL 5.8 billion, while the EBITDA margin stood at 7.7%.

EBITDA Margin\* (%)



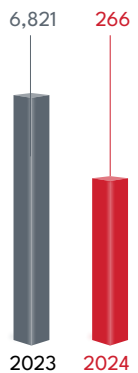
\*Excludes other income and expenses from operating activities.

Capital Expenditures (TL million)



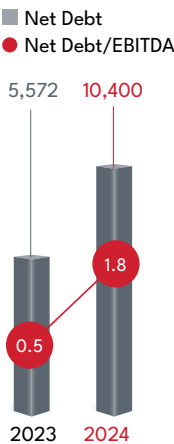
Of the investment expenditures, 34% consists of building investments, 21% of machinery and equipment purchases, 17% of mold investments, 18% of research and development activities, and 10% of other investments.

Net Profit (TL million)



Inflation-adjusted EBITDA reached TL 5.8 billion, while the EBITDA margin stood at 7.7%.

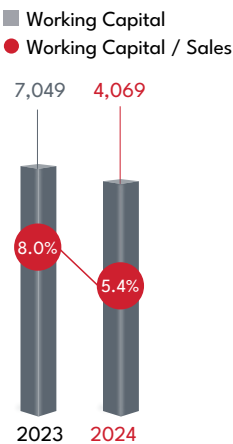
Net Debt (TL million) and Net Debt/EBITDA\* (%)



\*Other income and expenses from operating activities are not included in EBITDA. Other financial liabilities and blocked deposits are not included in the net debt calculation.

In 2024, the Net Debt/EBITDA ratio stood at 1.8x.

Net Working Capital (TL million) and Net Working Capital/Sales (%) Working Capital



# FINANCIAL PERFORMANCE

In capital management, Vestel Beyaz Eşya aims to ensure the continuity of its operations while efficiently maintaining the debt-equity balance to enhance profitability.

## Key Points

### 1. Export-Driven Growth

International sales account for 75-80% of total sales revenues. Most sales are to Western Europe, with a continued focus on growth, particularly in Africa, Asia and the Americas.

### 2. Risk Balancing

An active hedging strategy, which includes balance sheet, cash flow and strategic risk balancing, and a high share of foreign currency denominated export revenues, protect the Company against currency fluctuations.

### 3. Solar Panel Installation on Plant Roofs

Vestel Beyaz Eşya makes a contribution to combating the climate crisis through renewable energy generation and energy efficiency investments to transition to a zero-carbon economy. In line with the investments carried out, the Company plans to reach an annual electricity generation of 11,882 MWh with 8,200 kWp of solar panels and accordingly reduce its carbon emissions by 5,430 tons. This investment commenced in 2024 and is targeted for completion in April 2025. In 2024, the solar panels installed on the roof of the facility that distributes energy to the existing Vestel white goods, refrigerator and washing machine factories generated 188 MWh of energy.

### Working Capital and Cash Management

Effective working capital management is crucial for minimizing the necessary financing while expanding a company's business volume. In capital management, Vestel Beyaz Eşya aims to ensure the continuity of its operations while efficiently maintaining the debt-equity balance to enhance profitability.

As a consequence of the strategic reorientation toward the Asian Region for raw material and component procurement, the Company has experienced a notable elongation in its average debt repayment duration. For the fiscal year 2024, Vestel Beyaz Eşya registered a net working capital to net sales ratio of 5.4%.

Cash management consists of processes such as controlling, planning and optimizing the cash flow of an enterprise. These processes are implemented to safeguard liquidity, maintain financial health, and enhance operational efficiency of businesses. The objectives of cash management include:

- Ensuring the right amount of cash is available at the right time and place,
- Making payments timely and efficiently,
- Optimizing available liquidity,
- Aligning the timing of cash inflows and outflows,
- Minimizing borrowing and borrowing costs,
- Reducing transaction costs,
- Identifying and revising any deviations between planned and actual cash flows,
- Forecasting cash flows,
- Reporting annual cash program and end-of-day liquidity to management on a daily basis.

Vestel Beyaz Eşya aims to keep its working capital needs at an optimal level with solutions that will benefit all stakeholders in the supply chain in terms of financial management. In this context, by creating alternatives in supplier financing and receivables discounting, the Company contributes to sustainable financing by providing new sources of financing for the Company and access to affordable financing for suppliers.

### Trade Finance Practices

Vestel Beyaz Eşya aims to preserve its suppliers' cash flow by offering supplier financing programs through various banks. These programs provide flexible financial methods and emergency cash flow to companies. In its simplest form, approved invoices from buyers enable suppliers to obtain financing competitively and without collateral, without the need for a credit process. Vestel Beyaz Eşya's payment performance also serves as a financial guarantee for its suppliers at all times.

At the same time, Vestel Beyaz Eşya aims to increase the diversity of corporate finance solutions used for financing both domestic and international trade receivables, and to facilitate working capital management through technological solutions. To achieve this, Vestel Beyaz Eşya is implementing system and process improvements and maintaining regular discussions with banks. Discussions with stakeholders and business partners regarding supplier finance systems aim to protect all stakeholders in the supply chain against fluctuations.



Market conditions are constantly monitored, and cost planning is updated by adopting a proactive management approach based on expectations, and necessary actions are taken to address external source risks.

## Financial Risk Management

### a. Exchange Rate Risk

Vestel Beyaz Eşya's main principle in managing foreign exchange rate risk arising from transactions in foreign currencies is to maintain the foreign exchange position at a level that will be least affected by fluctuations in the exchange rate, particularly at the net profit level. Exchange rate risk is minimized with forward foreign exchange contracts. In addition to derivative transactions, Vestel Beyaz Eşya continuously assesses balance sheet positions under natural hedge considerations and takes appropriate actions as needed.

Market conditions are constantly monitored, and cost planning is updated by adopting a proactive management approach based on expectations, and necessary actions are taken to address external source risks.

### b. Interest Rate Risk

Interest rate risk arises due to borrowing at variable and fixed interest rates. This risk is managed by balancing the amounts and maturities of interest rate-sensitive assets and liabilities, using on-balance sheet methods or by using derivative instruments.

Within this framework, the main objective is to proactively monitor the potential impact of interest rate risk and keep borrowing costs at low levels.

### c. Liquidity Risk

Realized and planned cash flows are regularly monitored, and potential liquidity risks are identified in advance to develop solutions.

The continuity of cash position is ensured by aligning the maturities of financial assets and liabilities.



FINANCIAL PERFORMANCE

Vestel Beyaz Eşya's market capitalization was TL 27.120 billion as of 31.12.2024.

VESTEL BEYAZ EŞYA SHARES

Dividend Distribution

As its Dividend Distribution Policy, Vestel Beyaz Eşya has adopted the practice of distributing at least 25% of its distributable profit in cash and/or in the form of bonus shares.

The Company distributed 25% of its distributable profit to shareholders as cash dividends in 2024, with a gross dividend yield of 3.3%.

Vestel Beyaz Eşya Shares

Shares of Vestel Beyaz Eşya have been traded on Borsa İstanbul ("BIST") under the ticker "VESBE" since 2006.

As of year-end 2024, Vestel Beyaz Eşya, which trades on the Star Market, maintains prestigious positions within multiple distinguished indices including the BIST All-100, BIST 500, BIST All, BIST Star, BIST Dividend, BIST Participation Dividend, BIST Metal Goods and Machinery,

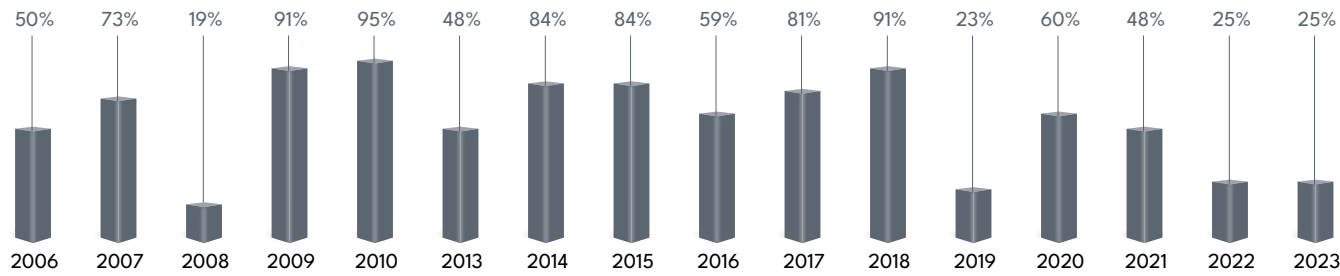
BIST Industrial, BIST Sustainability, BIST Dividend 25, BIST Sustainability Participation, BIST Participation All, BIST Participation 100, BIST Participation 50, and BIST Manisa indices.

Since 2016, Vestel Beyaz Eşya has been voluntarily listed in the Borsa İstanbul (BIST) Sustainability Index which encompasses the shares of companies traded on the BIST with a high level of corporate sustainability performance.

Year*	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Issued Capital (TL)	190,000,000	190,000,000	190,000,000	190,000,000	190,000,000	190,000,000	190,000,000	190,000,000	1,600,000,000	1,600,000,000	1,600,000,000
Net Distributable Profit (TL)	51,302,674	125,158,202	156,367,884	307,447,389	295,234,000	622,561,000	568,072,000	1,331,308,000	1,445,085,804	1,400,460,858	4,562,642,696
Cash Dividend Distributed (TL)	24,809,266	104,824,701	130,877,465	180,000,000	240,000,000	566,828,182	128,766,200	800,000,000	698,308,859	352,827,815	1,161,481,610
Dividend Ratio	48.36%	83.75%	83.70%	58.55%	81.29%	91.05%	22.67%	60.09%	48.32%	25.19%	25.46%
Gross Dividend Per Share with a Nominal Value of TL 1 (TL)	0.1306	0.5517	0.6888	0.9474	1.2632	2.9833	0.6777	4.2105	0.4364	0.2205	0.7259

\* The year in which the dividend is paid and the distributable profit is realized

Ratio of Dividends Distributed to Net Distributable Profit for the Period (%)



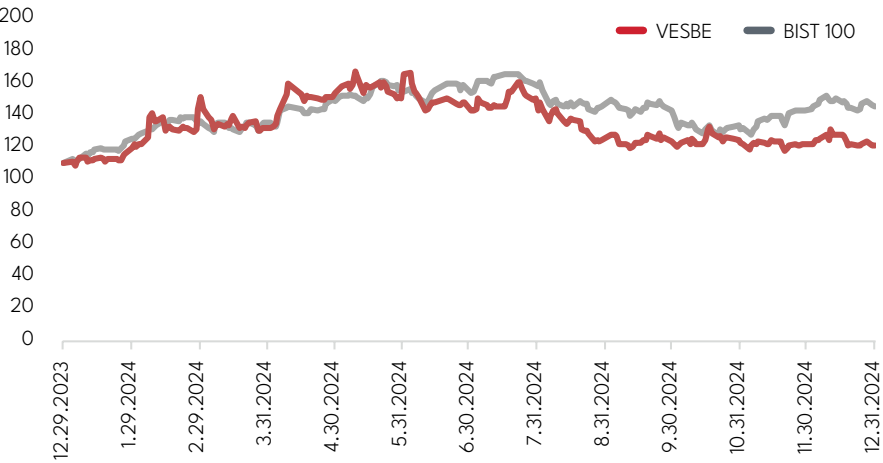
Summary Price Information for 2024

Number of Shares	1,600,000,000
Number of Publicly Traded Shares	362,697,764
Highest Price During the Year (TL)	23.36
Lowest Price During the Year (TL)	15.22
Year End Price (TL)	16.95
Market Capitalization* (TL Million)	27,120

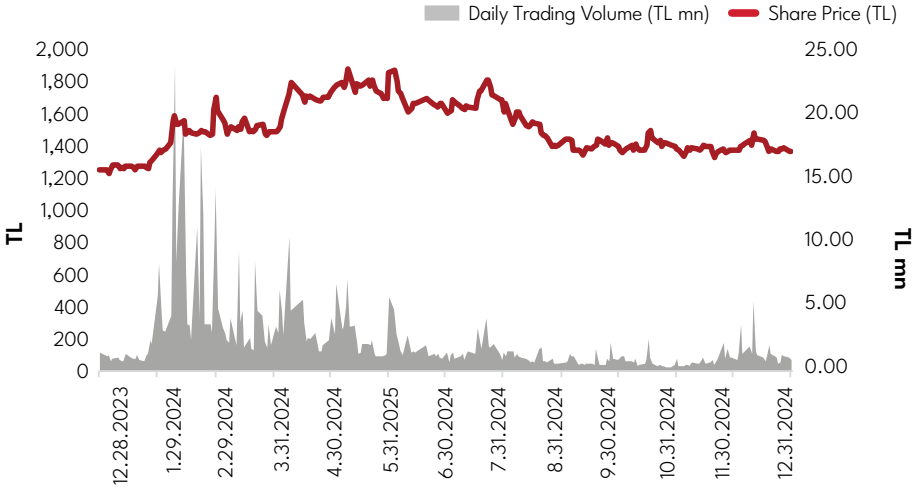
\*As of 31.12.2024

Vestel Beyaz Eşya Share Performance and Relative Performance

Vestel Beyaz Eşya - Relative Performance



Vestel Beyaz Eşya - Share Performance and Trading Volume



As of the end of 2024, Vestel Beyaz Eşya's market value was TL 27.120 billion.

In 2024, while Vestel Beyaz Eşya's share price gained 9% in value, the BIST 100 Index rose by 32%.

The average daily trading volume of the Company's shares was approximately TL 189 million.

Tax Practices

Vestel acts in accordance with the letter and spirit of local and/or international tax and other financial obligations legislation in the countries where it operates. Within this scope, Vestel Group Companies adheres to the arm's length principle in determining the prices applied to goods and services purchased and sold between related parties, and submits transfer pricing reports (CbCR, Master file, Local file) as evidence of this adherence to tax authorities in the countries where it operates.

While conducting its operations, Vestel avoids shifting the transfer price of goods and services to low-tax jurisdictions for purposes such as profit transfer and tax planning. The Company does not consider tax haven jurisdictions in its commercial and investment decisions. Moreover, a significant portion of the Company's income consists of active income sources, and the Company refrains from engaging in practices that are economically, commercially, or technically inconsistent from a tax perspective during its operations.

Additionally, the analysis and verification of balance sheet and income statement accounts to be used in tax reporting for compliance with uniform chart of accounts rules and tax laws are conducted by both the Audit Group Directorate within Zorlu Holding and by independent audit firms. Reports prepared based on findings from these audits are subsequently shared with company executives and senior management.

## TECHNOLOGY AND HUMAN-ORIENTED TRANSFORMATION

Technological innovations such as artificial intelligence, Internet of Things (IoT), and big data analytics that have emerged with digitalization on a global scale are radically transforming business models and lifestyles. In this transformation, human-centered approaches stand out in areas such as inclusion and talent management.

Vestel Beyaz Eşya aims to spread the transformer effect of technology and digitalization throughout the entire organization, starting primarily with employees, and adopts diversity, inclusion, and social benefit as its fundamental principles throughout the value chain, not limiting this culture to its own structure. Integrating technological innovations that add value to human life into its processes, Vestel Beyaz Eşya strengthens its presence in the global market and increases its competitiveness with the momentum provided by its transformation culture.

**603**  
people  
Full-time R&D  
team of

**152**  
Registered  
patents

**1.1**  
TL billion  
Total R&D  
expenditure

### PRODUCTION AND INNOVATION POWER

As global trends and customer demands evolve, it is important to integrate innovative solutions into both product designs and production processes. In this regard, Vestel Beyaz Eşya transforms its operations in parallel with technological developments, digitalization and automation.

Within the scope of Industry 4.0, digitalization, and R&D activities, Vestel Beyaz Eşya responds faster to changing consumer behavior and designs more efficient and smarter manufacturing and product processes by reducing its

environmental impact. Vestel adapts technologies such as artificial intelligence (AI), the Internet of Things (IoT) and autonomous systems to its 1.3 million m<sup>2</sup> Vestel City factory in Manisa, which is one of the largest single-area facilities in Europe. On 641,000 m<sup>2</sup> of indoor space, the Company produces refrigerators, washing machines, tumble dryers, cooking appliances, dishwashers, air conditioners and water heaters. Vestel Beyaz Eşya is among the largest original design manufacturers (ODM) in Europe.

### DIGITAL TRANSFORMATION

In line with its vision of being a technology company creating social and environmental benefits, Vestel Beyaz Eşya integrates digitalization into both its production processes and working culture, and the products and services it offers. Transformation and digitalization in production processes are implemented within the scope of Industry 4.0. Other efforts and ongoing investments include proactively managing cyber security risks to provide customers with a better product experience, manage supply chain processes more effectively and protect data privacy.

Monitoring of processes covering the supply chain is carried out through digital platforms created by Vestel Beyaz Eşya. Thanks to the designed Supplier Portal, an effective communication network is established with all suppliers involved in the processes and access to information is ensured. Financial processes such as payment, procurement, and accounting are also carried out securely through Vestel Beyaz Eşya's digital platforms.

### VAI: Secure and Efficient Big Language Model Access Platform

VAI is an artificial intelligence chat bot developed to provide employees with safe and easy access to large language models (LLMs). By enhancing processes in knowledge sharing, training, support, and process automation, VAI increases efficiency and reduces costs through centralized access.





# TECHNOLOGY AND HUMAN-ORIENTED TRANSFORMATION

Vestel Beyaz Eşya utilizes cutting-edge technologies to enhance customer satisfaction while maintaining rigorous quality standards across products for both domestic and international markets.

With its experienced team of software developers, mechanical designers, automation specialists, simulation experts, maintenance professionals, and technical investment staff, Vestel Beyaz Eşya is effectively implementing its Industry 4.0 transformation through optimal deployment of automation tools.

### Industry 4.0 Activities

With its experienced team of software developers, mechanical designers, automation specialists, simulation experts, maintenance professionals, and technical investment staff, Vestel Beyaz Eşya is effectively implementing its Industry 4.0 transformation through optimal deployment of automation tools. Thanks to knowledge and production capabilities developed in-house, the company can rapidly integrate automation technologies into all direct and indirect production processes at low cost. While production capacity has increased by 88% through investments over the past decade, automation technologies have limited labor growth to just 40%. Successful outcomes from Industry 4.0 investments are strengthening automation initiatives aimed at autonomous production.

**Autonomous production:** Industry 4.0 investments are prioritized with the goal of making production processes completely autonomous from start to finish. Within this framework, the company is progressively approaching the "lights-out factory" model, which minimizes human intervention in production processes while emphasizing energy efficiency. Vestel Beyaz Eşya accomplishes numerous processes such as assembly, feeding, stacking, part processing, packaging, and grouping without human intervention, using autonomous robotic systems deployed at over 200 points along production lines. These systems reduce human dependency while optimizing energy and resource consumption and accelerating business processes.

**Smart logistics systems:** Material transfer processes between production facilities and warehouses are managed autonomously. Automating these processes prevents production speed variations, traceability losses, internal traffic issues, and occupational safety risks. More than 120 Smart Automated Guided Vehicles (AGVs) in factories handle material transportation without human intervention. Controlled by a centralized software system developed by the company, these vehicles successfully perform tasks such as route tracking, traffic management, and obstacle avoidance. Additionally, their modular structure allows quick and flexible adaptation to different factory environments.

**Automated quality control systems:** Vestel Beyaz Eşya leverages innovative technologies to enhance customer satisfaction while maintaining quality standards in products offered to local and international markets. Through image processing technologies supported by artificial intelligence and machine learning, product quality control has been completely automated. These systems, developed in-house by Vestel Beyaz Eşya, strengthen brand reliability by minimizing error rates.



In parallel with its increasing production capacity, Vestel Beyaz Eşya aims to reduce costs and optimize logistics operations by prioritizing the efficient utilization of existing spaces to meet its storage requirements.



**Smart storage:** In line with increasing production capacity, Vestel Beyaz Eşya aims to reduce costs and optimize logistics operations by prioritizing efficient use of existing spaces to meet storage needs. Accordingly, Vestel Beyaz Eşya invests in Automated Storage and Retrieval System (ASRS) technologies, achieving space efficiency by fully utilizing warehouse ceiling heights. Through ASRS, important advantages such as fast and secure material transfer, energy savings, and traceability have been achieved.

**Artificial intelligence integration:** Visual quality control, autonomous testing processes, and data management are conducted using artificial intelligence-supported systems. While establishing a compact ecosystem that encompasses supplier and subsidiary industry processes through cloud-based solutions, employee training and quality control processes are being supported with virtual and augmented reality applications. Thanks to simulation software, preliminary tests and analyzes of the designed systems are carried out in a virtual environment.

TECHNOLOGY AND HUMAN-ORIENTED TRANSFORMATION

Vestel Beyaz Eşya continues to produce end-to-end digital solutions in customer experience.

Vestel Beyaz Eşya's Video Technical Support service allows customers to resolve technical issues with their products remotely, without the need for an in-person authorized service visit.

**Digital Transformation in Customer Experience**  
Vestel Beyaz Eşya continues to produce end-to-end digital solutions in customer experience. Data science is utilized in after-sales services to improve customer experience and in the management of dealer processes. While new functions and solutions added to the Support Center website provide the ability to carry out operations and manage smart products through the Smart Life application, new solutions like Vestel Assistant offer customers a digital experience. Furthermore, feedback from users on their experience is collected digitally from all contact points and actions to enhance the experience are developed.

Vestel Assistant is an AI-powered communication channel that complements Vestel Beyaz Eşya's digital ecosystem throughout pre-sales, point of purchase, and after-sales interactions, providing convenience and speed in service, making customer communication dynamic, and offering immediate correct guidance to customer requests with the goal of first-contact resolution. Additionally, it provides the option to communicate with a live customer representative when necessary. As part of the globalization strategy, German-language support has been launched on the vestel.com/de website for customers in Germany.

**Traffic Tracking in Stores:** Store traffic is monitored through devices located at the entrance of Vestel stores. This data is analyzed by keeping the data of busy hours of the day and busy days of the week through customer traffic measurement. This allows for

the development of services tailored to customer preferences and perceptions by identifying common trends to increase store traffic, while providing insights into consumer behavior within the framework of the Personal Data Protection Law (PDPL).

**Digital Labels:** Digital labels that automatically update price information on products reduce workload and ensure customers receive the most accurate pricing and promotional information. Infrastructure activities continue to ensure that digital labels, which contribute to omni-channel transformation by allowing physical and online stores to update their prices at the same time, will be available at all corporate stores in 2025.

**Video Technical Support:** Vestel Beyaz Eşya's Video Technical Support service allows customers to resolve technical issues with their product on-site, without requiring an authorized service technician. For requests coming through the communication center or Assistant, video support is offered to customers when appropriate, and remote solutions are provided to those who accept. With this service, 74% of service requests have been successfully resolved. Our Video Technical Support service was recognized with the 2024 Hammers Best Customer Experience Award.

**Voice Bot:** Vestel Beyaz Eşya continues feasibility studies on voice bot technology and aims to implement it in the near future. This technology will enable quick resolution of customer requests when calling the call center, without any waiting time.



R&D AND INNOVATION

Vestel Beyaz Eşya derives its innovation strength from the work carried out in its R&D centers and its R&D team of 603 people. R&D teams continue to work on the development or application of new technologies, new product designs, product development, productivity improvement and cost reduction.

Training activities for R&D teams are organized in order to help them adapt to contemporary requirements and enhance their competencies. Thanks to the organized training activities, the company continuously adapts to technological developments, maintains its competitive advantage, and adopts an innovation-oriented approach. Vestel Beyaz Eşya ranks among the top five manufacturers in the household appliances sector in Europe and the top three in Türkiye thanks to its innovative products that make a

difference. At the same time, the company exports to more than 160 countries, accounting for approximately 40% of Türkiye's white goods exports.

In 2024, Vestel Beyaz Eşya submitted a total of 91 patent applications, comprising 61 patent applications to the Turkish Patent and Trademark Office (TÜRKPATENT), 14 patent applications to the World Intellectual Property Organization (WIPO), and 16 European patent (EP) applications to the European Patent Office (EPO), while also having 152 patents registered.

As a result of innovation efforts in processes during 2024, savings of TL 482.1 million were achieved.

Approximately TL 341.3 million in R&D and innovation budget was spent on the development of low-carbon products and services.

Collaborations and Open Innovation

Vestel Beyaz Eşya aims to create shared value by collaborating with academia, public institutions, and industry stakeholders to achieve its sustainability goals. By encouraging knowledge and experience sharing through an open innovation approach, the company enables the development of innovative ideas in environment, human, and sustainability-focused projects. This strategy makes it possible to positively increase the environmental, social, and economic impacts of not only Vestel Beyaz Eşya but also its stakeholders.

Giving strategic priority to university-industry collaboration, Vestel Beyaz Eşya conducts projects that combine academic knowledge and industrial experience within the scope of undergraduate, graduate, TÜBİTAK, and EU projects. Within this framework, it collaborates with local institutions such as Yeditepe University, Bahçeşehir University, Boğaziçi University, Dokuz Eylül University, Ege University, Hacettepe University, Izmir Institute of Technology, and Izmir University of Economics, as well as international research centers like the University of Geneva and Fraunhofer Institute.

In line with its sustainability and green transformation goals, Vestel Beyaz Eşya has been developing projects under TÜBİTAK 1832 Green Transformation in Industry Call and 1833 SAYEM Green Transformation Call, as well as EUREKA and Bilateral Cooperation platforms. In addition to project applications, preparations for future calls are ongoing. Furthermore, academic collaborations are maintained within the scope of graduate thesis studies and joint research projects.

Vestel Beyaz Eşya supports technology-focused product development through TÜBİTAK 1707 Order-Based R&D projects, aiming to increase the competitive power of its business partners.

	2023	2024
Number of full-time R&D employees	594	603
Total R&D expenditure (TL thousand)	1,045,695	1,059,116
Ratio of R&D expenditure to turnover	1.18%	1.41%



# TECHNOLOGY AND HUMAN-ORIENTED TRANSFORMATION

**Vestel Beyaz Eşya ingeniously integrates faculty-supervised initiatives with undergraduate and graduate research endeavors, thereby generating scholarly outputs while fostering the integration of emerging talent into sophisticated research and development ecosystems.**



**Vestel Beyaz Eşya provides lifelong learning support to university students through its collaboration with Dokuz Eylül University Faculty of Business Administration.**

## University Collaborations

To strengthen its R&D capacity, Vestel Beyaz Eşya collaborates with universities and academics specializing in strategic fields such as mechanical engineering, electrical-electronic engineering, energy, environmental technologies, and information technology. This process aims to develop innovative products and processes by integrating academic knowledge into industrial processes. Vestel Beyaz Eşya simultaneously generates scholarly contributions and fosters the integration of emerging talent within research and development initiatives by strategically aligning projects conducted under faculty supervision with undergraduate and postgraduate dissertation endeavors. As of the 2024 academic year, the corporation has facilitated the successful completion of 12 comprehensive graduation thesis projects across prestigious institutions including the Izmir Institute of Technology, Ege University, Celal Bayar University, and Dokuz Eylül University. These efforts add value to Vestel Beyaz Eşya's innovative projects while establishing strong connections with university students.

Vestel Beyaz Eşya increases interaction within and outside the industry by presenting collaborative projects at congresses, conferences, and symposiums each year. These events bring different perspectives to projects and strengthen knowledge sharing and academic interaction. Additionally, 25 papers/ articles published in journals and platforms in 2024 have contributed to the industry. Vestel Beyaz Eşya increases its presence on these platforms each year to enhance academic interactions, while also organizing workshops on topics such as localization of imported products and Industry 4.0.

The following initiatives have been implemented as part of our University-Industry Collaboration framework:

A protocol was signed with Dokuz Eylül University Science and Technology Application and Research Center for the Sustainable Production of Consumables in the White Goods and Home Electronics Sector and potential joint projects are being discussed.

Undergraduate students participate in Vestel Beyaz Eşya R&D Center projects through Co-Op (Cooperative Education Program) courses conducted with Izmir Institute of Technology. This collaboration continues each year.

Vestel - Ege University Business Administration Seminar courses for senior students of the Ege University Faculty of Economics and Administrative Sciences, Department of Business Administration have been ongoing since 2018. Through the seminar program, which organizes 12 classes per year, a total of 35 students gained knowledge and experience in 2024. The program has created a productive interaction platform through student visits to Vestel.

Lifelong learning support is provided to university students in collaboration with Dokuz Eylül University Faculty of Business Administration. Within the framework of the established protocol, joint training sessions, research projects, conferences, webinars, certified educational programs, and mentor-ship activities are being organized. In 2024, the Human Resources Digitalization and Data Analytics course was developed in collaboration with academics, with guest instructors delivering lectures during selected weeks.

10 students participated in the course. Different course contents will continue in future terms.

Vestel Beyaz Eşya enhances interactions with university Technology Transfer Offices (TTOs) by participating in the annually organized University Industry Cooperation Centers Platform (USIMP) event. Discussions on potential collaborations and research areas take place during the event. Simultaneously, Vestel closely monitors legislation, regulations, and standards to enhance its activities in this field.

TÜBİTAK 2244 - Industrial Doctoral Program projects are being conducted with Ege University and Özyeğin University.

Vestel Beyaz Eşya conducts innovative work with consortium partners from different sectors within the scope of the TÜBİTAK 1601 BİGG Implementing Organization Innovation and Entrepreneurship Capacity Building Support Program, executed by Dokuz Eylül University Technology Transfer Office (DETTO). By providing mentor ship to entrepreneurs within the program, the

company contributes to the realization of innovative ideas and the strengthening of the entrepreneurship ecosystem.

An R&D project is being conducted with Özyeğin University under the TÜBİTAK 1505 - University-Industry Collaboration program.

A project application has been submitted to be carried out with Ege University under the TÜBİTAK 1004 Center of Excellence Support Program.

Discussions regarding biogas studies are ongoing with Çukurova University.

Collaboration discussions in the fields of bio-based materials and clean energy technologies are continuing with Sabancı University, Eskişehir Osmangazi University, Yeditepe University, Ege University, and Dokuz Eylül University.

Vestel Beyaz Eşya has ensured compliance with the Green Digital Action COP29 Declaration and presented its "Carbon Capture Technology Development Fund" project to be carried out in collaboration with Azerbaijan at the COP29 conference.

## Other Collaborations

Beyond its academic partnerships, Vestel Beyaz Eşya orchestrates multifaceted projects across international platforms while establishing consortia with stakeholders from diverse industrial sectors.

The "Biotechnological Anti-Frosting Coating (BioAFC)" initiative, sanctioned under the M-ERA.NET Call 2020, endeavors to synchronize national strategies in advanced materials technologies while enhancing industrial competitive advantage. This prestigious undertaking, funded through the TÜBİTAK 1071 International Research Support Program, unites distinguished partners including the Sabancı University Nanotechnology Research Center, Kansai Altan Paint Industry and Trade Corporation, and Lithuania's Kaunas University of Technology. The initiative aims to pioneer bio-coating technology that mitigates frost formation on refrigerator evaporators, thereby achieving dual objectives of energy consumption reduction and material utilization optimization.



# TECHNOLOGY AND HUMAN-ORIENTED TRANSFORMATION

R&D projects are being conducted with Zorlu Textile and Zorlu Energy companies within the Zorlu Holding structure.

While taking an active role in establishing new standards, Vestel Beyaz Eşya strengthens industry collaborations by excelling in energy efficiency, innovation, and sustainability.

The "E-Health Services with Digital Biomarker Ecosystem" project, endorsed under the EUREKA-Xecs 2021 call, envisions a sophisticated framework wherein health data collected via intelligent devices is presented to medical professionals and patients through an integrated digital platform. This groundbreaking contribution to digital healthcare solutions is meticulously designed to elevate user experience parameters.

Complementing these international consortium endeavors, mobility initiatives under the KA121-VET program enable vocational education participants to acquire invaluable insights by observing methodologies employed by international counterparts. Such strategic activities substantially contribute to the professional development of Vestel Beyaz Eşya's technical personnel while catalyzing operational process enhancements.

Through intellectual exchange with distinguished industrial collaborators—including Borçelik, Biolive, Coşkunöz, Basell, Arcelor Mittal, 3M, and Celanese—the company accelerates product and process innovation trajectories. Concurrent

research and development initiatives are being executed in conjunction with Vestel Ventures and fellow Zorlu Holding subsidiaries, notably Zorlu Textile and Zorlu Energy.

Strategic memberships in preeminent industry organizations—APPLIA, TURKBESD, ISO, CEN, and CENELEC—afford privileged access to sectoral policies and standards, international recognition for innovative offerings, market alignment capabilities, and opportunities for participation in sustainability-oriented collaborative projects. Through these strategic affiliations, Vestel Beyaz Eşya actively participates in technical committees and specialized working groups, facilitating knowledge dissemination, monitoring emerging industry paradigms, and contributing substantively to regulatory frameworks. While assuming a pivotal role in establishing next-generation standards, the corporation strengthens sectoral alliances through demonstrated excellence in energy efficiency, innovation paradigms, and sustainability practices.



## Intrapreneurship: A Bright Idea

As part of Zorlu Holding's Smart Life 2030 strategy, Vestel Beyaz Eşya also participates in Parlak Bi'Fikir, an entrepreneurship program within the company. Launched with the aim of developing an innovation culture and an entrepreneurship spirit within companies, generating permanent solutions for problems, combining these solutions with technology and developing their area of impact and access, the program supports the employees of Zorlu Group, who have "a bright idea" to bring their ideas into life by going through certain assessments and receiving funding from Zorlu Holding.

The teams that were entitled to receive investment established a start-up where Zorlu Holding was a partner by 25%. In addition, these start-ups can receive support from Zorlu Holding in areas such as law, accounting, human resources, finance and communication.

The startups stepping into the entrepreneurial journey by receiving investments from the two cycles of Parlak Bi'Fikir (A Bright Idea) were Abilitypool, Be Right Back, Conectohub, Geliver, and Ne Ekersen. Following the second cycle of the program, Selffix, which was chosen to continue its entrepreneurial journey as an internal project within Vestel, also continues to work on its activities.

### ABILITYPOOL

Starting in 2020, Abilitypool, a digital platform that enables organizations to discover the different talents of their employees and conduct volunteering management more effectively, has been actively continuing its activities. Bringing employees or members of organizations together with non-governmental organizations in a single environment through the volunteering projects organized by employees or members of organizations, Abilitypool enhanced its social impact by adding many new organizations to its customer portfolio also in 2024. It also launched new products for donating to NGOs through its website and enabling NGOs to generate income through products purchased from the Kindness Store.

### CONECTOHUB

Conectohub is an application that enables teams to work collaboratively in a goal-oriented manner and to carry out and track many different tasks at the same time. The Conectohub platform, which incorporates three distinct functions—Project Management, Social Intranet, and Internal Corporate Communication Application—continued its operations throughout 2024.

### BRB

The tech startup BeRightBack (BRB) aims to enable gamers who do not have sufficient hardware power to access the gaming PCs they need to play games with high quality configurations over the internet, while offering owners of powerful computers the possibility to generate income by sharing their computers.

### GELIVER

Geliver, which developed a platform where SMEs and e-commerce sellers can dynamically view shipping prices, receive discounted prices from different shipping companies and optimize their processes, has expanded its team with the investment of Vestel Ventures and made its product fully ready. In 2023, Geliver not only made improvements for seamless customer integration into the system but also consistently increased its revenue, successfully created high customer loyalty, and increased its daily shipment volume. In 2024, Geliver continued its steady growth, enhancing both the scope and quality of services offered to customers by increasing the number of courier companies with which it has agreements. The organization keeps improving the quality of customer service while also expanding its team capacity.

### NE EKERSEN

The initiative aims to enhance agricultural efficiency by enabling all stakeholders in the agricultural sector to access necessary services through a single mobile platform.

### SELFPIX

Selffix, supported by Zorlu Holding and Vestel executives, continues to operate as an internal project. It develops technologies that allow companies to offer their customers augmented reality, real-time file sharing, and remote expert support. While extending the lifespan of electronic products through these services, Selffix, which implements efficiency improvements, has been exhibited at international fairs and events. In 2024, the duration of consultations conducted through Selffix has shown consistent growth.



# TECHNOLOGY AND HUMAN-ORIENTED TRANSFORMATION

The policies and systems implemented to protect both the Company's and customers' data security and confidentiality through cyber risk management initiatives fall under the responsibility of Vestel Technology General Directorate, which possesses 30 years of technological expertise.



## Data Security and Cyber Risks

While the digitalization of business processes, products and services offers opportunities such as efficiency and higher performance in the working environment, it also poses cyber risks. The policies and systems implemented to protect both the Company's and customers' data security and confidentiality through cyber risk management initiatives fall under the responsibility of Vestel Technology General Directorate, which possesses 30 years of technological expertise.

Vestel ensures the data privacy and security of its systems under ISO 27001 Information Security Management System. The Company created an Emergency Response Policy in accordance with the standards of the EU Cybersecurity Act and the National Institute of Standard and Technology (NIST). Following the February 2024 launch of BIGDES (Information and Communication Security Compliance and Audit Monitoring System under the management of the Presidential Digital Transformation Office), all documentation has been submitted to the Presidential Digital Transformation Office, having fulfilled the preparation, compliance, and audit obligations required by the Information and Communication Security Audit Guide of the Presidential Digital Transformation Office (CDDO).

In 2024, information security training totaling 1,227 person-hours was provided to 1,216 individuals.

**Privacy Policy:** In accordance with the Personal Data Protection Law No. 6698 (PDPL), all necessary technical and administrative measures are being implemented to ensure an appropriate level of security, with the aim of preventing unlawful processing of personal data and unauthorized access to personal data, and ensuring the safeguarding of personal data. Necessary disclosures are made to individuals whose personal data are processed in accordance with the PDPL, and their explicit consent is obtained when required. The necessary disclosures are publicly provided to all individuals through the [Vestel Privacy Policy](#) and [Disclosure Text](#) available on the website.

Vestel Privacy Policy covers all operations, including suppliers. Zorlu Holding Data Protection Department is responsible for privacy issues. In cases of the breach of confidentiality, the provisions of the Disciplinary Regulation apply to violators (for detailed information, the Ethical Principles is available [here](#)). Audits of privacy policy compliance are conducted regularly. In 2024, no instances of data breach occurred; consequently, there were no data breaches reported to the Personal Data Protection Board.

**Measures taken against cyber risks in operations:** External access to company systems only takes place through SSL VPN (secure remote connection). Access to all systems is monitored and recorded. The Company uses Intrusion Prevention Systems (IPS) and Firewall, and responds quickly to any potential anomalies. Vestel tests and applies security patches released by manufacturers for systems.



**Vestel Beyaz Eşya continuously conducts risk and threat analyses for each component within the scope of internet-connected devices and Internet of Things (IoT) solutions.**

## Measures implemented to counteract cyber security vulnerabilities in products:

Vestel Beyaz Eşya conducts comprehensive and continuous risk and threat assessments for individual components across its portfolio of internet-enabled devices and Internet of Things (IoT) technological ecosystems. Based on these analyses, we design technical measures and solutions to address the identified risks.

We have developed test infrastructures and security scenarios for the protection of IoT devices, particularly for consumer-oriented products, in accordance with ETSI 303645 Cyber Security Standards. These tests are regularly applied to all new product, software, and solution versions, and we take measures to build designs based on the results. Additionally, we continuously monitor cloud-based solutions connected to IoT devices using security mechanisms to detect and prevent potential attacks.

Recent security breaches often stem from vulnerabilities in third-party software and libraries. To address this, Vestel Beyaz Eşya conducts comprehensive vulnerability

analyses on such software in collaboration with test groups. All IoT devices and software are designed to be remotely updatable, ensuring the security of devices in the field and eliminating any emerging vulnerabilities.

Vestel Beyaz Eşya has begun compliance processes with UK and EU regulations to improve cyber security for home network and IoT devices, implementing measures that exceed these requirements. Additionally, the company is developing an online platform for cyber security researchers and users to provide feedback. To document the security level of its IoT devices, Vestel has completed certification processes under the Common Criteria, ensuring a security-first experience for its customers.

# TECHNOLOGY AND HUMAN-ORIENTED TRANSFORMATION

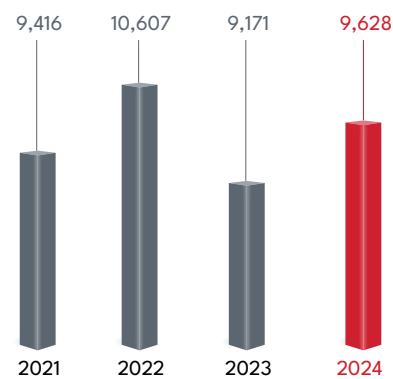
Human capital plays a key role in the Vestel Beyaz Eşya’s value creation model.

## EMPLOYEES

Human capital plays a key role in the Vestel Beyaz Eşya’s value creation model. Believing that the investments it makes in human capital improve the technology it produces, the patents it obtains and its R&D strength, Vestel Beyaz Eşya continues to work with the awareness that it is only possible for its state-of-the-art plants and products to create value with the presence of competent, happy and highly motivated employees.

Acting with the focus of creating and developing the most ideal working environment to ensure the health, safety, rights and personal development of its employees, Vestel Beyaz Eşya develops human resources policies that facilitate the adaptation processes of its human resources, encourage their success and development, meet their expectations and needs with fairness and equal opportunity and contribute to the country’s employment.

### Total Number of Employees

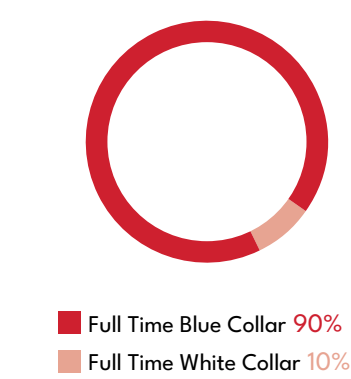


### GENDER EQUALITY, HUMAN RIGHTS AND INCLUSION

Vestel Beyaz Eşya aims to increase the ratio of its female employees to 40% by 2030.

Active participation of women in corporate life has positive impacts on the productivity and financial performance of companies. In this respect, Vestel encourages efforts to ensure gender equality throughout the Company, including recruitment practices. Under the guidance of Zorlu Holding’s **An Equal Life Gender Equality Manifesto** and being a signatory to the **United Nations Women’s Empowerment Principles**, the Company assumes the responsibility to contribute to gender equality in society, in the household appliances sector, and among Vestel Beyaz Eşya’s employees at all levels.

### Employees by Category



Vestel established the Gender Equality Group within Vestel in order to develop volunteering projects that raise awareness with the motto "An Equal Life Is Possible for All."

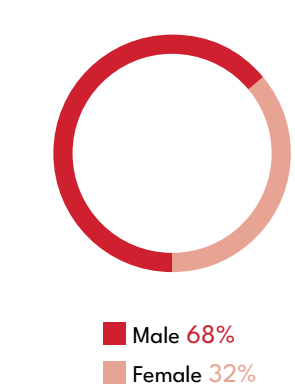
Vestel Beyaz Eşya established the Gender Equality Group within Vestel in order to develop volunteering projects that raise awareness with the motto "An Equal Life Is Possible for All." Within this framework, the **Domestic Violence Prevention Policy** has been published, encompassing Zorlu Holding Group companies, including Vestel Beyaz Eşya, which works to ensure equal conditions for working mothers in professional life through the Mutlu Bi’Anne (A Happy Mother) Project. In 2023, the Equal Opportunity Model certificate was obtained from the Women Entrepreneurs Association of Türkiye (KAGİDER). In 2024, gender equality training totaling 3,737 person-hours was provided to 3,672 individuals.

In line with its gender equality approach, Vestel published "Eşit Bi’Hayat (An Equal Life) Dictionary" to serve as a guide to

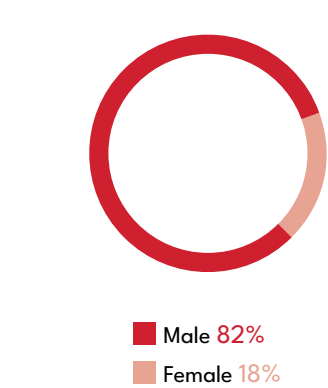
avoid sexist discourse patterns and idioms embedded in our language. It brought together alternative discourses that can be used from an equal and inclusive perspective in the dictionary, which is accessible to all stakeholders and can be accessed via the **Smart Life 2030** website.

In 2024 at Vestel Beyaz Eşya, 110 female and 285 male employees utilized maternity and parental leave benefits. Of the female employees who took maternity and parental leave in 2024, 40% have returned to work and reintegrated into professional life. All mothers’ rooms produced at Vestel Beyaz Eşya’s factories have been reviewed according to established standards and the necessary improvements have been made to ensure they meet requirements.

### Share of Employees by Gender



### Share of Managers by Gender





TECHNOLOGY AND HUMAN-ORIENTED TRANSFORMATION

Vestel Beyaz Eşya strives to provide its employees with a decent, respectful, equitable, and fair working environment that guarantees human dignity.

Vestel Beyaz Eşya respects, protects and observes the human rights of its employees.

FEMALE/MALE SALARY RATIO

Distribution	Base Salary			Base Salary + Cash Incentives		
	2022	2023	2024	2022	2023	2024
Senior	-	75%		-	71%	79%
Executive	92%	81%	77%	91%	80%	75%
Non-executive white collar	97%	87%	81%			
Non-executive blue collar	87%	84%	83%			
Non-executive total	89%	83%	83%			
All employees (including managers)	83%	78%	77%			

\* For base salary; total actual wages are taken as basis.  
\* For cash incentives; wage differential (net) is based on gross.  
\* Calculation: (Female wage average / Male wage average) \*100

Average Salary Differences by Gender	2022	2023	2024
Average gender pay gap	20%	24%	25%
Median gender pay gap	14%	15%	17%
Average bonus difference	18%	18%	19%
Median bonus difference	7%	7%	6%

\* Bonuses are based on gross wage difference (net).  
\* Calculations excluding bonuses are based on total gross wages.  
\* Calculation: [1-(female wage average/male wage average)]\*100

Integration of Employees with Disabilities

The Equal Opportunity Project aims to support the active participation of individuals with disabilities in working life and to remove barriers that impede their professional advancement. Within this framework, specialized training programs are provided for deaf and speech-impaired individuals, thereby encouraging their participation in the workforce. Under the auspices of the project initiated in 2015, collaborative partnerships have been established with 17 specialized vocational high schools for the deaf across Türkiye, facilitating the employment of 203

individuals with disabilities within Vestel Beyaz Eşya. Within the framework of this project, sign language interpreters have been appointed to meet all the needs of employees with disabilities, both inside and outside the factory.

Since 2019, Vestel Beyaz Eşya has provided employment opportunities for 20 individuals with intellectual disabilities through the Z.E.K.I. Life Center, the first Protected Workplace for People with Intellectual Disabilities established in Türkiye’s Manisa Organized Industrial Zone. This pioneering initiative serves the dual purpose of integrating individuals

with intellectual disabilities into the workforce while offering comprehensive social support for their families. In this context, the Company created sheltered and ergonomic working areas within the production areas of factories.

Human Rights and Due Diligence

Zorlu Holding and all of its companies (Zorlu Group) undertake to conduct business and take actions in full compliance with Universal Declaration of Human Rights, International Covenant on Civil and Political Rights, International Covenant on Economic, Social and Cultural Rights, Declaration on Fundamental Principles and Rights at Work adopted by International Labor Organization and, as a signatory party, United Nations Global Impact. This commitment includes standing against all forms of discrimination, providing a safe working environment, not allowing child labor, and ensuring a working environment where employees can freely express themselves. The sustainability of the commitment is guaranteed by the "**Zorlu Holding Human Rights Policy**" and "**Zorlu Holding Ethical Principles.**"

Vestel Beyaz Eşya respects, protects and observes the human rights of its employees. Striving to provide a decent, respectful, egalitarian, fair and just working environment that guarantees human dignity, Vestel Beyaz Eşya is committed to full compliance with the

Universal Declaration of Human Rights, the laws and standards set by the International Labor Organization (ILO) and the legal framework and legislation governing human rights and working life in Türkiye. Moreover, as a signatory of the United Nations Global Compact (UNGC), the Company continues to work on the compliance with human rights.

A collective bargaining agreement was signed between the Company and Türk İş Metal Union for the period covering 01.01.2024-31.12.2025. 98% of blue collars have been included within the scope of the CBA.

At Vestel Beyaz Eşya, where discrimination is not tolerated in any of the human resources processes, starting with recruitment practices;

- People are not discriminated based on gender, age, religion, language, race, sect, social status, physical build, ethnicity, nationality, sexual orientation or any other personal feature.
- Employees are offered equal opportunities in line with their skills and experience.
- The policy of equal pay for equal work is applied in the remuneration system.
- Child labor, forced labor and human trafficking are not tolerated.

Vestel is working on developing an audit system to control compliance with human rights in the supply chain. Compliance with human rights in Vestel Beyaz Eşya’s own production facilities is audited under the Social Compliance Audits (BSCI, SEDEX, etc.) performed by its customers. The Sedex Members Ethical Trade Audit evaluates four essential areas: working conditions, labor rights, environmental management, and business ethics. BSCI (Business Social Compliance Initiative) audits assess businesses' adherence to social responsibility criteria based on the Universal Declaration of Human Rights and International Labor Organization (ILO) standards. In 2024, third-party audits were conducted across all facilities.

Additionally, we conduct further ethical and social compliance audits based on customer requests. These processes evaluated critical issues including employee rights, occupational health and safety, working conditions, anti-discrimination practices, and environmental sustainability. As a result of these audits, a total of 14 nonconformities were identified at Vestel Beyaz Eşya facilities, these are:

- 8 were addressed,
- 6 are still being remedied,
- There are no open (ongoing) non-conformities.

Key areas highlighted during audits and actions taken:

Audit Category	Identified Non-Conformities	Addressed	Remediation	Actions Taken
Social Governance System	Working hours system	1	1	Overtime reporting is closely monitored.
Employee engagement and protection	Training deficiencies	1	0	Any missing training sessions have been completed.
Fair Remuneration	Decent wage calculation	1	0	Updated and put in practice.
Decent working hours	Overtime work	5	4	A warning system for overtime has been established, which is monitored by the production and planning teams.
Occupational Health and Safety	Environmental measurements	6	1	Any missing internal environment measurements have been completed.

The results of the audit were assessed by the Human Rights Committee, and corrective and preventive action plans were formulated by the relevant departments. Vestel Beyaz Eşya remains committed to safeguarding employee rights and improving its ethical operational processes.

The Vestel Beyaz Eşya Human Rights Committee convenes quarterly to evaluate employee complaints and suggestions within a human rights framework and develops necessary action plans based on this assessment.

You can access the detailed information on preventive and corrective practices for inequality, human rights violations, child labor and forced labor through the **Ethical Principles.**

# TECHNOLOGY AND HUMAN-ORIENTED TRANSFORMATION

Attracting new and right talents to the Company with the motto "Being where the talent is" forms the basis of Vestel Beyaz Eşya's strategy.

Vestel Beyaz Eşya's performance management system is carried out annually to evaluate and develop the workforce and to ensure that both the organization and the individuals who make up the organization progress towards their goals.

## Measures Against Discrimination and Harassment

Vestel Beyaz Eşya protects its employees' personal rights without tolerating any form of physical, sexual and psychological harassment. Employees can make report any grievances to the Ethical Principles Notification Hotline under the **Ethical Principles**. In case of any violation, Vestel investigates the case that is the subject of the complaint, manages the process in a transparent and fair manner and imposes necessary sanctions on the relevant persons. Vestel Beyaz Eşya's policy on this issue is shared in the Ethical Principles and Workplace Regulation. There were no cases of discrimination or harassment identified at Vestel Beyaz Eşya in 2024.

## DEVELOPMENT OF EMPLOYEES AND TALENT MANAGEMENT

Talent gap or shortage is at the forefront of the problems that companies may face in the 21<sup>st</sup> century. As a company providing services in the fields of engineering and technology, Vestel Beyaz Eşya considers talent management as an important factor in the company's success and innovation capacity.

Attracting new and right talents to the Company with the motto "Being where the talent is" forms the basis of Vestel Beyaz Eşya's strategy. One of Vestel Beyaz Eşya's top priorities is to find the right talent to lead technology and digitalization, to retain existing talents, and to enable them to connect with the Company. Talent management processes at Vestel Beyaz Eşya are handled with a human resources analytics approach.

## Performance Management

Vestel Beyaz Eşya's performance management system is carried out annually to evaluate and develop the workforce and to ensure that both the organization and the individuals who make up the organization progress towards their goals. All white-collar employees are integrated into the performance management system. Vestel Beyaz Eşya continues to monitor and support the development of its employees in terms of learning and development, working together, responsibility, innovation and creativity, which are Vestel's core competencies. Only by evaluating the competencies of its employees within the competency-based performance evaluation system and ranking the employees in the same organization relative to each other, the Company obtains their final performance.

Under the target and competency-based performance management system, targets are set at the beginning of the year based on measurable objective indicators, and interim targets and performances are monitored in the middle of the year. At the end of the year, absolute performance results are obtained for each employee by entering the values reached at the end of the year into the system and evaluating the competencies. The total number



of employees participating in regular performance and career development evaluations at Vestel Beyaz Eşya reached 848 in 2024. Vestel Beyaz Eşya cares about maintaining its long-term cooperation by supporting the career planning of its employees with promotions and horizontal promotions. Regarding career management, the Promotion and Horizontal Promotion Regulations are published on the Company portal and made accessible to employees. Vestel Beyaz Eşya makes performance-based annual salary increases and the salary scale, which is updated every year after the salary increase period, is used in all career processes.

## Rotation Practices

Through effective human resources management, Vestel Beyaz Eşya focuses on making innovative perspectives a part of the corporate culture. It periodically engages in succession planning and essentially covers its human resources needs through its in-house human capital. Inter-organizational role transitions are implemented to diversify employees' knowledge, skills, and experiences, to facilitate their career planning through exposure to different responsibilities or corporate environments, and to enhance

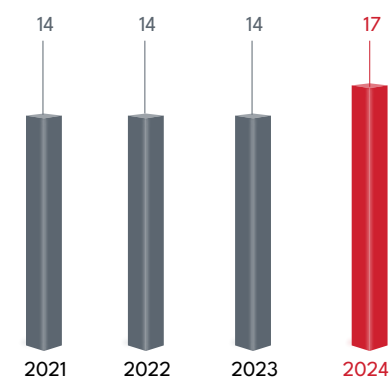
both company productivity and employee motivation. In 2024, a total of 34 employees undertook changes in their roles and departmental assignments.

## TRAININGS

The training activities conducted at Vestel Beyaz Eşya with both internal and external trainers are designed with the goal of discovering and developing a workforce that thinks, researches, questions, creates, innovates, and produces. In our day, where the need for competent human resources is constantly increasing, Vestel implements its training investments for employees in terms of sections, departments and projects. The investment in development is not limited to Vestel Beyaz Eşya employees but also includes dealers and service employees.

In 2024, an average of 17 hours of training per employee was provided, with a training budget allocation of 336 TL per employee. During 2024, a total of 1,945 person-hours of training on "Sustainability," "Environment" and "Zero Waste" topics was delivered to 2,705 employees under the sustainability category.

## Average Training Hours per Employee





# TECHNOLOGY AND HUMAN-ORIENTED TRANSFORMATION

**In 2024, 36 Vestel employees received 3,890 hours of training through the Vestel Technology Academy, which was launched with the vision of "bringing the university campus to the company."**

## Employee Development Trainings



### Vestel Technology Academy

Developed in collaboration with Vestel Group of Companies and Özyeğin University, Vestel Technology Academy is a long-term postgraduate education program that aims to provide Vestel Beyaz Eşya employees with qualified training that will contribute to their lifelong development and to increase their technical knowledge and experience. Under this training program, employees who wish to pursue postgraduate education are encouraged to obtain master's and doctoral degrees in the engineering fields that Vestel Beyaz Eşya needs.

In 2024, 36 Vestel Beyaz Eşya employees who received 3,890 person-hours of training through the Vestel Technology Academy continued their postgraduate education in Computer, Electrical-Electronics, Industrial, Mechanical Engineering, and Data Science. A total of 93 employees have graduated so far. In addition, 20 academic studies were transformed into industrial practices and 11 studies became a part of patent, publication or incentive processes.

Established with the vision of "bringing the university campus to the company," Vestel Technology Academy also offers Vestel Beyaz Eşya engineers the opportunity to become in-house academics. Employees, who are evaluated by Özyeğin University and fulfill the prerequisites, are appointed as visiting faculty members. In this context, in-house academics continued to teach at the Vestel Technology Academy in the 2024-2025 academic year.

### Vestel Retail Academy

In 2024, Vestel Retail Academy (VPA) organized 25 distinct training and development programs for employees of the Head Office, Vestel store employees, Vestel Traditional Channel, Regal business partners/employees, and Zorlu Holding employees. These programs included 112 in-class training sessions covering 73 different topics in the

areas of "Sales-Marketing," "Management Skills," "Competency Development," "Finance" and "Product Training," totaling 555.5 hours of instruction. A total of 4,354 participants attended these trainings, resulting in 12,176 person-hours of training.

Throughout the year, the Company collaborated with 47 different trainers and achieved a 97% satisfaction rate based on participant surveys conducted after the sessions. The average Net Promoter Score (NPS) for the trainings was recorded at 82.

260 headquarters employees, 223 Vestel store employees, and 987 traditional channel participants received training through these in-class sessions.

Throughout the year, in addition to in-class and online trainings, videos, articles, and documents on various topics were shared via our training platforms (Zorlu Akademi and vpa.com.tr) to support employees' holistic development. The platforms, which featured 357 content items in 2023, were further enriched in 2024 with the addition of product training, SalesTalks, operational processes, and competency development content. A total of 308 new videos, amounting to 2,298 minutes, were created and published. Additionally, 54 new documents detailing product features and 20 new articles on various topics were summarized and added to the training platforms.

The Zorlu Academy platform reached 729 Vestel Store employees and 618 head office employees. Access was established with 1,904 individuals through the vpa.com.tr platform, specifically created for traditional channel business partners and employees. During 2024, the Vestel Retail Academy team established direct contact with their target audience by visiting 57 stores located in different regions, subsequently planning educational programs in accordance with

these consultations. On the platform, 1,837 participants engaged in a total of 2,099 person-hours of online training. Content on the platform was viewed or read 71,803 times, and videos were watched for a combined total of 314,311 minutes. Additionally, 97 pop-up quizzes were administered to assess the content comprehension, serving as performance metrics for all training participants.

In 2024, a training program entitled "Discover Your Potential: Add Value to Yourself, Your Team, and Your Business" was provided for Vestel Store employees, specifically targeting Regional Officials. Training courses were organized for Store Managers focused on coach-like leadership, customer conflict management, negotiation techniques, and time management. In addition, training sessions were organized for Sales Consultants covering topics such as sales skills, managing difficult customers, proactive approaches, persuasion, and negotiation techniques. For employees of the Berlin store, which opened in 2024, product and sales training tailored to their specific needs was provided.

Launched in 2023, the Sales English Development Program continued to encompass all store employees. As part of the program, Advanced Sales English courses were offered to employees who had completed the basic level. In addition to the formal training sessions, Speaking Club gatherings were organized for all

participants to support their conversational practice.

In 2024, the long-standing "Dealership Owners" program for traditional channel business partners and employees continued with product training, business and human resource management education and seminars, financial analysis, and product instruction. Within the framework of the Women Business Partners Program initiated in 2022, "Next Generation Leadership" training was provided in 2024. The "2<sup>nd</sup> Generation Traditional Channel Business Partners" program, launched in 2023, continued in 2024 with "Business and Management Simulation" training. This year, the "Regal Business Partners" program concentrated on finance and customer analysis topics.

The primary point of contact with business partners, coordinators, and sales consultants is vpa.com.tr. Following its activation in 2023, the platform continued to host online seminars throughout 2024 on topics aligned with strategic objectives, including finance, product training, and consumer habits.

For the management team at the Head Office, we organized the "New Generation Competencies" seminar and the "Real Dialogs" program. Training sessions focused on feedback, internal trust, and teamwork were also provided for the managerial group. The "Catalog Program,"

which debuted in the second half of 2022, offered 16 training sessions in 2024. This year's requirements included topics such as "Behavior Analysis," "Change Management," "Multiple Sales Intelligence," "Holistic Intelligence," "Situational Leadership," "Creative Intelligence," "Negotiation Management," "Proactive Communication and Assumption-Free Communication," "Strategic Idea Selling Workshop," "Basic Finance," "Financial Statement Reading," "Difficult and Courageous Dialogs," "Presentation Techniques" and "Artificial Intelligence in Retail" in light of the changing and evolving Vestel. The Catalog Program reached a total of 252 participants.

In 2024, 11 training requests from various departments were fulfilled. These requests included courses on "Agile 101," "Scrum Methodology," "Planning and Optimization in Supply Chains," as well as communication skills training, legal training, a certificate program aimed at improving the marketing of the Vestel brand, and seminars on consumer behavior. Support for a training platform was also provided to assist in the digitalization efforts of the Data Science team.

An in-house Artificial Intelligence Awareness team was established, and with the collaboration of employees from different departments, seminars were held on the practical applications of artificial intelligence relevant to Vestel Ticaret A.Ş. and its internal AI initiatives.

**Throughout 2024, the Vestel Retail Academy team visited 57 stores across different regions, establishing direct contact with their target audience and planning training programs based on these interactions.**





## TECHNOLOGY AND HUMAN-ORIENTED TRANSFORMATION

**Zorlu Academy Online Training Platform offers personal development and technical training content for all Zorlu Group companies, including Zorlu Holding and Vestel Beyaz Eşya.**



As part of the In-House Coaching Project initiated in 2019, coaching training took place in 2024, resulting in the addition of 11 new coaches to the program. By the end of 2024, a total of 54 coaches trained through the project had conducted 196 coaching sessions.

### **Vestel Service Academy**

Vestel Service Academy has been operating within Vestel Customer Services since 2012 for the regular and continuous training and development of all service teams, such as authorized service provider technicians, customer representatives and service managers in order to provide a flawless experience in after-sales services. The Academy provided 166,396 person\*hours of training to 2,896 employees in 2024 through various training modules and different training approaches that actively utilize digital and live channels. Vestel Service Academy is the first training program in Türkiye to hold TS ISO 10993 Certificate.

### **Workshop Leadership Development School**

The Workshop Leadership Development School, specially designed for blue-collar teams/shift leaders, aims to strengthen participants' lifelong competencies and leadership approaches through its multiple modules. The program, which was developed by Vestel's internal resources in terms of design, content, methodology and instructor staff, has an experience, game and activity-oriented approach. By creating an environment where senior management and team/shift leaders come together, fast and effective exchange of experience and managerial alignment of the corporate culture are ensured. In 2024, a total of 120 team/shift leaders received 5,201 hours of training in 5 modules.

### **Vestel Academy Training Platform**

Vestel Academy Training Platform has implemented the microlearning model within the company, especially targeting field workers. Specially designed content for field employees includes practical information suitable for daily operations

and learning processes are optimized with the micro-learning model. In addition to the trainings on Gender Equality, Earthquake Preparedness and Living with Earthquake, Environment and Zero Waste, work is underway to add new trainings to the platform. Vestel Academy Training Platform provided 4,620 hours of training to 4,464 field employees.

### **Zorlu Academy Online Training Platform**

Zorlu Academy Online Training Platform offers personal development and technical training content for all Zorlu Group companies, including Zorlu Holding and Vestel Beyaz Eşya. In addition to corporate governance and sustainability trainings, there are also training programs focusing on the professional development of employees. Through trainings covering a wide range of topics, it is aimed to ensure that employees are compatible with current developments in the business world, actively contribute to the corporate culture, improve their competencies and optimize their business performance. In addition to trainings such as Gender Equality, Ethical Principles, Environment, Financial Literacy and Innovation Culture, efforts are underway to add new trainings to the platform. In 2024, 7,018 hours of training was provided to 1,388 office employees through the Zorlu Academy Training Platform.

### **Vestel & Ege University Cooperation: Vestel Business Management Seminars**

Vestel has established a formal collaboration protocol with Ege University and conducts Business Seminars as a first-term course for fourth-year students in the Faculty of Economics and Administrative Sciences' Business Administration program. The course runs for a total of 12 weeks, with each weekly session featuring subject matter experts from Vestel presenting content relevant to the curriculum. As part of the program, factory tours at Vestel facilities



**Vestel Beyaz Eşya continues its employer brand journey on campuses with the motto "Possible with Vestel, Why Not?".**

are arranged, and students are offered internship opportunities. Within the scope of the business seminars course, topics covered by experts include sustainability, innovation, sales and business development in the international market, digitalization in human resources, market research, debt / receivables management, understanding the customer and process management.

### **Onboarding Program**

The Onboarding Program, implemented to introduce new employees to Vestel culture and facilitate their adaptation process, is revised each year in line with innovations and needs. Facilitating the induction and adaptation process and introducing Vestel culture are the main objectives of the Onboarding Program. Since 2020, the Onboarding Program, which continues to be implemented on an online platform, has been integrated with the Polar Star mentoring application.

With the Pole Star Mentor ship program, Pole Stars, who will work voluntarily for three months in parallel with orientation, are selected under the leadership of department managers and receive the briefing provided by the Human Resources Department. In 2024, a total of 99 Pole Stars provided guidance to new colleagues.

### **PROGRAMS FOR YOUNG TALENTS**

Vestel Beyaz Eşya continues its employer brand journey on campuses with the motto "Possible with Vestel, Why Not?". The Company aims to reach qualified candidates on university campuses and ensure the recruitment of talent. To achieve this objective, close collaborations are maintained with universities, organizing various projects such as career events and engineering competitions. In 2024, Vestel participated in a total of 74 events with 20 universities, 5 agencies, and 4 high schools, creating opportunities to connect its employer brand with numerous university students. Additionally, Vestel conducts programs such as the Vestel Management Trainee and Vestel Internship Programs to attract young talent.

### **Vestel Beyaz Eşya Campus Initiatives**

Vestel Beyaz Eşya continues its employer brand journey on campuses with the motto "Possible with Vestel, Why Not?" since 2021, aiming to reach qualified and right candidates on university campuses before they graduate and to ensure the recruitment of competent human resources. Another goal is to implement projects such as university career events, engineering competitions, graduation projects, sponsorships, workshops and case studies that require close relations with university career centers and student clubs and support university-industry cooperation. In



# TECHNOLOGY AND HUMAN-ORIENTED TRANSFORMATION

## Vestel Beyaz Eşya seeks to assess and improve the opportunities and work environments available to employees by conducting the Employee Satisfaction and Loyalty Survey at regular intervals.

2024, Vestel signed a Co-op project and a graduation thesis agreement with three universities within the scope of university-industry cooperation.

### Vestel Management Trainee Program (VESTalent)

The Vestel Management Trainee (MT) Program is a comprehensive program aimed at training new graduates to be the managers of the future. This four-month process consists of academic courses, theoretical trainings at Vestel, personal development trainings and internships. This program trains young management candidates who are familiar with the company culture and knowledgeable about the industry, while also developing new projects that add value to Vestel. The 15<sup>th</sup> Vestel Management Trainee Program was completed in 2024 as a hybrid initiative in collaboration with Koç University, with 21 graduates from Türkiye's leading universities participating, and the candidate who completed the program has since begun working at Vestel Beyaz Eşya. Young management candidates received 291 hours of training in 18 different topics throughout the training program.

### Vestel's Internship Program

Within Vestel Group of Companies, Vestel offers short-term internship opportunities to engineering students in production and R&D, and to students of the faculty of economics and administrative sciences in the Financial Affairs, Sales and Human Resources departments.

### Employee Engagement and Satisfaction

Vestel Beyaz Eşya attaches importance to the well-being of its employees, with the belief that employee loyalty will enable the Company to increase its competitiveness, financial performance and reputation as an employer. The Company invests in technological infrastructure and continuously

improves its efforts to improve employee rights in a fair manner, to implement practices that ensure work-life balance, and to create a healthy and peaceful working environment.

Vestel Beyaz Eşya seeks to assess and improve the opportunities and work environments available to employees by conducting the Employee Satisfaction and Loyalty Survey at regular intervals. The survey is conducted by an independent organization, with results shared comprehensively with senior management, taking into account age and gender distributions. The employee engagement and satisfaction survey conducted in 2024 achieved a participation rate of 73%, yielding an employee engagement rate of 44% and an employee satisfaction rate of 54%. Among white-collar employees, the

participation rate in the survey was 91%, with an engagement rate of 36% and a satisfaction rate of 47%. The target for employee satisfaction in 2024 is set at 60%.

Within the scope of this research, employees are asked comprehensive questions about their job satisfaction, work purposes, happiness with their jobs, and stress management. Research results are shared with senior management, taking into account age and gender breakdowns. In addition, all employees' anonymous requests and complaints regarding working conditions are collected through the Complaint/Wish/Request Evaluation System on the corporate portal via the mobile kiosk application. Necessary actions are taken in response to incoming requests and complaints and feedback is provided to employees.



Events such as "Heartfelt Conversations," "Expert Conversations" and "Agenda & Hello," in which employees participate, interact and share information about the company, are planned to continue in 2025 in line with demand or when appropriate.

### Fringe Benefits

Employees receive the following common fringe benefits: transportation, meal allowances, daycare and daycare-shuttle support; educational scholarships from the Zorlu Holding Mehmet Zorlu Foundation for employees' high-achieving children; marriage, maternity, and bereavement leave; cash assistance; a newborn gift package plus cash support equivalent to the value of a quarter gold coin; two shopping vouchers per year; additional payments for employees who complete a master's degree or doctorate; educational support payments for employees with school-age children; monthly financial support for employees with disabled children; access to the gym at Vestel City; and discounts on Vestel-branded products. In addition to work-life balance solutions, a hybrid working pattern is implemented in departments where possible.

Vestel Beyaz Eşya has a regulation on working conditions and the use of leave before and after childbirth. It is essential that female employees are not required to work for a total of 16 weeks, 8 weeks before the birth and 8 weeks after the birth. In the event of multiple pregnancies, 2 weeks are added to the 8-week period. A female employee may work at the workplace up to three weeks before the birth (37<sup>th</sup> week) provided that a doctor's certificate certifies that she is in good health. In this case, the time worked is added to the postnatal period. Male employees are entitled to a 5-day paternity leave when their spouse gives birth.

### Work and Life Balance

"Viva!" was developed to enhance employees' quality of life and ensure their long-term corporate well-being, aligning with the Vestel Group Companies' sustainability goals, which include "Corporate Well-being." The project was started to be implemented by integrating it with Zorlu Holding's "We Are Good Together" Project and Wellbees application in 2020.

### We Are Good Together Project covers:

- Activities aimed at protecting physical and mental integrity,
- Seminars and workshops on good and healthy life,
- A common sharing platform with event announcements,
- E-mail contents and notifications to boost employee motivation,
- Adopting the motto "Possessing a Vestel means better living" and the activities to be organized for this purpose,
- Awareness-raising information sharing for healthy living,
- Spreading the corporate culture and creating sharing environments that strengthen the communication between the Human Resources Department and employees,
- Suggestions and practices for improving Vestel's physical conditions.

In addition to the "We Are Good Together" Project, Vestel also offers free psychologist, nutritionist and sports coach support to its employees. Besides, Vestel ensured the establishment of Basketball, Dance, Outdoor Sports, Photography, Music and Running clubs in order to support the social development of its employees as well as their professional development.

### Employee Volunteering and Contribution to Society

As part of Vestel Beyaz Eşya's sustainability approach, one of its key goals is to increase corporate volunteering efforts. Launched in 2019, the "Sparks Movement" aims to carry out volunteering activities in five main groups within the Vestel Group of Companies: "environment," "children," "people with disabilities," "material recycling" and "animals-our friends." In 2024, 141 Vestel Beyaz Eşya employees volunteered for a total of 616 hours in these activities.

With the participation of Vestel Sparks, which includes Vestel Beyaz Eşya employees, environmental cleaning projects were organized in Manisa in 2024 in cooperation with the surrounding municipalities to clean up glass waste, which is one of the most important causes of forest fires in Türkiye. In addition to these efforts, a total of 20 volunteer activities were carried out, including feeding street animals as part of Street Animals Protection Day, the "Exploring Our Imagination Through Colors" project with girls from Koruncukkoy, and a cloth bag painting project with elderly residents at Manisa Nursing Home.





TECHNOLOGY AND HUMAN-ORIENTED TRANSFORMATION

Vestel Beyaz Eşya is committed to implementing Occupational Health and Safety (OHS) policies and practices to create a safe and healthy working environment.

OCCUPATIONAL HEALTH AND SAFETY

Vestel Beyaz Eşya has established a framework that encourages employee participation in occupational health and safety initiatives.

Vestel Beyaz Eşya is committed to implementing Occupational Health and Safety (OHS) policies and practices to create a safe and healthy working environment. Vestel Beyaz Eşya prioritizes the identification, assessment, and management of potential risks faced by employees, subcontractors, visitors, solution partners, and others in the workplace.

Vestel Beyaz Eşya’s OHS goals include examining the risks that the employees may encounter in the field, raising the awareness of the employees, improving and developing processes, creating ergonomic working areas, ensuring that the most stringent safety measures are taken regarding changing production processes, providing a safe and healthy working environment to the employees, preventing occupational diseases and achieving zero accident. When a work

accident occurs, a comprehensive investigation process is carried out with the employee who has suffered an accident, as well as the relevant department manager, occupational safety specialist, workplace physician and union representative to determine the causes of the accident and to prevent its recurrence. Following this analysis, solutions addressing the root causes are developed, and the proposed measures are communicated to all stakeholders.

Occupational safety experts, workplace physicians, and relevant department officials continuously evaluate all potential risks in the production site and common areas. They implement the most effective solutions swiftly to address identified risks, ensuring a safe and healthy working environment for employees.



Vestel Beyaz Eşya Occupational Health and Safety Policy is available [here](#).

Vestel Beyaz Eşya has established a framework that encourages employee participation in occupational health and safety initiatives. Union representatives actively engage in identifying hazards, conducting risk analyses, and communicating employee concerns; they present their recommendations to management in meetings. Employees can report unsafe conditions, behaviors, potential risks, and suggestions through the OHS Management System portal and designated reporting points. These reports are promptly evaluated by experts, and appropriate measures are implemented.

Vestel Beyaz Eşya provides all employees with personal protective equipment that meets international standards and is suitable for their specific tasks. Compliance with these standards is regularly monitored, and training is offered to ensure that employees use the equipment correctly and effectively. Additionally, all employees undergo regular

health examinations. Based on these assessments, the workplace physician makes necessary work arrangements to help prevent occupational diseases and accidents. Outpatient examination and treatment services are available for minor health issues, with referrals to higher-level health institutions made only when further examination or treatment is required.

The safety of equipment used at factory sites is maintained through planned maintenance and continuous improvement of technologies in business processes. Additionally, accredited organizations conduct regular occupational hygiene measurements, and necessary actions are taken to address any identified nonconformities.

Before chemical substances are utilized in business processes, comprehensive technical evaluations are performed. These chemicals are permitted into the factory only with the approval of the Occupational Health and Safety (OHS) unit, management systems, environmental units, and relevant department heads. Safe working training is also provided to employees to ensure the safe handling of chemicals.

Vestel Beyaz Eşya offers extensive training programs to enhance occupational health and safety awareness among all employees. Basic occupational health and safety trainings are provided to all staff as mandated by legislation, along with additional orientation training for those who change workplaces. Moreover, specific trainings are conducted on the safe operation of machinery, procedures for working with chemicals, and equipment usage.

Employees designated as part of emergency teams receive specialized training in first aid, firefighting, and chemical leak response. Additionally, both announced and unannounced fire, earthquake, and evacuation drills are conducted to enhance employee awareness.

Vestel Beyaz Eşya is committed to ensuring a safe working environment by upholding standards in line with the TS EN ISO 45001 Occupational Health and Safety Management System certification.

Vestel Beyaz Eşya continued to provide OHS training to all employees and organized a total of 97,335 hours of basic OHS training in 2024.

OHS Performance Indicators	Employees				Subcontractors				Total			
	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
Number of Fatalities	0	3	0	0	0	0	0	0	0	3	0	0
Lost-Time Accident/Injury Frequency Rate <sup>4</sup>	39.82	42.39	38.45	42.20	24.79	26.07	22.10	13.27	39.33	41.57	37.14	40.19
Accident Severity Rate <sup>5</sup>	0.31	1.10	0.32	0.33	0.12	0.11	0.17	0.06	0.31	0.98	0.31	0.32
Occupational Disease	0	1	0	0	0	0	0	0	0	1	0	0
Total Injury Rate	79.76	76.26	97.47	101.88	63.62	75.14	55.54	86.83	79.42	77.06	93.51	100.84
Number of Accidents	1,902	1,895	2,236	2,262	77	98	93	144	1,979	1,993	2,329	2,406
Number of Lost Workdays	9,940	33,611	9,862	9,809	196	188	389	109	10,136	33,799	10,251	9,918

<sup>4</sup>Lost-Time Total Accident/Injury Rate = Total Number of Occupational Lost Time Accidents x 1,000,000 / (Total Working Days - Non-Working Days) x Daily Duration of Employment

<sup>5</sup>Accident Severity Rate = Total Number of Lost Days x 100 / (Total Working Days vs. Non-Working Days)



# TECHNOLOGY AND HUMAN-ORIENTED TRANSFORMATION

## Vestel Beyaz Eşya continues to expand its social contribution in various social and environmental issues, taking into account the needs of the society.

### CORPORATE CITIZENSHIP

Throughout the past eight years, Vestel has provided substantial support to Turkish volleyball and continues to back the sport in the 2024-2025 season as the main sponsor of the Turkish Volleyball Federation (TVF).



Vestel Beyaz Eşya continues to expand its social contribution in various social and environmental issues, taking into account the needs of the society. Out of the Sustainable Development Goals, it organizes various social projects focusing primarily on Quality Education, Gender Equality and Decent Work and Economic Growth.

Zorlu Holding and its Group companies conduct all their activities in line with the Smart Life 2030 sustainability strategy, which responds to the stakeholder-based transformation in the world and is guided by the United Nations Sustainable Development Goals (SDGs). Zorlu Holding Corporate Social Investment Principles can be accessed [here](#).

In 2024, Vestel Beyaz Eşya contributed a total of TL 15.1 million to community projects.

#### Sponsorships

Vestel continues to contribute to the sports world with its sponsorships in various sports branches. Throughout the past eight years, it has provided substantial support to Turkish volleyball and continues to back the sport in the 2024-2025 season as the main sponsor of the Turkish Volleyball Federation (TVF). Vestel will also be the chest sponsor of the Men's National Team and will maintain its position among the main sponsors of TVF. Under the sponsorship agreement, the Burhan Felek Volleyball Hall in Istanbul will be known as "TVF Burhan Felek Vestel Volleyball Hall" and the TVF Atatürk Volleyball Hall in Izmir will be designated as "TVF Atatürk Volleyball Hall Vestel Sports Complex."

Communication activities such as the "We Are a Country of Volleyball" campaign continue to support volleyball in Türkiye. Vestel's communications efforts have received a total of 100 awards so far, and have been ranked among the most successful in the sector.

In 2022, Vestel became the "Main Sponsor of the Turkish Gymnastics Federation" and the "Main Sponsor of the Gymnastics National Teams" under an agreement with the Turkish Gymnastics Federation, continuing this sponsorship into 2024. The Artistic Gymnastics World Challenge Cup, organized by the International Gymnastics Federation (FIG) in Antalya and featuring many successful gymnasts from around the globe, was held as the Vestel Artistic Gymnastics World Challenge Cup. This event was broadcast live in 109 countries worldwide. Additionally, Vestel sponsored the film "Eclipse," which narrates the historic success of our gymnastics athletes at the Tokyo Summer Olympics and their journey to victory despite the challenges posed by the pandemic.

The "House of Champions" project, launched with the motto "Champions Use Vestel," showcased Vestel products alongside esteemed athletes such as İlkin Aydın, Elif Şahin, Mete Gazoz, Efe Mandıracı, İbrahim Çolak, Aysu Türkoğlu, and Barış Telli. The Champions House project reinforces the steps taken for the development of sports and athletes, while introducing champion-worthy technologies to consumers.

Individual sponsorships were also established with Mete Gazoz, the Olympic, World, and European Champion national archer, and Aysu Türkoğlu, the youngest Turkish athlete to achieve the Triple Crown in open water swimming and the first Turkish woman to swim across the North Channel.

Vestel seeks to advance the democratization, inclusiveness, and accessibility of sports for everyone by becoming the main sponsor of the Turkish Physically Disabled Sports Federation in 2024. Furthermore, in its commitment to the arts, Vestel is proud to be one of the corporate sponsors of Zorlu PSM.

As part of its support for the arts, Vestel is among the corporate sponsors of Zorlu PSM.

#### Elim Sende (You Have My Hand)

Launched in 2021, Elim Sende (You Have My Hand) project is implemented under the cooperation of the Gender Equality (GE) Working Group, Vestel, Provincial Directorate of Family Labor and Social Services, Women's Guest House Directorate and Violence Prevention and Monitoring Centers (ŞÖNİM). The project has two phases:

- During the first phase, Vestel responds to the major household appliances and electronic appliances needs of the Women's Shelters providing protection and accommodation to women who are in the process of psychological, social, and economic healing after being exposed to physical, emotional, sexual, economic and verbal abuse or violence.
- In the second phase, Vestel responds to the household appliances and electronic appliances needs for homes where these women establish an independent life upon leaving the women's shelter.

The "Elim Sende" (You Have My Hand) Project aims to improve the quality of life for women and children staying in shelters, develop public-private sector cooperation in solving social problems, provide social and institutional support to women who are victims of violence, contribute to the new lives of women victims of violence who are planning an independent life, increase the qualifications of women victims of violence through vocational training, bring women into working life, and thus ensure equal opportunity and gender equality. No requests were received under the project in 2024. The project will be running as long as requests are submitted.

#### Do It Yourself Workshops with Vestel

Vestel launched the "DIY Workshops with Vestel" project to help children in socio-economically disadvantaged regions develop their robotic coding and design skills. As part of this initiative, nine separate robotic coding workshops were established, using equipment made from recycled Vestel Beyaz Eşya products.

The project has garnered recognition and awards from 3 prestigious institutions. It received the "Best Team Supporting Quality Education and Young People



Award" at The Hammers Awards, the "Creative Volunteering Award" at the Social Benefit Awards organized by Dünya Newspaper, and the "Green Dot Industry Award" for "Environmental Social Responsibility Practices" from the ÇEVKO Foundation.

#### SosyalBen Foundation BEGEM Sports Workshop

Vestel, in collaboration with the SosyalBen Foundation, is a supporter of the 'Skill Development Center' (BEGEM) established by the foundation to prevent the loss of social and physical skills among children aged 7 to 13 in Hatay and Adıyaman, areas affected by the February 6 earthquakes.

The centers in Hatay and Adıyaman, consisting of a total of eight containers, were inaugurated in April. They offer various activities, including sports, painting, music, invention, and game workshops, led by expert trainers. The center's goal is to provide children with diverse experiences, foster natural relationships in smaller groups, encourage problem-solving and decision-making, promote self-expression and self-confidence, and facilitate peer learning through long-term workshop training. Believing in the unifying and healing power of sports, Vestel supported the sports component of the project and became the sponsor of BEGEM's sports workshop classes for 1 year.

#### Vestel X Aslı Filinta Retro Series

The Vestel X Aslı Filinta Retro Series is a collaboration that highlights Vestel's design-driven approach, merging themes of sustainability and cultural heritage. Renowned designer Aslı Filinta has reinterpreted traditional Turkish handicrafts, including tiles, miniatures, and calligraphy, for modern white goods. Female artists, who are graduates of Traditional Turkish Arts, hand-painted each product. This series aims to integrate Vestel's local and national identity with Anatolian culture, transforming these products from mere functional appliances into works of art.

Through this initiative, Vestel seeks to preserve its cultural heritage for future generations while contributing to art, culture, and social development. A robust launch strategy was employed, with the Vestel X Aslı Filinta Retro Series receiving extensive promotion across TV, outdoor, and digital channels. Following the collaboration and the launch communications, a survey revealed that 62% of consumers had engaged with the "Vestel Aslı Filinta Retro Series" products. This project significantly boosted consumers' motivation to use and recommend Vestel-branded products, reinforcing their perception of the brand as offering "original and inspiring designs."



TECHNOLOGY AND HUMAN-ORIENTED TRANSFORMATION

Vestel Beyaz Eşya prioritizes local suppliers, thereby ensuring supply continuity while supporting local economic development.

SUPPLY CHAIN

Vestel Beyaz Eşya commits to completing its payments regularly and on time, acting in accordance with Zorlu Holding Supply Principles throughout its supply chain.

In 2024, global economic volatility, persistent geopolitical tensions, and natural disasters have introduced new challenges to supply chain management. Temporary closures of the Suez Canal and other key logistics hubs, energy crises, and escalating supply chain costs have created uncertainty for numerous industries. Additionally, emission reduction targets and sustainability-focused regulations in developed countries necessitate transformations in supply chains. One such regulation is the EU Corporate Sustainability Due Diligence Directive (CSDDD), which mandates that companies conduct comprehensive due diligence on human rights and environmental impacts throughout their entire value chain.

To address these challenges and inject resilience into its supply chain, Vestel Beyaz Eşya evaluates its risks and opportunities while strengthening its proactive management strategies. By leveraging a diversified supply network, flexible production infrastructure, and innovative procurement strategies, Vestel aims to mitigate the effects of logistical disruptions and rising costs. Vestel Beyaz Eşya contributes to operational efficiency at every stage of the supply chain by prioritizing quality, cost, safety, logistics, and sustainability. Embracing technology and innovation as part of its corporate culture, Vestel Beyaz Eşya also invests in the digitalization of its supply chain.

	2021	2022	2023	2024
Vestel Beyaz Eşya Number of Critical Suppliers	109	108	110	116
Vestel Beyaz Eşya Total Number of Suppliers	2,164	2,004	1,449	2,372

**Contribution to Local Economy and Sustainable Procurement Approach**  
Vestel Beyaz Eşya prioritizes local suppliers, thereby ensuring supply continuity while supporting local economic development. In 2024, significant progress was made in projects aimed at substituting imported materials with domestic production, increasing the share of local suppliers in the supply chain. As of 2024, 79% of Vestel Beyaz Eşya's suppliers were local, and 57% of payments were made to local suppliers.

**Operational Efficiency and Critical Supplier Management**  
Operational efficiency projects are being developed to minimize the impact of increasing costs on product prices. As of 2024, Vestel Beyaz Eşya has identified 116 suppliers who have an impact on critical business processes. In 2024, suppliers with critical impact constituted 80% of the total purchasing volume. These are suppliers who make high-volume purchases and provide products and services that would be difficult to substitute.

Monitoring suppliers' ESG performance is among the priorities that will enhance supply chain resilience. Trainings for existing suppliers are continued in order to spread responsible procurement awareness. Vestel Beyaz Eşya provided a total of 270 hours of training to 104 suppliers in 2024.



Vestel Beyaz Eşya commits to completing its payments regularly and on time, acting in accordance with Zorlu Holding Supply Principles throughout its supply chain. For direct, indirect, and logistics purchases, the most commonly used payment terms vary between 1 and 6 months.

The supply planning teams of the factories convene regularly to work on the alignment of standard processes at different factories and share best practices in supply chain workshop groups. All steps of the supply chain are analyzed thoroughly and improvements are made continuously.

**Evaluation and Audit in the Supply Chain**  
All Vestel Group companies consider the compliance of their suppliers, which they regard as important business partners, with internationally recognized environmental, social and ethical standards and **Zorlu Holding Inc. Procurement Principles** as their primary responsibilities.

Suppliers are required to accept the Procurement Principles which are published publicly on the **Vestel Purchasing Portal** and to register in the Supplier Life Cycle Management (SLC) system, which is a supplier management system.

The Supplier Code of Conduct encompassing all Group companies and the main principles expected by Vestel Beyaz Eşya from its suppliers is available **here**.

	2021	2022	2023	2024
Vestel Beyaz Eşya Supplier Audits	35	281	250	173



# TECHNOLOGY AND HUMAN-ORIENTED TRANSFORMATION

**Vestel Beyaz Eşya is committed to ensuring supply chain sustainability by closely monitoring the ESG performance and strategies of its suppliers.**

## Competence Surveys

The Company subjects potential suppliers to a Competency Survey before working with Vestel Beyaz Eşya. Within the scope of this survey, social compliance practices (including child labor and forced labor), occupational health and safety standards, environmental protocols, quality assurance measures and management systems implementations are being thoroughly evaluated. Environmental policies, audit reports and authorized liability certificates are also being requested from suppliers. The Procurement and Quality departments ensure compliance with environmental standards, occupational safety requirements, and Vestel Beyaz Eşya's material and product quality benchmarks through their conducted audits.

## Vestel Supplier Monitoring and Development Program

Vestel Beyaz Eşya is committed to ensuring supply chain sustainability by closely monitoring the ESG performance and strategies of its suppliers. Suppliers are expected to enhance their performance in crucial areas, including respecting the human rights of their employees, implementing health and safety measures, and establishing systems to combat corruption and bribery. To facilitate this, Vestel has launched the Supplier Monitoring and Development Program, which aims to engage suppliers effectively in sustainability initiatives and support their growth by assessing their current performance levels. This program is overseen at the strategic level by a sustainability committee established within the Board of Directors.

The program's objectives include raising suppliers' awareness of sustainability and evaluating and improving their performance. In this regard, suppliers are required to regularly submit their ESG data to Vestel using designated platforms and software and to participate in analyses conducted by independent assessment organizations.

Vestel Supplier Monitoring and Development Program consists of two stages as training and audit:

**1. Training:** Vestel aims to enhance the quality of its suppliers and improve their ESG performance through training provided under the Supplier Monitoring and Development Program. The training covers topics such as child labor, working hours, freedom of

association, wages, humane treatment, non-discrimination, occupational safety, emergencies, environmental practices, waste management, energy consumption, greenhouse gas emissions, intellectual property, responsible procurement, confidentiality, risk assessment, employee feedback, supplier responsibility, forced labor, safe and healthy working environments, and freedom of expression. In 2024, 16 critical suppliers participated in sustainability training as part of this program.

**2. Audit:** Independent third-party organizations conduct online assessments of critical suppliers regarding business ethics and ESG compliance. After completing the training and audit processes, suppliers receive sustainability scores that are reflected in their scorecards.



In 2024, evaluated suppliers achieved an average score of 80 out of 100. 86% of the supplier companies evaluated successfully completed the evaluation. Open actions for suppliers that did not meet the criteria are monitored and must be resolved within 90 days. Of the identified nonconformities, 16% were addressed by suppliers within the specified time frame. In total, 28 critical suppliers of Vestel completed this assessment in 2024.

In 2025, the program will be expanded to include all remaining critical suppliers. The Vestel Management Systems Department and the Sustainability Department are overseeing efforts to ensure that all critical suppliers undergo ESG audits. So far, sustainability audits have been completed for 81 Vestel Beyaz Eşya suppliers under the program.

## High Risk and Conflict Zone Minerals

3TG minerals (tin, tantalum, tungsten, and gold) and cobalt mined in high-risk conflict zones worldwide play a key role in the manufacturing of electronics and durable major household appliances. Vestel Beyaz Eşya is committed to complying with the United Nations' guidelines and restrictions regarding these minerals, and not purchasing these essential raw materials from high-risk conflict zones or in a way that financially supports conflict.

In 2024, commitments were received from 110 suppliers not to use minerals sourced from conflict zones.

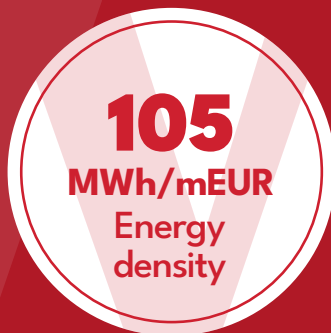
A Management Procedure for Minerals Sourced from Conflict-Affected Regions has been established and is under continuous monitoring by the relevant departments. The actions undertaken within the framework of this procedure are as follows:

- Identifying products with a high probability of 3TG use,
- Identifying and evaluating supply sources,
- Ensuring that suppliers adopt policies on conflict minerals in line with Vestel's policies,
- When a conflict minerals situation is detected or a risk is foreseen in the supply chain, ensuring coordination and, if necessary, terminating cooperation with risky suppliers and regularly sharing status information.

# A NET-ZERO COMPANY

Vestel Beyaz Eşya holds the conviction that addressing the depletion of natural resources and the climate crisis is a matter of universal concern, requiring the concerted attention of both public and private entities. Accordingly, the company is making investments in renewable energy and energy efficiency to expedite the transition towards a net-zero emissions economy. Additionally, the company plays a pivotal role in this effort through the development of regenerative business models.

Vestel Beyaz Eşya, acknowledging the necessity to catalyze transformation across the entire value chain in response to escalating environmental challenges, is implementing operational enhancements by leveraging the power of Industry 4.0 and automation. It supports the reduction of energy consumption with innovative products, while implementing circular models to enhance resource efficiency in production and diminish the environmental impact of its products.



## Sustainability for Home, Care for Life

Mediterranean Nature



### THE JOURNEY TO NET ZERO

In line with the global agenda, Vestel Beyaz Eşya aims to reach net zero emissions by 2050, first in its own operations and then in its entire value chain.

#### Climate Crisis and Net Zero Targets

2024 marked the hottest year on record globally, as the average temperature rose 1.5°C above pre-industrial levels for the first time. Extreme temperatures, uncontrollable fires, rising sea levels and floods emphasize the increasing and devastating impacts of the climate crisis. The need for mitigation and adaptation strategies is growing worldwide. In this context, practices like new and clean technologies, green finance, and the circular economy are becoming increasingly vital for the transition to a net-zero carbon economy.

Considering that the carbon budget is declining faster than predicted, it is critical to reduce GHG emissions to net zero as soon as possible. For this purpose, net zero targets announced by countries are becoming more common. The implications of these government commitments for the private sector, and the mitigation obligations that these implications bring, necessitate each sector to evaluate its climate strategy with scientific targets and sector-specific actions.

#### Science-based Targets

In line with the global agenda, Vestel Beyaz Eşya aims to reach net zero emissions by 2050, first in its own operations and then in its entire value chain. Accordingly, it commits to a 42% reduction in Scope 1 and 2 emissions and a 25% reduction in emissions from the use of sold products (Category 11) within Scope 3 by 2030, based on the 2021 baseline year. Vestel Beyaz Eşya's 2030 emission reduction targets were approved by the Science Based Targets Initiative (SBTi) in 2024. To achieve these targets, it has defined a comprehensive decarbonization road map and key actions.

Vestel Beyaz Eşya will achieve the reduction targets for Scope 1 and 2 operational emissions with various contributions from the different instruments listed below.



# A NET-ZERO COMPANY

Vestel Beyaz Eşya has integrated its financial planning with its climate transition plan to support its decarbonization targets.

By 2030 compared to 2021:  
The Science Based Targets Initiative (SBTi) has approved reduction targets of 42% for Scope 1 and 2 emissions and 25% for Scope 3, category 11 emissions.



- **Energy Efficiency:** Energy and process efficiency investments at Vestel Beyaz Eşya aim to achieve a 10.2% reduction in Scope 1 and 2 emissions by 2030.
- **Renewable Energy:** Photovoltaic (PV) systems to be installed on facility rooftops will reduce Vestel Beyaz Eşya's 2030 Scope 1 and 2 emissions by 20.4%.
- **I-REC Certificates:** In situations where direct renewable energy generation is limited, Scope 2 emissions will be reduced by utilizing I-REC certificates. In this context, a projected reduction of 17% is anticipated within Vestel Beyaz Eşya's operations.

The use of sold products, categorized as Category 11, constitutes the largest share of Vestel Beyaz Eşya's Scope 3 emissions.

In this regard, there is awareness of the necessity to trigger transformation across the entire value chain, with focus directed towards three main areas.

- **Scope 3 Reductions:** A 25% reduction in Scope 3 Category 11 emissions, arising from the product usage phase, is targeted by 2030 through enhancing energy efficiency and ensuring compliance with regulatory requirements. In addition, the emissions generated from the utilization of sold products will be reduced by means of carbon offsetting credits.

Subsequent to the validation of the Science Based Targets, the execution of the "Decarbonization Strategy" has been expedited, with the objective of

mitigating the effects of both domestic and global climate trends and optimizing the utilization of opportunities for the proximate 2030 and the extended 2050 time frames.

Vestel Beyaz Eşya has integrated its financial planning with its climate transition plan to support its decarbonization targets. The company aims to achieve emission reduction through capital expenditures focused on renewable energy investments, energy-efficient production processes and product innovations. Strategic investments to reduce Scope 1, 2, and 3 emissions through renewable energy projects and carbon offsetting credits are being implemented alongside an increased allocation within the R&D budget for developing products with higher energy efficiency. Although a specific internal



In 2024, 32 energy kaizen initiatives resulted in savings of 9,500 MWh of energy and TL 19.9 million. These improvements prevented a total of 13,699 tons of carbon emissions.

carbon price will not be implemented in the near future, there are plans to apply an assessment framework to ensure projects align with the overall emission reduction road map. The executive summary of the Science-Based Targets can be accessed [here](#).

Since 2012, Vestel Beyaz Eşya has been submitting disclosures to the Carbon Disclosure Project (CDP). In the 2024 CDP reporting, which evaluated the year 2023, Vestel Beyaz Eşya achieved a climate score of A- and a water security score of B.

Vestel Beyaz Eşya's 2024 CDP report can be found [here](#).

### Renewable Energy Generation

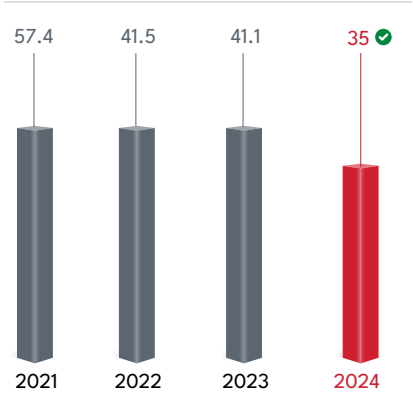
Vestel Beyaz Eşya makes a contribution to combating the climate crisis through renewable energy generation and energy efficiency investments to transition to a zero-carbon economy. Vestel Beyaz Eşya makes a contribution to combating the climate crisis through renewable energy generation and energy efficiency investments to transition to a zero-carbon economy. Vestel Beyaz Eşya generated 188 MWh of energy in 2024 with the 142 kWp solar panels it had installed. The Company plans to increase its investments and reach an annual electricity generation of 11,882 MWh with 8,200 kWp of solar panels and accordingly reduce carbon emissions by 5,430 tons. This investment started in 2024 and is targeted for completion in April 2025. The completed investment will supply 85-90% of the dryer factory's energy requirements while meeting 6% of Vestel Beyaz Eşya's total consumption needs.

**Energy Efficiency**  
Energy efficiency constitutes an important step of the net zero roadmap. Monitoring energy consumption and identifying high consumption points through instant data monitoring systems enables the design of effective mitigation projects. The Data Monitoring system has been extended to all business units, thus making it possible to monitor the consumption of all energy points and take action accordingly.

Regarding energy efficiency in products, improvements were achieved in 2024 compared to 2023 for items sold in Türkiye: 0.5% for clothes dryers, 5.49% for washing machines, and 3.73% for dishwashers.

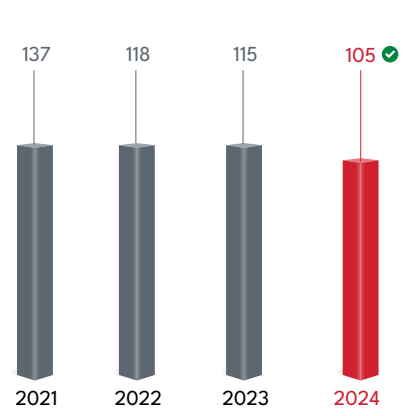
Vestel Beyaz Eşya employees are provided with "Sustainability, Environment and Energy Training," which covers energy efficiency and energy policy issues. In 2024, 2,144 employees received one-hour training on energy efficiency.

### Greenhouse Gas Density\* (ton CO<sub>2</sub>/mEUR)



\*Greenhouse Gas Intensity is calculated based on the sum of Scope 1 and 2 emissions.

### Energy density (MWh/mEUR)





A NET-ZERO COMPANY

Increasing low-emission transportation and load improvements in logistics operations play an important role towards achieving Net Zero emissions in the value chain.

Vestel Beyaz Eşya conducts Life Cycle Assessment (LCA) activities in accordance with ISO 14040 and ISO 14044 standards to evaluate the environmental impact of its products and develop more sustainable production processes.

**LCA Activities**  
Vestel Beyaz Eşya conducts Life Cycle Assessment (LCA) activities in accordance with ISO 14040 and ISO 14044 standards to evaluate the environmental impact of its products and develop more sustainable production processes. These analyses aim to measure the environmental impact of products at every stage, from raw material procurement to waste management.

The ELF814-3b washing machine, which underwent life cycle analysis, provides energy savings with its 8 kg capacity and Class A energy-rated inverter motor. Adopting the "From cradle to grave"

approach, the analysis examined impacts across all phases including raw material sourcing and procurement, production, transportation, product use, and end-of-life stages. Using IPCC 2021 GWP100 and CML-IA methodologies, categories such as global warming potential (GWP), acidification potential (AP), water depletion potential (WDP), and toxicity were examined.

According to the results, the washing machine's use phase has the highest environmental impact. Water, electricity, and detergent consumption were examined during the ten-year usage period. The majority of impacts stem from detergent usage.

Product	Raw Materials	Production	Transport	Product Usage	End of Life	Total
Washing Machine	18.06%	1.16%	0.56%	80.14%	0.08%	100%

**Logistics**  
Increasing low-emission transportation and load improvements in logistics operations play an important role towards achieving net zero emissions in the value chain. Packaging optimization efforts help minimize space loss in container, truck and intermodal transfers for shipments from the Far East and Europe.

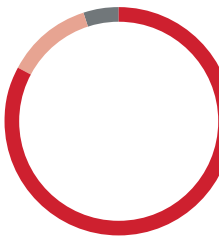
**Carbon Border Adjustment Mechanism**  
Carbon Border Adjustment Mechanism (CBAM) was published on May 16, 2023 as part of the European Union's target to reduce greenhouse gas emissions by 55% by 2030. The CBAM is planned to apply carbon pricing equivalent to the Emissions Trading System (ETS), which has been in effect in the EU since 2005, to the imports of covered products. Between October 1, 2023 and December 31, 2025, a transitional period, which includes only a reporting obligation with no financial obligation, has started. The European Union is evaluating the expansion of the Carbon Border Adjustment Mechanism beyond its core products of cement, iron-steel, aluminum, hydrogen, and electricity to include additional downstream products

in an effort to prevent carbon leakage. A consultation process is being conducted to gather stakeholder perspectives during this period.

In this regard, in line with the current requirements of CBAM, the carbon emissions related to inputs such as Cement, Iron-Steel, Aluminum, Hydrogen, and Electricity used in Vestel Beyaz Eşya products are closely monitored. Projects such as the development of programs to calculate the carbon footprint of products to comply with the expanding scope of CBAM in the future, and the establishment of a supply chain management system to monitor indirect emissions, are being implemented.

**Climate-Related Incentives**  
Vestel Beyaz Eşya implements a reward system for its employees in all production units. Employees receive a point for achieving their targets regarding the specified environment, energy and climate change performance indicators and are ranked based on these points at the end of each month. The top three departments receive Vestel Points. They can collect and accumulate these points to receive gifts from the award catalogue later.

Washing Machine Use Phase (IPCC 2021 GWP Fossil)



Detergent 81%  
Electricity 14%  
Water 5%





A NET-ZERO COMPANY

As part of the Zero Waste Management System, Vestel Beyaz Eşya prioritizes its activities focused on preventing, reducing, recycling and recovering waste generation.

CIRCULAR ECONOMY

Circular economy plays a critical role in tackling the issue of global waste and overuse of resources. It also contributes to the development of new business models that will provide financial benefits. From design to the end-of-life of products, circularity practices encourage principles such as repair, reduction, reuse, recycling and upcycling.

Innovative efforts to reduce the use of raw materials in the design phase allow us fewer parts to be used where possible. In addition to design changes, the use of recycled and recyclable materials is being increased. During the production phase, care is taken to reduce the amount of rework and to use existing molds. During the transportation phase, the efficiency of logistics processes is increased and environmental impacts during transportation are minimized by arranging the amount of packaging to pack the maximum amount of products in the container.

During the after-sales phase, Vestel carries out repair, reuse, and renewal activities to extend the service life of its products, facilitate their repairability, and ensure that products are ready for reuse. It is aimed to contribute to the circular economy with R&D studies which will reduce costs. Accordingly, to facilitate the repair of products, all parts are designed to ensure their accessibility during repair. Repair and reuse of products are encouraged and efforts are underway in this regard.

Waste Management

95% of waste from production is recycled and recovered by making waste bins with parts such as washing machine drums.

For the first time in Türkiye, FSC (Forest Stewardship Council) certified and 100% recycled cardboard began to be used in Vestel refrigerators and dishwashers as of 2021. This practice has been expanded to include all Vestel-branded white goods sold in Türkiye since 2022. In 2024, 10,902 tons of recycled cardboard were used, of which 4,409 tons carried the FSC logo.

Zero Waste

As part of the Zero Waste Management System, Vestel Beyaz Eşya prioritizes its activities focused on preventing, reducing, recycling and recovering waste generation. The waste generated during the production stages is separated at the source, stored in temporary storage areas and sent to licensed waste companies in line with the Waste Control Regulation. Through regular audits, recycling and recovery of waste is controlled. As part of the Zero Waste practice and the vision of circularity, food waste is also utilized. In 2024, 367 kg of compost obtained from waste was utilized in Vestel's own green areas. 96.14 tons of food waste was donated to stray animals.

Electronic Waste

Vestel Beyaz Eşya aims to prevent waste generation in all its operations by using the best available technologies, and when prevention is not possible, to reduce, reuse, and recycle waste, with recovery as the final option. Electronic waste from relevant teams such as Production and R&D is examined by Vestel's scrap team. Appropriate materials



Vestel Beyaz Eşya ensures the repair and reuse of defective materials and products through the Material Inspection and Recovery Project.

for rework are sorted and extracted. Materials that cannot be utilized in the factory are sent to licensed recovery firms.

Electronic waste is segregated by the recycling service provider, with some parts directly recovered while others are crushed and mixed with processed waste for fuel production, ultimately being re-purposed through fuel recovery.

In 2024, electronic waste generated from Vestel Beyaz Eşya operations amounted to 550 tons.

Product Recovery and Repair

Vestel Beyaz Eşya ensures the repair and reuse of defective materials and products through the Material Inspection and Recovery Project. While authorized service centers are responsible for collecting faulty parts replaced in the field, the Recovery Unit plays a role in the process of repairing these collected parts for reuse as spare components and reintegrating them into the system.

Product Recyclability Rate (%)	
Refrigerator	83
Washing Machine	95
Tumble Dryer	86
Dishwasher	81
Built-in Oven	94
Electric Oven	91
Hob	84
Air-conditioner	80
Water Kettle	95

Recyclability Rate = (Weight of Recycled Parts / Total Weight of Product) (%)

In 2024, 26,971 spare parts were recovered, resulting in savings of 10.8 million Turkish lira. Unrepairable parts are separated according to their scrap class and recycled. Scrapping process is equivalent to the number of products entering the recycling process and the net income generated by the project in 2024 was 2 million Turkish Liras. This practice provides economic gains by recovering parts that are of financial value to the company, while at the same time reducing environmental impacts by minimizing the amount of electronic waste.

Products replaced under warranty are sent to the Exchange Products Evaluation Center (DÜDEM) within Vestel City, where repairable items are refurbished at the Renewal Center and offered for sale in Vestel Outlet stores and select dealerships. In 2024, 39,700 white goods products weighing 1,820 tons were refurbished and reintroduced into the economy. Non-refurbishable products are recycled through a licensed recycling company.

Within the vision of product recovery and repair, and in line with the EU Waste from Electrical and Electronic Equipment (WEEE) management, Vestel Beyaz Eşya has subjected nine of its products (air conditioner, dishwasher, refrigerator, washing machine, dryer, electric oven, built-in oven, stove, and kettle) to reuse/ recycling assessments in independent laboratories. The recyclability rates of the products selected from these nine different product groups have been calculated after assessments.

# A NET-ZERO COMPANY

Vestel Beyaz Eşya strives to reduce the use of plastic in its products by investing in alternative materials instead of plastic.



**Domestic Recycling Project**  
Through the Household Recycling Project, consumers contribute to the recycling of electronic waste. Unused old electronic products and white goods are collected from consumers' homes by Vestel authorized service centers and recycled under appropriate conditions. In 2024, customers participated in this process with 1,130 products.

**Vestel & ecoring Collaboration**  
Vestel contributes to reforestation and the preservation of natural balance in hard-to-reach areas through its partnership with ecoring, using ecoDrones to deploy seeds in these regions. As part of the project, 500,000 seed balls were planted in the soil through 3 separate operations. Seed planting operations are conducted in areas approved by the General Directorate of Forestry, with technical consultation from academics at the Forestry Faculty of Artvin Çoruh University. In this process, ecoDrones conducted 84 flights, surveyed an area of 62,500 m<sup>2</sup>, and played a role in the reforestation efforts. Over the next 40 years, these planting efforts are expected to prevent more than 17,500 tons of CO<sub>2</sub> emissions. Employment was provided to seven women from different regions by creating sustainable income opportunities during the seed ball preparation process. This initiative contributes to both ecosystem preservation and social benefit.

**Plastic Reduction**  
To reduce plastic usage, Vestel Beyaz Eşya is developing solutions including alternative material applications, R&D projects, and design modifications. In tandem with increasing recycled material usage, Vestel Beyaz Eşya is reducing single-use plastics through innovative packaging designs. Within this framework, the company

aims to minimize environmental impacts throughout the product life cycle while promoting circularity.

Vestel Beyaz Eşya strives to reduce the use of plastic in its products by investing in alternative materials instead of plastic. Use of materials containing bio-based raw materials such as rice husks, orange peels and olive pits in refrigerators is being widely promoted. In 2023, approvals were obtained for the use of recycled and bio-based plastics in the production of some components. Using recycled plastics in different parts of machines is also on the rise.

## Biolive & Vestel Ventures Collaboration

Through its subsidiary Vestel Ventures, Vestel has invested in the startup company Biolive, supporting its growth while also collaborating with Biolive to develop new bioplastics for use in its home appliances, thereby reducing virgin plastic raw material consumption and minimizing the environmental impact of plastics.

In 2024, design modifications through R&D projects resulted in a reduction of 302 tons of plastic. A plastic reduction of 48 tons in packaging materials and 254 tons in products has been achieved. Beyond reductions, the use of 5,453 tons of recycled plastic has prevented the consumption of 5,755 tons of unprocessed plastic.

## WATER STEWARDSHIP

Vestel Beyaz Eşya aims to use 50% reclaimed and recycled water by 2030. In 2024, this rate was set at 7.2%.

Water stress is a phenomenon in which water use is restricted and does not meet supply when water demand exceeds available water resources over a given period of time, or when water quality deteriorates. Türkiye is among the countries experiencing water stress. Manisa, where Vestel Beyaz Eşya facilities are located, has a high water risk according to the World Resource Institute (WRI). In this context, efficient water management is especially critical in high-risk areas.

Vestel Beyaz Eşya employs water recovery models and focuses on minimizing water consumption as it is located in a water-risk area. To this end, the Company strives to develop and disseminate water-saving projects and to increase recycling. Vestel Beyaz Eşya has its water footprint verified in accordance with the ISO 14046 Water Footprint Standard and reports all processes related to water management to CDP.

Wastewater is discharged to the treatment plant of the Manisa Organized Industrial Zone (MOSB). Vestel Beyaz Eşya carries out the necessary treatment processes and uses well water and municipal water supplied by the Manisa Organized Industrial Zone (MOSB) in its facilities. All water used throughout the facility is analyzed and monitored twice a month. The water samples collected from the infirmary are analyzed once per month, while the mains water supplied by MOSB is analyzed twice

monthly at the Public Health Directorates of the relevant cities. Thanks to the project implemented in 2023, all water consumption is now monitored in real-time through a tracking system.

Vestel Beyaz Eşya identified the most water-consuming processes and focused its water-saving projects on four focal points.

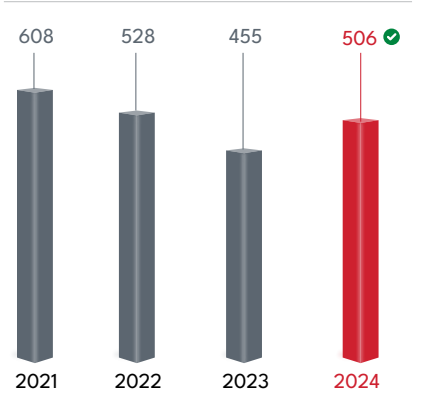
- With projects commissioned in 2023;
- Dyeing plant water consumption was reduced from 30,000 tons per year to 6,000 tons per year, saving 80%,
  - Tower water recycling system reduced water consumption from 37,000 tons per year to 17,400 tons per year, saving 53%,
  - Garden water consumption was reduced from 70,000 tons per year to 9,800 tons per year, saving 86%,
  - Additionally, rainwater collection project saved 9,193 m<sup>3</sup> of water per year on a 50,000 m<sup>2</sup> area.

In 2024, the recovery of compressor waste heat through the use of high-capacity heat pumps resulted in water savings of 25,000 tons.

A total of 125,383 m<sup>3</sup> of water and TL 1.8 million were saved with the tower, wastewater recovery project implemented in the reverse osmosis pure water production device, cooling towers, and dye house wastewater recovery systems.

At Vestel Beyaz Eşya, "Sustainability, Environment and Energy Training," which covers water management, water use, water footprint, and the journey of water in Vestel factories, is organized as part of the awareness-raising program. In this context, 2,144 employees received 1-hour training in 2024.

## Water Density (m<sup>3</sup>/mEUR)





# A NET-ZERO COMPANY

Vestel Beyaz Eşya, as a global electronics and home appliance manufacturer, must comply with local regulations regarding energy efficiency and product labeling in all markets where it operates.

## EU TAXONOMY

The EU Taxonomy is a classification system established to assess the environmental sustainability criteria of economic activities. The European Commission has designated the EU Taxonomy as a crucial tool for scaling sustainable investments and ensuring the EU achieves carbon neutrality by 2050.

This regulation requires companies to report the extent to which their economic activities, revenues (turnover), capital expenditures (CapEx), and operating expenses (OpEx) align with the taxonomy. Within this framework, Vestel Beyaz Eşya evaluates and reports both its eligible and aligned activities.

A taxonomy-eligible economic activity is one classified according to criteria defined in the relevant regulations. A taxonomy-aligned economic activity is defined when an eligible activity substantially contributes to at least one of the taxonomy's six environmental objectives, does not significantly harm other objectives, and meets minimum safeguard conditions.

### Taxonomy Reporting Scope

Vestel offers its energy-efficient products and circular economy solutions in European Union member countries, Great Britain, Norway, Switzerland, Albania, Bosnia and Herzegovina, Iceland, Kosovo, Montenegro, Macedonia, Serbia, Ukraine, and Türkiye. These markets have been evaluated in accordance with the energy labeling standards determined under **Regulation (EU) 2017/1369**.



When determining energy efficiency criteria, the European Product Registry for Energy Labeling (EPREL) system was used to evaluate the energy labels of product groups.

As a global electronics and home appliance manufacturer, Vestel must comply with local regulations such as energy efficiency and product labeling in all markets where it operates. While there is no globally applicable performance standard for home appliances, significant standard differences exist between different markets. This requires Vestel Beyaz Eşya to develop products suitable for the requirements of each market and to provide solutions compliant with these standards.

### Assessment of Economic Activities

Vestel Beyaz Eşya's economic activities have been evaluated in line with the EU Taxonomy (EU 2020/852) and related Delegated Acts (EU 2021/2139, EU 2021/2178, EU 2022/1214, and EU 2023/2486) within the scope of the European Green Deal. In this context, Vestel Beyaz Eşya's priority economic activities are:

**Climate Change Mitigation (CCM)**  
3.5 Manufacture of energy efficiency equipment for buildings

### Transition to Circular Economy (CE)

1.2. Manufacturing of Electrical and Electronic Equipment

Vestel Beyaz Eşya's economic activities aligned with the CCM objective include product groups that fall within the two highest energy efficiency classes in accordance with Regulation (EU) 2017/1369:

- **Household Appliances:** Washing machines, dryers, dishwashers, refrigerators/freezers, ovens.
- **Heating Systems:** Space heating and domestic hot water systems.
- **Cooling and Ventilation Systems:** Hoods and air conditioners.

When determining energy efficiency criteria, the European Product Registry for Energy Labeling (EPREL) system was used to evaluate the energy labels of product groups.

As of 2024, Vestel aims to calculate and share the revenue, capital expenditures (CapEx), and operating expenditures (OpEx) derived from its economic activities that comply with the EU Taxonomy.

# ACCESSIBLE AND SMART SOLUTIONS THAT MAKE LIFE EASIER

Vestel Beyaz Eşya is a brand that strengthens its sphere of influence by reaching wide audiences with its products and solutions. It aims to create social benefits with products that reduce environmental impacts, respond optimally to consumer needs, and simplify life through smart, high-quality, and safe products and services. Vestel Beyaz Eşya places importance on ensuring all its solutions are accessible to every segment of society.

Focusing on customer experience, Vestel Beyaz Eşya reinforces its identity as an innovative technology company by continuously investing in digital service platforms. It stands out in the industry with its innovative and customer-focused approach that aims for continuous performance improvement.



## PRODUCTS AND SOLUTIONS CREATING BENEFITS

As part of its objective to create benefit with its products and solutions, Vestel Beyaz Eşya focuses on energy and water efficiency, reducing plastic pollution, complying with new regulations, facilitating the lives of consumers and developing products that meet the needs of people with disabilities. While rendering the lives of consumers easier by developing smart and connected products, Vestel

Beyaz Eşya also continuously improves its performance with the products it develops by accurately analyzing evolving consumer expectations.

To achieve its 2050 net zero emission target, Vestel Beyaz Eşya monitors the ratio of revenues from low-carbon, environmentally impact-reducing and energy-efficient certified products to turnover.

Product Category	Ratio in Revenues (%)
Low Carbon Products*	32.37%
Products Reducing Environmental Impact**	35.46%
Energy Efficiency Certified Products***	31.15%

\* A large portion of the carbon footprint of all products manufactured at Vestel Beyaz Eşya is attributable to the energy and water consumption resulting from the use of these products. Therefore, producing more energy efficient and water saving products is one of the main R&D motivations. In identifying low-carbon products, those that consume less energy and water than the sector average are used as the benchmark. In this context, for all products, including non-European countries, products that consume less energy and water than the sector average are determined based on the average of the products sold in the household appliances sector in Europe in 2024.

\*\* As products with reduced environmental impact, products that minimize the use of natural resources and products with technologies that reduce environmental impact are considered. These technologies include washing machines with automatic detergent dosing, dishwashers with water recovery tanks that reuse wastewater, refrigerators with bag vacuuming and fermentation features that reduce food waste, and stoves using induction technology.

\*\*\* Amount of electricity consumed by the products is documented and declared in accordance with the regulations of different countries. Examples of energy labels on white goods include ENERGY LABEL (EU) for Europe, ENERGY STAR for the US and Canadian markets, and ENERGY RATING (AUS) for the Australian market.



# ACCESSIBLE AND SMART SOLUTIONS THAT MAKE LIFE EASIER

Vestel Beyaz Eşya provides benefits to both the environment and society by developing technological products that simplify life.

Vestel Beyaz Eşya reduces its environmental impact by designing products with high energy efficiency.



### Products that Make Life Easier

Vestel Beyaz Eşya offers products that make life easier for users and minimize environmental impact. Vestel Beyaz Eşya, by listening to consumer needs and demands, developed products accordingly, including:

- Daylight-Pro products with UV-C technology with special sterilization system,
- Cold Hygiene Program that saves energy by providing hygiene even at low temperatures in washing machines,
- Dose-On technology that eliminates the need to add fabric softener and detergent before each wash,
- AutoDose technology that determines the appropriate amount of detergent by measuring the level of contamination of the dishes and does not need to refill detergent up to 20 times,
- Hydroboost technology that sprays a mixture of water and detergent onto the laundry from 20 different points inside the drum for an effective wash,
- Silent washing machines and dishwashers operating at 38 decibels,
- Low-depth machines with 7 kg capacity for efficient use in small spaces,
- Pet Hair Shield washer and dryer that effectively removes pet hair from laundry,
- Washoes washing machine that cleans sneakers gently and efficiently with a specialized attachment and washing program,
- Pyrodry drying technology, which achieves efficient results even with plastic dishes compared to traditional drying methods, thanks to its internal heater,

- Auto Clean Filter technology that automatically cleans the filter after each use,
- Auto Glass Safe technology that measures water hardness levels with internal sensors and prevents scratches on glass dishes by adjusting salt levels accordingly,
- Vestel Vitamod technology that resembles daylight and preserves the vitamin C and antioxidant content of fruits and vegetables,
- 360° Fresh Air technology that ensures homogeneous air distribution in refrigerators, preserving food freshness for longer period,
- FreshCheck odor sensor that monitors the ripening process of fruits and vegetables and informs users about their freshness levels,
- New generation MAYA refrigerator that enables easy preparation and storage of seven different foods requiring fermentation, such as dough, yogurt, kefir, vinegar, and pickles, with automatically adjusted temperature and time functions,
- NEFES air conditioner that combines both air purifier and air conditioning comfort,
- EPS-Free (Expanded Polystyrene-Free) packaging technology that reduces plastic usage.

### Energy-Efficient Products

Designing products with the highest energy efficiency class, Vestel Beyaz Eşya offers consumers refrigerators, washing machines, tumble dryers, dishwashers, cooking appliances and air-conditioners that are resource efficient and user-friendly thanks to the technologies it has developed.



Vestel Beyaz Eşya develops A Class products that consume approximately 3 times less energy than the best-selling refrigerators in the market.

Products designed and manufactured by Vestel Beyaz Eşya, which continuously increases the energy efficiency of its products, are presented below:

- Ovens with HeatWrap technology can cook five different trays simultaneously and induction hobs provide much higher heat efficiency than gas hobs.
- Washing machines with Rainfall technology that are 65% more efficient than A energy class, making them the least energy-consuming washing machines in the market. Additionally, they provide savings by keeping both energy and water consumption at optimum levels thanks to load sensing technology.

- Clothes dryers with MultilInverter+ technology and A+++ -20% energy value are the products with the lowest energy class in the market.
- With Sonic Steam technology that reduces wrinkles and delivers hygienic results, clothes require 50% less ironing after drying.
- Solo dishwasher product family that consumes 10% less energy than A energy class thanks to recycled energy with Self-Heating technology
- DuoMode technology in refrigerators that transforms compartments according to consumer needs, allowing the freezer compartment to be turned off or converted to a cooler when not in use. Independent functioning of the freezer and cooler compartments thanks to valve routing and parallel cycling ensures energy savings, while the air duct design ensures balanced cooling. The product also stands out for its use of recyclable plastic and mechanical parts.
- Vestel Beyaz Eşya develops Class A refrigerators that consume approximately three times less energy than the bestselling refrigerator products in the market.
- The company has increased the number of dishwasher models with Class A energy ratings (equivalent to A+++ -33% under the previous regulations) through the design and development of dual water tank technology that complies with the New Energy Regulation. This technology saves 0.1 kWh/hour of energy per wash and 30 kWh/hour of energy per year compared to B energy class products on the market.
- To meet the growing market demand for energy-efficient products, Vestel Beyaz Eşya has developed competitively priced dishwashers with "C" energy class ratings. This technology saves 0.1 kWh/hour of energy per wash and 30 kWh/hour of energy per year compared to D energy class products on the market.
- Beyond achieving high heating and cooling efficiency values in its climate control products, Vestel Beyaz Eşya also implements projects aimed at reducing environmental impact through the optimization of resources used in manufacturing processes.

# ACCESSIBLE AND SMART SOLUTIONS THAT MAKE LIFE EASIER

In addition to energy efficiency, Vestel Beyaz Eşya also focuses on water efficiency and its products are among the most water-efficient in the market.

Vestel Beyaz Eşya prioritizes both sustainability and consumer satisfaction by focusing on developing products that comply with upcoming regulations in different markets while maintaining low environmental impact and high technical standards.



### Water-Efficient Products

In addition to energy efficiency, Vestel Beyaz Eşya also focuses on water efficiency and its products are among the most water-efficient in the market. Vestel Beyaz Eşya produces dishwashers that save up to 45% more water than average products, and washing machines that save up to 35% more water.

- Thanks to its "Waterbox" technology, the company's product portfolio includes dishwashers that consume 5.4 liters of water per use, resulting in 45% water savings.
- "Aquazone" technology saves up to 3 liters of water per use compared to conventional technologies.
- With "Rainfall" technology, washing machines achieve approximately 35% water savings, reducing water consumption to as little as 32 liters per wash cycle.

Introduced in 2022, the water recovery system saves 5.5 liters of water per household for each use and a total of 1,210 liters per year by using the accumulated clean water from the tumble dryer in the washing machine.

### Products Reducing Plastics Pollution

Released from clothes made of plastic-based materials during washing, microplastics mix with wastewater and then flow into rivers and seas, causing an increase in water pollution and deterioration in the aquatic ecosystem. In order to reduce plastics pollution, Vestel Beyaz Eşya produces washing machines equipped with a microfiber filter, which largely prevents the mixing of microplastics in clothes with water. Through washing machines equipped with microfiber filter

system developed to prevent microplastics from entering the environment and for which a patent application has been submitted, Vestel Beyaz Eşya strives to reduce water pollution. This product was honored with the "Sustainable Product" award in the 2024 competition organized by Sustainability Environmental Achievement and Leadership (SEAL). Vestel was the only home appliance manufacturer to win an award in 2024.

Vestel Beyaz Eşya factories contribute to recycling by incorporating recycled plastic in certain components of their products. Beyond recycling, research is being conducted on bio-based raw materials as alternatives to fossil fuel-derived materials. The Refrigerator Factory utilizes maxi fresh filters made from bio-based raw materials. Additionally, the Dishwasher Factory uses salt funnel plastic containing bio-based walnut shell components.

### Compliance with New Regulations

Vestel Beyaz Eşya prioritizes both sustainability and consumer satisfaction by focusing on developing products that comply with upcoming regulations in different markets while maintaining low environmental impact and high technical standards. Its work toward the European Union's 2030 goals and energy efficiency standards demonstrates a commitment to innovative product development with reduced environmental impact.

In line with the EU's new energy class regulations, Vestel Beyaz Eşya has prepared its wet and cold product groups (washing machines, dishwashers, and refrigerators) for production in the top energy efficiency class. Product design and manufacturing have been completed in compliance with energy efficiency regulations implemented in regions such as America, the Middle East, and Africa. Work continues on regulations for hot and climate control product groups scheduled to take effect in 2025. With the new "Eco-Design" rules that came into force in 2024, Vestel has updated designs to facilitate product repairs and improved spare parts availability times. These steps aim to reduce waste by extending product lifespans.

Vestel Beyaz Eşya is researching alternative materials in consideration of banned chemical substances and sustainability commitments. These efforts aim to minimize environmental impacts while maintaining current standards for product safety and performance. Simultaneously, work continues on replacing fluorinated gas refrigerants used in refrigerator, dryer, and air conditioner product groups with new refrigerants that have lower negative impacts and higher energy efficiency.

Aiming to fully comply with increasing e-commerce requirements in recent years, Vestel Beyaz Eşya continues its efforts to ensure product safety according to new regulations, guidelines, and directives in coordination with EU Commissions, member stakeholders, and Ministries of the Republic of Türkiye.

### Products and Services for Persons with Disabilities

#### Vestel Accessibility Project

In accordance with principles of inclusion and accessibility, Vestel Beyaz Eşya aims to provide an equal experience for all users on **Vestel.com.tr**. Recognizing that there are approximately 1 million visually impaired individuals in Türkiye and 284 million worldwide, the website's accessibility standards are being maximized. The accessibility plug-in offers screen reader compatibility, voice guidance, and alternative text solutions for visually and cognitively impaired individuals.

Visitors to **Vestel.com.tr** can personalize their experience using the accessibility plug-in. Functions such as Text Size and Spacing Adjustment, Dyslexia Font, Line Height, Screen Reading, Image Description, Contrast Adjustment, Magnifier, and Animation Stopping provide solutions suitable for different profiles including Visual Impairments, Motor Skill

Disorders, Dyslexia, Cognitive & Learning Disorders, Color Blindness, ADHD, and Seizure & Epileptic challenges.

Through this project, Vestel Beyaz Eşya aims to enhance digital accessibility, contribute to the quality of life for visually impaired individuals, and make e-commerce processes accessible to everyone. Simultaneously, it supports social equality and aims to remove barriers in the digital world.

#### Vestel & BlindLook Partnership

As a manufacturer that values the needs of visually impaired consumers, Vestel collaborates with BlindLook, a 100% sound-focused application, as part of its vision to create a more accessible and equal world for everyone. Through the world developed by BlindLook, which combines artificial intelligence and sound, visually impaired individuals can access Vestel products, services, and **vestel.com.tr** without barriers.

Visually impaired users can benefit from all services and products integrated into the application through Audio Simulation technology. All functions of products are recorded on the application, and users are guided simultaneously by voice. Vestel products are described for the visually impaired through an artificial intelligence assistant. Accessible experiences are provided by organizing scanning reports prepared for digital channels. With this inclusive service, Vestel has become one of the brands holding the EyeBrand Certificate.

### Barrier-Free Authorized Service Providers

Vestel Customer Services opened Türkiye's first Barrier-Free Authorized Service Provider in Istanbul, Avclar in 2018, and strives to ensure that all authorized service providers throughout the country are "Barrier-Free Service Providers." Barrier-free authorized service centers feature accommodations such as front door entry ramps, accessible toilets and sinks, yellow guidance flooring for the visually impaired, customer representatives who know sign language for the hearing impaired, and directional signs. Authorized service centers earn the title of Barrier-Free Authorized Service according to the accessibility criteria they meet. Accordingly, 114 Vestel authorized service centers have qualified as Barrier-Free Authorized Service Centers. As of 2024, every newly opened authorized service center is being directed to begin operations at a minimum of one-star level accessibility.





# ACCESSIBLE AND SMART SOLUTIONS THAT MAKE LIFE EASIER

**Vestel continuously reviews and optimizes its production processes in line with its goal of providing consumers with accessible, high quality and safe products.**

### SMART AND CONNECTED PRODUCTS

As digitalization becomes an integral part of daily life, the use of digital technologies in products is steadily increasing. This evolution not only enables the rapid advancement of smart and internet-connected technologies but also increases consumer adoption rates and demand levels. The concentration of consumers' fundamental expectations on digital solutions creates an opportunity that encourages the spread of smart cities, smart homes, smart devices, and new models based on these technologies. Vestel coordinates all its smart products and digital services through its IoT and Digital Strategy Department.

To improve user experience with smart products, Vestel Customer Services informs customers with all signals received from the product and provides support whenever the customer needs it. With a more flexible and agile structure, service records are created at authorized service centers without customers needing to notice problems themselves, and user habits are predicted using data collected from smart products. Based on this data, Vestel continues to develop user-specific product protection measures, usage tips and maintenance information mechanisms.

Vestel, which maintains interactive communication with end users at all times through the Vestel Smart Life mobile application in Türkiye and the VeeZy mobile application abroad, adds value to consumers' lives with its digital services.

By participating in the If This Then That (IFTTT) automation ecosystem, Vestel offers end users the ability to create scenarios with more than 700 services. This enables users to configure self-operating scenarios such as running appliances during hours when electricity is cheaper, having smart lights turn on when the washing machine cycle is complete, or playing music from a music application when food in the oven is ready.



### Artificial Intelligence (AI) Projects

Vestel Beyaz Eşya approaches artificial intelligence as a product, seamlessly integrating cutting-edge technology into everyday solutions to enhance customer experiences and drive innovation. The company's strategy treats AI as an end-to-end service, providing intelligent solutions that understand and address the needs of all stakeholders while creating value. In this context, focus areas include developing decision support systems with AI-enhanced processes, creating AI-powered products, implementing AI-enhanced applications, and participating in the AI ecosystem.

Among the implemented AI technologies are Vestel Assistant, Vchef, and Vasistan. V Assistant is an AI technology that helps users learn about Vestel products and services. Users can access V Assistant through the Vestel website and the Vestel Smart Life mobile application to get answers about orders, promotions, and after-sales services.

Vchef is an AI technology that offers recipes based on user preferences and works in integration with the Cook Like a Chef technology, providing an AI-based kitchen experience through mobile applications. Vchef functions as a kitchen assistant that revolutionizes how users discover recipes. It eliminates the need for endless online searches, allowing users to receive instant recipe suggestions, accelerating the cooking process, and saving time. The chatbot's ability to present various recipes encourages users to discover new and creative dishes using ingredients they have on hand.

Cook Like a Chef brings gourmet flavors to end-users' homes with step-by-step cooking algorithms from renowned chefs' kitchens. Each recipe is meticulously prepared to reflect the techniques chefs use when preparing meals in their own kitchens. This unique experience offers customers professional cooking secrets, helps them discover the nuances of gourmet cuisine, and elevates their meals to the next level.

Vasistan is an AI technology that provides information about product usage through mobile applications. Vasistan offers a seamless support experience without requiring users to review instruction manuals for help. By providing quick and appropriate solutions, it simplifies the troubleshooting process. Unlike traditional customer support, Vasistan is accessible 24/7, allowing users to get help about the product whenever they need it.

The Vestel Smart Health® product group, which includes smart watches, smart scales, and smart sleep lights, along with the Vestel Smart Health mobile application, provides users with data such as movement, water consumption, sleep quality, and body mass index for a healthier and more active lifestyle.

Vestel's IoT R&D team was awarded first place with the "Generative AI-Powered Vestel AI" project at the "Future of AI & Cloud" event organized by CXO Media, where 150 companies participated and 300 projects competed. This avatar, which presents product information quickly and accurately, provides participants with a realistic interaction experience by responding like a real human. The project, representing Vestel's success in innovative artificial intelligence solutions, also provides benefits such as realistic interaction, fast and accurate information provision, efficiency, and technology focus.

### Connectivity Standards Alliance and Matter Working Group

One of the main challenges users face in the smart living ecosystem is that different brands offer services through their own applications. Vestel, a board member of the Home Connectivity Alliance (HCA), has implemented the

widest range of product control options between two companies globally through its collaboration with Samsung, thanks to integration compliant with HCA standards. With this integration, all Vestel smart home appliances can be controlled through the Samsung SmartThings application, while all Samsung smart home appliances can be controlled through the Vestel VeeZy application. Vestel continues to work on integration with other HCA member companies.

In January 2024, the Home Connectivity Alliance (HCA) published energy management specifications between different companies, contributing to sustainability by supporting energy management. Vestel is also actively involved in the Connectivity Standards Alliance (CSA), which aims to remove communication infrastructure barriers between different manufacturers and ecosystems. Additionally, Vestel has joined the Matter Working Group, which aims to benefit end users by increasing compatibility between smart products and ecosystems, and is developing its products to be Matter-compatible. While enabling its products and digital services to communicate on the same infrastructure with different product groups and industries, Vestel continues its projects aimed at effectively using IoT technologies

in the field of sustainability. The company is also continuing its efforts to participate in energy management scenarios.

### VeeZy Life

The services for controlling smart products through the VeeZy mobile application have been combined with VeeZy Life to create the Smart Life mobile application. All digital services offered in this area have been consolidated under a single heading within the VeeZy Life tab. Here, consumers can keep up with the advantages of the digitalizing world and easily benefit from these advantages. The VeeZy mobile application's Digitalized After-Sales Support feature allows technicians to identify problems before visiting homes, expediting resolution and enhancing customer satisfaction.

VeeZy Energy Management offers numerous capabilities including monitoring energy consumption of smart products, providing energy-saving recommendations, comparing with previous periods, setting upper limits for energy consumption, and observing the impact of consumption on electricity bills.

**The services for controlling smart products through the VeeZy mobile application have been combined with VeeZy Life to create the Smart Life mobile application.**





# ACCESSIBLE AND SMART SOLUTIONS THAT MAKE LIFE EASIER

Vestel Beyaz Eşya, with its sensitivity to quality and product safety, prioritizes compliance with local and international regulations and requires its suppliers to manufacture according to specific criteria.

## QUALITY AND PRODUCT SAFETY

In 2024, a wide range of products from different product groups including white goods, TVs, satellite receivers, lighting, information technology products, batteries, small home appliances, and AC/DC electric vehicle chargers were tested and approved according to relevant standards in accredited test laboratories.

Vestel Beyaz Eşya continuously reviews and optimizes its production processes in line with its goal of providing consumers with accessible, high quality and safe products. The Company works to design products that comply with national and international standards, meet customer expectations, and deliver products that adhere to the standards determined through internal evaluations.

### Quality Management

Products and production processes are regularly tested to ensure product safety and quality. Risks and opportunities that may affect the quality of the product are identified and necessary measures are taken and monitored. ISO 9001 Quality Management System guides Vestel Beyaz Eşya to act in compliance with quality standards in all its processes.

Vestel Beyaz Eşya Quality Policy is available [here](#).

All procedures, instructions, and quality plans required to ensure the effectiveness of Quality Management Systems are monitored through an online documentation system and updated regularly. To achieve quality production targets, monthly statistical reports, meeting minutes, progress evaluations compared against objectives, internal audit results, and improvement activities are regularly monitored through this system in line with established goals.

Products are inspected for quality in accordance with international standards and tested with the necessary test equipment within the factory. Electrical safety tests of the products are conducted continuously

by arranging them according to a specified sample rate within the production lines, ensuring that serial productions are constantly monitored. No product has been recalled or withdrawn from the market in the last four years for quality and safety reasons.

Vestel regularly informs employees about product quality and safety, and aims to raise their awareness through training. Quality Day events are organized to raise employee awareness. All new employees were received quality training to promote the adoption and development of quality standards within the organization. In 2024, 7,084 person-hours of quality and product safety training were provided to 4,198 individuals.

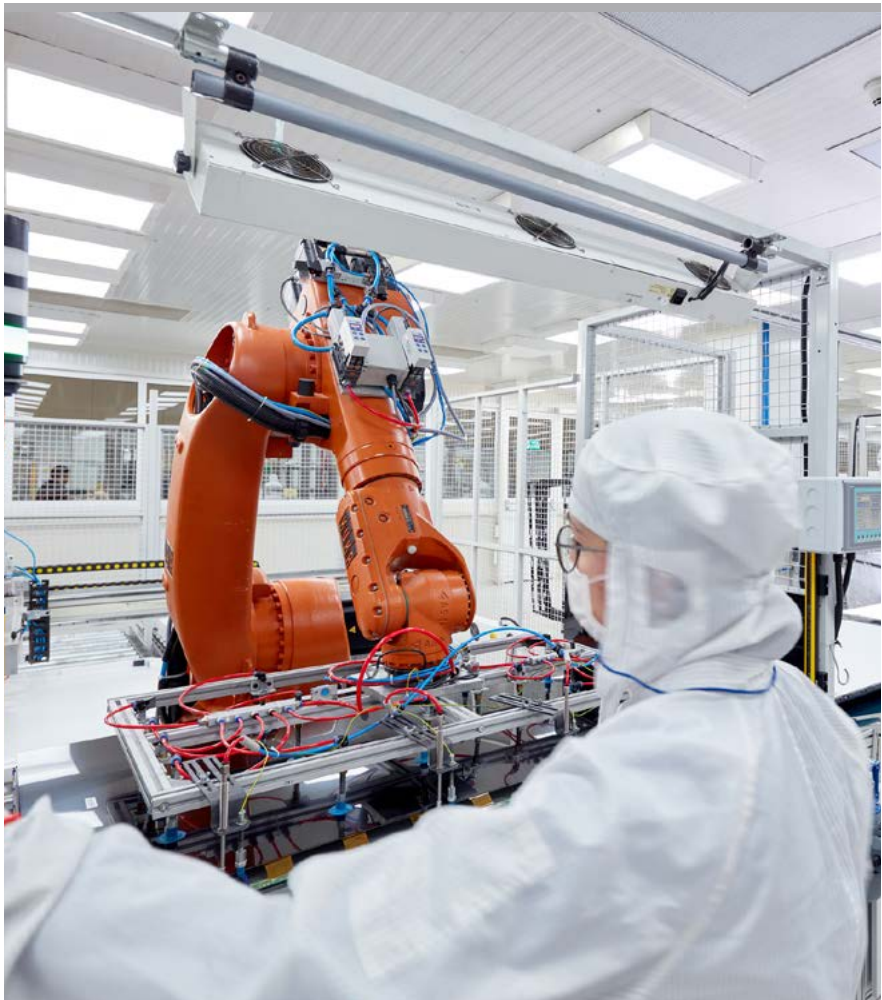
### Hazardous Chemical Management

Vestel Beyaz Eşya, with its sensitivity to quality and product safety, prioritizes compliance with local and international regulations and requires its suppliers to manufacture according to specific criteria. Vestel Beyaz Eşya avoids using materials and substances that could harm the environment and human health, and expects its suppliers to demonstrate the same level of awareness.

The documents required from suppliers vary depending on the product groups being supplied. The updated **Restricted Materials List** is regularly reviewed, and suppliers are expected to fully comply with this list.

Suppliers are required to maintain:

- Test reports demonstrating compliance with the **European Union's Restriction of Hazardous Substances (RoHS) Directive**,
- Declarations documenting compliance with the **Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) regulation**,



All product groups manufactured by Vestel or sold through external procurement can be tested in Vestel Product Safety Laboratories.

Declarations and test reports confirming that hazardous chemicals on the **Substances of Very High Concern (SVHC)** List are not used. Full compliance is maintained with national legislation regarding environmentally harmful, persistent pollutant, and endocrine-disrupting chemicals in European Union member states and global markets. Relevant developments are closely monitored, and proactive measures are taken for compliance processes.

Additionally, suppliers are informed about **Regulation No. 30105 on Registration, Evaluation, Authorization and Restriction of Chemicals (KKDIK)** prepared by the **Republic of Türkiye Ministry of Environment, Urbanization and Climate Change** in compliance with the European Union REACH Regulation, and suppliers within the scope must complete their registration processes.

### Product Safety Tests

All product groups manufactured by Vestel or sold through external procurement can be tested in Vestel Product Safety Laboratories. Through laboratory testing, products are evaluated against all life-threatening risks such as electric shock, fire, tipping, overheating, or explosion in accordance with international standards. The Product Safety Laboratories are authorized by independent approval and certification organizations including Verband der Elektrotechnik

(VDE), Technischer Überwachungsverein (TÜV), INTERTEK, CVC, DEKRA, and UL. The laboratories also provide services to external companies within the scope of their adequate infrastructure, experience, and accreditation.

Vestel Beyaz Eşya holds numerous certificates related to product safety, with details listed below.

- CB reports and certificates according to IEC/EN 60335-1, IEC/EN60335-2-24, IEC/EN60335-2-40, IEC/EN60335-2-21, IEC/EN60335-2-7, IEC/EN60335-2-11, EC/EN60335-2-6, and IEC/EN60335-2-5 product safety standards,
- EMC reports and certificates,
- Chemical reports (RoHS, REACH, etc.),
- Safety reports and certificates according to relevant markets, such as UL reports according to UL 60335-1 and UL 60335-2-24 standards for the US market, ETL reports according to UL 858 standard, and CSA reports according to CSA/ANSI Z21.1 standard, SASO reports in compliance with SASO 167-168 standard and GMARK certificates for the Saudi Arabian market, and BSI reports in compliance with CSA/ANSI Z21.1 and CSA/ANSI Z21.1 for the Australian market.

The goal for the upcoming period is to obtain the India ISI certification. Certification processes continue for standard markets (Europe, US, Gulf countries, etc.).

In 2024, many products from different product groups including white goods, TVs, satellite receivers, lighting, information technology products, batteries, small home appliances, and AC/DC electric vehicle chargers were tested and approved according to relevant standards in accredited test laboratories. The engineers working in the laboratory also play a role in the establishment of international standards and offer training in institutions such as the Turkish Standards Institution (TSE) and Information Technologies and Communications Authority (BTK) by leveraging the experience they have gained in standards within the accreditation work.

Detailed information about all laboratories can be accessed [here](#).



ACCESSIBLE AND SMART SOLUTIONS  
THAT MAKE LIFE EASIER

Vestel Beyaz Eşya aims to continuously increase customer satisfaction and loyalty, and offers personalized and uninterrupted service through digital and smart solutions.

CUSTOMER EXPERIENCE

Vestel Beyaz Eşya aims to continuously increase customer satisfaction and loyalty, and offers personalized and uninterrupted service through digital and smart solutions. Throughout Türkiye, the company serves more than 1.5 million individual and over 500 corporate customers annually, focusing on continuously improving the services it provides. International standards are taken into consideration in customer management processes, and Vestel Customer Services operates within the framework of the ISO 10002 Customer Satisfaction Management System and TS EN ISO 18295-1 Customer Contact Centers System.

It is crucial to monitor performance in order to boost customer satisfaction and loyalty. In this context, customer satisfaction serves as a crucial success criterion at every point of contact and is included in the objectives of management at all levels within the customer service organization. Digital surveys are sent via SMS to customers who have received repair and installation services from Vestel after each service interaction. Customer satisfaction is also measured through

digital channels at call center and written communication touch points. Additionally, telephone satisfaction surveys are conducted among a group of customers who have received installation and repair services. With the data obtained, a Customer Experience Index is calculated and reported regularly each month. Vestel aims to improve performance for scores up to 90 and maintain satisfaction and loyalty scores in the 90-100 range.

Vestel Customer Satisfaction Policy can be accessed [here](#).

Customer Complaint Management Process

All customer complaints are systematically recorded under the "Complaint Document" and meticulously examined. Each complaint is evaluated in accordance with the company's service policy and necessary actions are taken in a timely and effective manner. Customers can provide feedback on whether or not their complaints have been resolved; in cases where resolution is pending, the process will continue until customer satisfaction is achieved. For complaints awaiting resolution, customers are supported by offering appropriate

solutions and alternatives. After receiving confirmation from the customer that the issue has been resolved, the complaint record is closed and the outcome is communicated via the customer's preferred communication channel (phone, SMS or e-mail).

In case of product-related complaints, the reported issue is checked in accordance with service procedures and applicable repair bulletins. If it is determined that the service provided is inadequate, the relevant service is directed and necessary corrective action is taken. In addition, recurring complaints are analyzed, shared with technical teams and necessary actions are taken within the scope of continuous improvement. For each product group, the reasons for complaints and analysis results are reported and communicated to technical units, thus aiming to improve product and service quality.

The number of complaints submitted to Vestel Customer Services decreased by 52% year-on-year. All complaints are aimed to be resolved within seven days.

Vestel has 1,382 Vestel stores and 954 Regal sales points throughout Türkiye, as well as 9 Finlux distributors.

Dealer and Distributor Network

Vestel has 1,382 Vestel stores and 954 Regal sales points throughout Türkiye, as well as 9 Finlux distributors. In Europe, Vestel conducts sales through subsidiaries, distributors, or chain stores, selling 5 licensed global brands in consumer electronics and 3 licensed global brands in the white goods product group, as well as over 700 ODM (original design manufacturer) brands through more than 1,400 distribution channels. Outside Europe, Vestel Ticaret has 50 distributors selling electronic and white goods products under the Vestel, Regal, Vestfrost, and Finlux brands, nearly 100 exclusive sales points, and over 2,000 sub-dealers and sales points. Vestel regularly attends fairs organized abroad to showcase innovations in consumer electronics and e-mobility and to promote its product range and technologies.

Training activities of Vestel continued in 2024 to contribute to its business partners' processes. Throughout the year, training activities reached 370 different Vestel dealers and 24 different Regal dealers. A total of 239 training videos were shared throughout 2024 through the digital training platform vpa.com.tr, covering various topics such as product knowledge, sales techniques, communication, management, and strategy. To enhance business partners'



managerial and financial competencies, an e-government approved online certificate program was designed in collaboration with Bahçeşehir University, and relevant content was uploaded to the platform. Throughout the year, 5,239 person-hours of training were completed through video content specifically uploaded for dealer sales consultants, coordinators, and dealer owners. According to participant satisfaction surveys conducted after video training sessions, a 98% satisfaction rate was achieved. The NPS (recommendation) score was reported as 96. In addition to recorded video training, a total of 15 live training sessions were conducted for Vestel and Regal dealers. Through these training sessions, a total of 2,402 person-hours of training were provided to 1,931 individuals.

STORE EXPERIENCE

Vestel prioritizes keeping the customer experience at the highest level while offering consumers convenient, accessible, and high-quality products. In order to improve the customer experience, the Company closely monitors the demands, expectations and needs of consumers. Vestel focuses on effectively determining consumer preferences and habits using user experience research methodologies such as A/B testing.

New Generation Merchandising

Vestel Express

In 2020, Vestel launched the Vestel Express store concept, a small-footprint retail format featuring digital display applications. Through this innovative concept, Vestel offers customers shopping experiences via digital screens and services such as rapid delivery, enhancing and differentiating the customer experience. Under the next generation Vestel Ekspres Store concept introduced in various cities, especially in İstanbul, İzmir, Bolu, Bursa and Antalya, the evolving shopping habits are responded, the online purchasing experience is blended with physical retail, consumers are offered opportunities such as instantly finding the product they want, fast comparison and same-day delivery and installation. Vestel aims to enhance consumer experience by developing special digital applications suitable for next-generation retailing in Vestel Express stores. As of the end of 2024, there are 184 Vestel Express stores.

A New Store Concept: Kafe Vesto

Kafe Vesto establishments, combining cafe and store concepts, have been implemented to enhance the in-store experience for customers. The Kafe Vesto establishments, operating in Beşiktaş, Zorlu Center, and Levent 199 in İstanbul, Karşıyaka and Alsancak in İzmir, and Osmangazi in Bursa, not only provide customers with an opportunity to enjoy a pleasant experience but also enable them to become acquainted with Vestel products and offer visitors the chance to discover new flavors.

# ACCESSIBLE AND SMART SOLUTIONS THAT MAKE LIFE EASIER

**Vestel is working toward the goal of increasing its online sales ratio in Türkiye to 25% by 2030.**



## Vestel My Project Partner

Developed with the aim of offering result-oriented and effective solutions to customers, Vestel My Project Partner was formed by bringing together LED Lighting, Air-Conditioning, Hotel & Construction Projects, Digital Solutions and Public Sales Departments under a single roof. Vestel My Project Partner offers professional and most appropriate solutions to all needs in public and private sector projects, starting from the design phase. To this end, corporate clients' needs, demands and current challenges are identified and analyzed to design customized products accordingly.

## Vestel International

The website has been redesigned to reflect Vestel's corporate strength and advanced technology and innovation-focused vision, with the investor relations website <https://vestelinternational.com/> incorporated into it. With this new design that prioritizes user experience, it offers an easier and more integrated experience, particularly by increasing accessibility in mobile use.

## E-commerce

As a result of changing consumer habits and rapidly increasing digitalization, the e-commerce sector continues to grow worldwide. E-commerce is driving significant changes in retailers' strategies, with many retail companies starting to create an omni-channel presence and placing as much importance on online platforms as on physical stores. E-commerce platforms, which stand out in customer experience and ease of use, continue to develop in terms of creating benefits for the customer.

In line with this vision, Vestel aims to deliver an uninterrupted, high-quality customer experience through innovative applications and services by prioritizing its customers at every step. With an integrated retail approach, it embraces a shopping philosophy focused on customer needs. Vestel continues its efforts to improve the shopping experience both on **Vestel.com.tr** and in its corporate stores on leading online marketplaces to enrich the customer journey.

As of 2024, Vestel has expanded its global e-commerce vision with the website <https://www.vestel.com/de>, launched in Germany. This structure, supported by in-store smart screen solutions, offers customers an end-to-end seamless shopping experience by integrating physical and digital channels through an integrated retail understanding.

Thanks to its cloud-based e-commerce infrastructure, Vestel meets technical needs more effectively by centralizing online customer data and aims to combine its services under a secure shopping platform. Through an integrated retail approach and a multi-channel strategy, customers are offered a comprehensive Vestel experience, ensuring continuous improvement of the customer journey. The e-commerce infrastructure has been strengthened for secure shopping through the Trust Stamp, ETBİS QR code, and the completed Security Test Report.

Vestel contributes to the development of the retail sector in Türkiye with the innovations it has introduced to the sector and offers a new perspective to online shopping. Vestel grants the title of **Authorized Online Dealer** to dealers who comply with specified criteria, thereby allowing consumers to shop with the assurance of Vestel. Furthermore, Vestel standards are maintained through the sales and after-sales services provided. Continuing to strengthen and develop its Online Ecosystem with a customer-oriented approach, Vestel distinguishes itself from its competitors in the sector with the Authorized Online Dealers project, supports its dealers in online sales channels with an integrated retail approach, and continues to improve customer experience, offer secure shopping and privileged services in all channels preferred by consumers.

**Vestel considers maintaining the highest level of customer experience a priority while offering consumers practical, accessible, and quality products.**

In a world where consumers need more flexible options, Vestel diversifies its services to stand by consumers at every step of the customer journey through both online and physical stores. In addition to being able to access the product they want on the website, consumers can see which store stocks the product they are interested in with the **Find Stock** service. Via the e-appointment service, customers can choose the time they want for the delivery and installation of their orders. With detailed shipment tracking, it is possible to access all steps of the orders from the website to delivery. Products that do not require installation can be returned from the corporate store, even if they are purchased online. If a return request is created on the website, the products to be returned through the authorized service providers are received from the customers' door. Multiple credit card payment options are offered to customers, allowing them to pay with different cards. Payment convenience is provided to customers through shopping credit options available on both **vestel.com.tr** and at selected stores.

Orders placed through online channels are directed to the nearest and most suitable store thanks to Vestel's smart order algorithm and extensive dealer and service network, ensuring product delivery and installation within 24 hours. With this application called **24-Hour Delivery**, products are delivered to consumers quickly and securely.

To help customers make more informed purchasing decisions by benefiting from other users' experiences, Vestel has implemented a product **review project**. This project aims to provide a sincere, transparent, and secure shopping environment with diverse perspectives while strengthening the brand image. Customer evaluations are regularly analyzed, and based on these analyses, areas for improvement in products and services are identified to provide customers with a better experience.

**The Live Store** service allows consumers to make video calls with corporate store sales specialists, see products and get information about products, bringing the physical store experience as close as a click of a button.

The See at Home project, which utilizes **Augmented Reality (AR)** technology, enables customers to see the products they wish to purchase as if they were placed at their home. Thanks to the 360-degree visuals of the products, consumers can both examine the products in full detail and experience in advance how they will look in the area they want to position them in their homes.

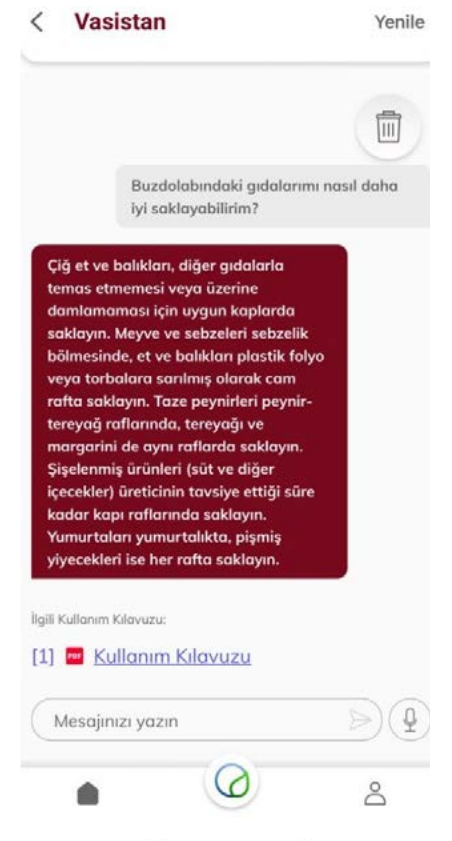
**The Vestel Assistant** project has launched an artificial intelligence assistant that responds to customers 24/7 throughout the pre-sales, sales, and post-sales journey. Vestel Assistant is designed and developed to provide information and services at every step of the customer journey, and it is continuously improved accordingly. Vestel supports redirecting human resources towards more value-added tasks through the use of technology. Direct communication with Customer Services is possible through the VAsistan service. Vestel Assistant support service is offered to our customers through both **vestel.com.tr** and WhatsApp channels.

With the **Digital File** service, **vestel.com.tr** members can access all the information they need such as remaining warranty periods, user manuals, invoice details, shipping status, and serial numbers of purchased products through a single platform.

## Support Center

The Vestel website has been renewed with a user-friendly interface and launched as "Support Center." This platform allows customers to resolve product malfunctions with more than 600 information and solution content without needing a technician, examine product features, and shop through redirection to <https://www.vestel.com.tr/>. It also develops an environmentally friendly service model by digitally offering many processes such as creating malfunction and installation records and accessing extended warranty and maintenance requests. With our new service model "Install-Run," customers can set up products such as televisions, refrigerators, and deep freezers themselves in just a few steps. This application reduces carbon emissions by decreasing field visits while saving customers time.

For more information You can visit <https://supporthub.vestel.com/hc/de>





ADDITIONAL DISCLOSURES REQUIRED BY THE LEGISLATION

ADDITIONAL DISCLOSURES MADE WITHIN THE SCOPE OF THE REGULATION ON THE DETERMINATION OF THE MINIMUM CONTENT OF ANNUAL REPORT OF COMPANIES DATED 28.08.2012 AND NUMBERED 28395

GENEL BİLGİLER	
Reporting Period:	01.01.2024 - 31.12.2024
Trade Name:	Vestel Beyaz Eşya Sanayi ve Ticaret AŞ
Trade Registry Information:	Istanbul Trade Registry Office, No: 380814
Registered Capital Ceiling:	TL 2,000,000,000
Paid-in/Issued Capital:	TL 1,600,000,000
Contact Information for the Headquarters and Branches:	Head Office Levent 199 Büyükdere Cad. No: 199 34394 Şişli/İSTANBUL Phone: +90 (212) 456 22 00
	Branch-1: Vestel Beyaz Eşya Sanayi ve Ticaret Anonim Şirketi Manisa Branch Manisa Organised Industry Zone 3 <sup>rd</sup> Section Keçiliköyob Mah. Mustafa Kemal Bulv. No:10 Yunusemre/Manisa Phone: +90 (236) 226 01 31
	Branch-2: Vestel Beyaz Eşya Sanayi ve Ticaret Anonim Şirketi MOSB Branch Keçiliköyob Mah. 5639 Sk. No:17/2-İç Kapı No:12 Yunusemre/Manisa
	Branch-3: Vestel Beyaz Eşya Sanayi ve Ticaret Anonim Şirketi Manisa 4 <sup>th</sup> District Branch Keçiliköyob Mah. Ahmet Nazif Zorlu Bul. No:21 Yunusemre/Manisa
Company Website:	www.vestel.com.tr
Investor Relations Website:	https://vestelinternational.com/tr/yatirimci-iliskileri-vesbe

Shareholding Structure and Capital Distribution

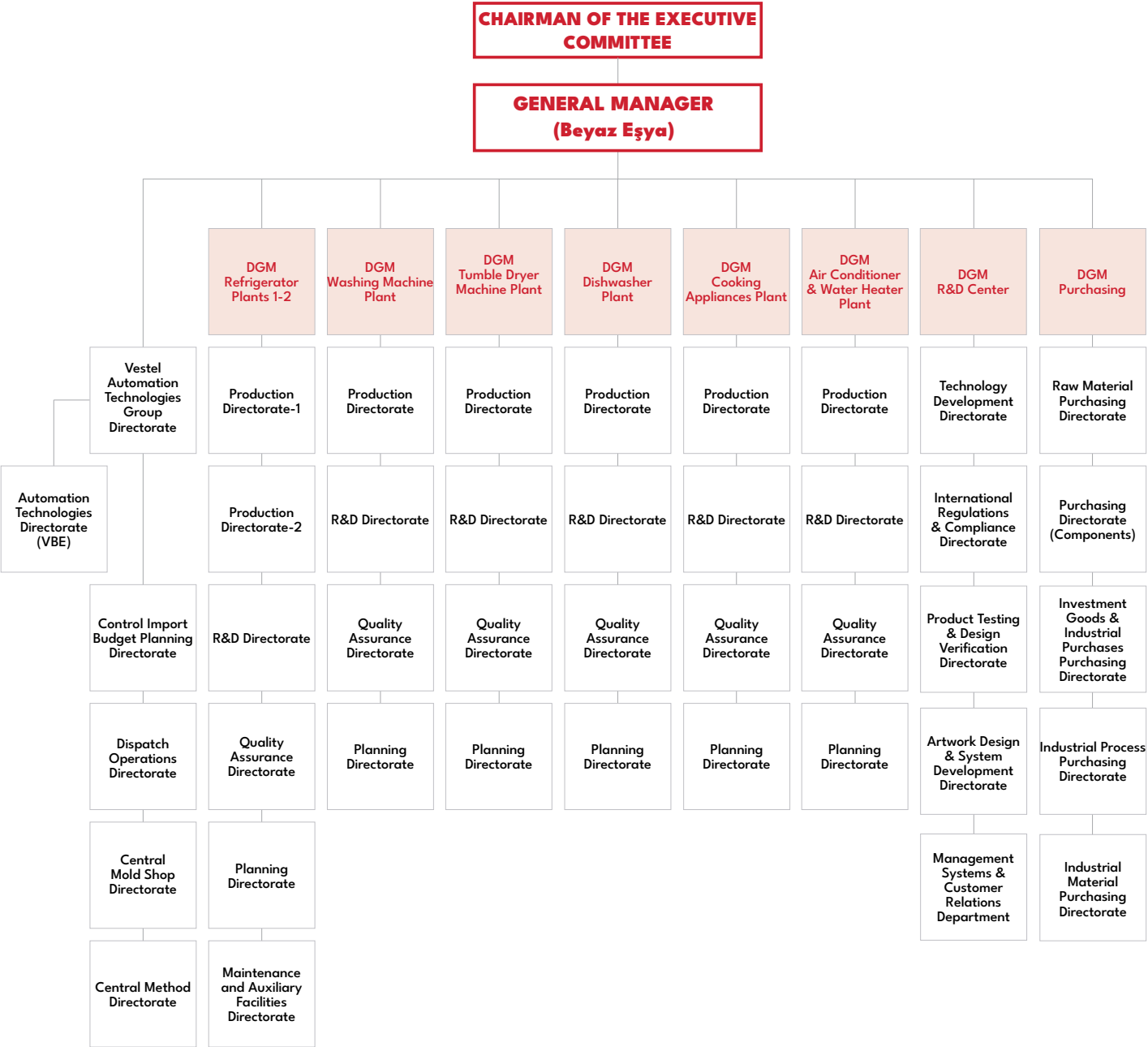
As of December 31, 2024, the Company's ownership structure is as follows:

Shareholders	Nominal Value of Shares (TL)	Share in Capital (%)
Vestel Elektronik Sanayi ve Ticaret AŞ	1,237,302,236	77.33
Other (Free Float)	362,697,764	22.67
Total	1,600,000,000	100.00

Privileged Shares and Voting Rights of Shares

There are no privileged shares in the Company.

ORGANIZATIONAL CHART OF VESTEL BEYAZ EŞYA



\*To establish a more effective management structure in the Vestel Group Companies and create an organizational structure aligned with Vestel's growing objectives and to support sustainable success goals, Vestel's senior management organization has been restructured on a function-based model, effective January 1, 2025. You can access the Public Disclosure Platform (KAP) announcement regarding this matter through the following link (<https://www.kap.org.tr/tr/Bildirim/1366864>).

ADDITIONAL DISCLOSURES REQUIRED BY THE LEGISLATION

BOARD OF DIRECTORS

The members of the Board of Directors are elected by the General Assembly in accordance with the provisions of the Company’s Articles of Association pursuant to the Turkish Commercial Code and relevant regulations. In the event of a vacancy in the Board of Directors, a new member shall be appointed to the vacant position by the Board of Directors in accordance with the Articles of Association and the relevant provisions of the Turkish Commercial Code. If the vacant position is for an independent member of the Board, the appointment shall be made in accordance with the regulations of the Capital Markets Board. The approval of the shareholders for the newly appointed member shall be obtained at the first General Meeting of Shareholders. The member approved by the General Assembly shall complete the term of office of his/her predecessor.

The Board of Directors members who were elected at the Company’s Annual General Meeting for the year 2023, held on May 29, 2024, and who served during the period, together with their terms of office, are presented in the table below.

Name Surname	Role	Term of Office		Current Positions Held Within the Group	Current Positions Held Outside the Group	Membership Classification	Public Companies Other Than Vestel Beyaz Eşya Where Positions Are Held
		Başlangıç	Bitiş				
Ahmet Nazif Zorlu	Chairperson	29 May 2024	Until 2024 Annual General Meeting	Chairman of the Board of Zorlu Group companies	-	Non-executive	Vestel Elektronik Sanayi ve Ticaret AŞ, Zorlu Enerji Elektrik Üretim AŞ
Ayşegül İldeniz	Vice Chairman	29 May 2024	Until 2024 Annual General Meeting	Vice Chairman of the Board of Directors at Vestel Elektronik Sanayi ve Ticaret AŞ	Board Member at Doğan Şirketler Grubu Holding AŞ and Pegasus Hava Taşımacılığı AŞ	Independent director	Vestel Elektronik Sanayi ve Ticaret AŞ, Doğan Şirketler Grubu Holding AŞ and Pegasus Hava Taşımacılığı AŞ
Olgun Zorlu	Board Member	29 May 2024	Until 2024 Annual General Meeting	Vice Chairman and Board Memberships in Zorlu Group Companies	-	Non-executive	Vestel Elektronik Sanayi ve Ticaret AŞ
Bekir Cem Köksal	Board Member	29 May 2024	Until 2024 Annual General Meeting	CEO of Zorlu Holding and Board Memberships at Zorlu Group Companies	-	Executive	Vestel Elektronik Sanayi ve Ticaret AŞ, Zorlu Enerji Elektrik Üretim AŞ
Mümin Cengiz Ultav	Board Member	29 May 2024	Until 2024 Annual General Meeting	Board Member at Zorlu Group Companies	-	Non-executive	Vestel Elektronik Sanayi ve Ticaret AŞ, Zorlu Enerji Elektrik Üretim AŞ
Adnan Yıldırım	Board Member	29 May 2024	Until 2024 Annual General Meeting	Board Member at Vestel Elektronik Sanayi ve Ticaret AŞ	Founding partner at Batı Yeminli Mali Müşavirlik ve Bağımsız Denetim AŞ, founding partner at Pamukkale Danışmanlık AŞ, Board Member at Mistral Gayrimenkul Yatırım Ortaklığı AŞ, Meditera Tıbbi Malzeme Sanayi ve Ticaret AŞ, Alkim Kağıt Sanayi ve Ticaret AŞ, Disera Tıbbi Malzeme Lojistik Sanayi ve Ticaret AŞ and Agrilink Tarım Ürünleri Hayvancılık Turizm Sanayi ve Ticaret AŞ	Independent director	Vestel Elektronik Sanayi ve Ticaret AŞ, Mistral Gayrimenkul Yatırım Ortaklığı AŞ, Meditera Tıbbi Malzeme Sanayi ve Ticaret AŞ, Alkim Kağıt Sanayi ve Ticaret AŞ
Emin Ataç	Board Member	29 May 2024	Until 2024 Annual General Meeting	Board Member at Vestel Elektronik Sanayi ve Ticaret AŞ	CEO of Farplas Automotive	Independent director	Vestel Elektronik Sanayi ve Ticaret AŞ

Changes in the Board of Directors in the Reporting Period

There has been no change in the Board of Directors elected at the Annual General Meeting during the year.

Duties and Authorities of the Members of the Board of Directors

The Chairman and the members of the Board of Directors have the duties and the authorities set forth in the relevant articles of the Turkish Commercial Code and the Company’s Articles of Association.

Number of Board Meetings Held During the Year and the Attendance Rate of Board Members

The Board of Directors convened 12 times in 2024. The Board meetings were held in person in 2023 while online participation has been provided for members with excuses. Physical attendance is essential for meetings. Board members have largely participated in meetings regularly, with a 90% attendance rate for Board Members.

SENIOR MANAGEMENT

Name Surname	Role
Ergün Güler	Chief Executive Officer / CEO
Bekir Cem Köksal	Executive Committee Member
Necmi Kavuşturan	Executive Committee Member
Alp Dayı	Executive Committee Member
Hasan Uğur	Vestel Beyaz Eşya General Manager
Bülent Kiracioğlu	Vestel Financial Affairs General Manager
Zeynep Tarhan	Vestel Human Resources General Manager
Hasan Emrah Şafak	Deputy General Manager in Charge of Refrigerator Plants
Serkan Balcı	Deputy General Manager in Charge of the Washing Machine Plant
Funda Kuru	Deputy General Manager Responsible for the Tumble Dryer Plant
Özgün Döşemeciler	Deputy General Manager in Charge of the Dishwasher Plant
Mehmet Yavuz	Deputy General Manager in Charge of the Cooking Appliances Plant
Caner Yıldız	Deputy General Manager in Charge of the Air Conditioner & Water Heater Factory
Turgay Büyük	Deputy General Manager of Central R&D
Evren Bal	Deputy General Manager of Purchasing

Changes in the Senior Management During the Year

Alp Dayı, Vestel Chief Financial Officer, was appointed Zorlu Holding as Chief Financial Officer effective March 1, 2024.

Bülent Kiracioğlu, Vestel Deputy General Manager of Finance, was appointed as Vestel Chief Financial Officer effective March 1, 2024.

Zeynep Tarhan, Vestel Deputy General Manager of Human Resources, was appointed as Vestel Chief Human Resources Officer effective September 1, 2024.

To establish a more effective management structure in the Vestel Group Companies and create an organizational structure aligned with Vestel's growing objectives and to support sustainable success goals, Vestel's senior management organization has been restructured on a function-based model, effective January 1, 2025. You can access the Public Disclosure Platform (KAP) announcement regarding this matter through the following link (<https://www.kap.org.tr/tr/Bildirim/1366864>).

Number of Employees

As of December 31, 2024, the total number of employees of the Company is 9,628.



ADDITIONAL DISCLOSURES REQUIRED BY THE LEGISLATION

Information on the Transactions of the Members of the Board of Directors with the Company on Behalf of Themselves or Others and Their Activities within the Scope of Non-competition

At the Annual General Meeting held on May 29, 2024, the Board members were granted permission to conduct transactions within the framework of Articles 395 and 396 of the Turkish Commercial Code for the year 2024.

Personnel and Labor Movements and Collective Bargaining Practices and the Rights and Benefits provided to Employees

All employee rights and interests in the Company are protected and observed under Labor Law No. 4857. The 1<sup>st</sup> Term Collective Labor Agreement between the Company and Türk Metal Union was signed for the period of January 1, 2024 - December 31, 2025. The rights and benefits provided to personnel and workers are explained within the total 40 articles of the Collective Labor Agreement.

Amendments to the Articles of Association

No changes were made to the Company's Articles of Association during the accounting period of January 1, 2024 - December 31, 2024.

COMPENSATION AND MONETARY BENEFITS PROVIDED TO BOARD MEMBERS AND SENIOR MANAGERS

According to the resolution passed at the Company's Annual General Meeting for the year 2023, held on May 29, 2024, it was decided to pay each independent Board member a monthly net fee (attendance fee) of 80,000 TL for the 2024 operating year, while no payment would be made to other Board members.

In 2024, the total financial benefits provided to the Board Chairman and members, general manager, general coordinator, and deputy general managers amounted to TL 85,412 thousand.

COMPANY'S ACTIVITIES AND IMPORTANT DEVELOPMENTS RELATED TO THE ACTIVITIES

Capacity and Production

Unit	Factory Closed Area (m²)
Refrigerator Factory	148,916
Washing Machine and Dryer Factory	66,301
Cooking Appliances Factory	64,454
Washing Machine Factory	42,327
Dishwasher Factory	98,724
Air Conditioning Factory	18,331
4 <sup>th</sup> Region	152,068
Warehouse	46,868
Kitchen	2,884
Total	640,873

In 2024, Vestel Beyaz Eşya's capacity utilization rate was 71% (compared to 76% in 2023).

Production

Vestel Beyaz Eşya's total production decreased by 3% in 2024 compared to the previous year.

Sales

In 2024, inflation-adjusted gross sales were realized as TL 75,605,763 thousand, of which TL 51,515,401 thousand came from international sales. Of total sales, 47% were made to European countries, 32% to the domestic market, and 21% to other countries.

Net sales revenues decreased by 15% in real terms compared to 2023, while unit sales decreased by 3%.

Investments and Investment Incentives

In 2024, investment expenditures amounting to TL 3,961,539 thousand (USD 112 million) were realized according to inflation-adjusted financial statements. The largest components of investment expenditures were building construction at 34%, machinery and equipment investments at 21%, mold investments at 17%, and research and development expenditures at 18%.

Information on Direct and Indirect Subsidiaries and Ownership Interests

The Company does not have any directly or indirectly owned subsidiary.

Information on the Company's Acquisition of its Own Shares

No treasury shares were acquired by the Company during the accounting period of January 1, 2024 - December 31, 2024.

Information on Special Audit and Public Audit

Within the framework of the regulations of the Capital Markets Board regarding financial reporting and independent audit, the Company's semi-annual and yearly financial statements are audited by an independent audit firm.

The firm PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik AŞ was selected at the Annual General Meeting held on May 29, 2024, to conduct the independent audit of the Company's 2024 accounts and transactions in accordance with both the Capital Markets Law and the Turkish Commercial Code and related legislation.

Information on Legal Action Taken Against the Company which Could Affect the Company's Financial Status and Activities and the Possible Consequences of Such Legal Action

During the accounting period of January 1, 2024 - December 31, 2024, there were no lawsuits filed against the Company that could affect the Company's financial condition and operations.

Administrative or Judicial Sanctions Imposed Against the Company or the Board Members due to Practices Violating the Legislation

There is no administrative or judicial sanction applied against the Company or the members of the Board of Directors.

General Meetings of Shareholders

The resolutions adopted at the Company's Annual General Meeting held on May 29, 2024, have been implemented. No extraordinary General Shareholders' Meeting was held during the year.

Donations and Social Responsibility Projects

In 2024, the total amount of donations made in accordance with the Company's Donation and Aid Policy amounted to TL 15,124,565.

Conclusion Section of the Affiliated Company Report Prepared Within the Scope of Article 199 of the Turkish Commercial Code

In accordance with the provisions of the Turkish Commercial Code (TCC), Vestel Beyaz Eşya was an affiliated company of Zorlu Holding AŞ during the fiscal year 2024. Pursuant to the Article 199 of the Turkish Commercial Code, Vestel Beyaz Eşya's Board of Directors issued the following declaration in its affiliation report, which was prepared regarding the Company's relationship with the controlling company or an affiliated company of the controlling company:

"Our Company's legal actions taken with the controlling company, or the companies affiliated to the controlling company for the benefit of the controlling company, or a company affiliated to it under the direction of the controlling company and any and all measures taken or avoided in favor of the controlling company, or a company affiliated to it in the 2024 operating year were evaluated based on the circumstances and conditions known to us. As a result of this evaluation, we declare that in all transactions in the 2024 operating year, an appropriate remuneration was received by our Company in accordance with the circumstances and conditions known to us, and that there was no measure taken or avoided that could harm the Company."

Information on Transactions

No transaction was taken within this scope.

ADDITIONAL DISCLOSURES REQUIRED BY THE LEGISLATION

FINANCIAL POSITION

Determination of the Adequacy of the Company’s Capital and Assessment of the Board of Directors

The Company has neither suffered capital impairment nor is insolvent within the scope of the calculation performed by taking into account the ratios specified in Article 376 of the Turkish Commercial Code.

Characteristics and Amount of Issued Capital Market Instruments

Information regarding the debt instruments issued by Vestel Beyaz Eşya to qualified investors in the domestic market is presented in the table below.

ISIN Code	Issue Date	Maturity Period (Days)	Maturity (Date)	Nominal Amount (TL)	Interest Rate Type	Interest Rate (%)	Coupon Payment	Principal Payment
TRFVEST22513	21.08.2024	175	12.02.2025	200,000,000	Fixed	52% Annual Simple Interest	Single Coupon at Redemption	At maturity
TRFVEST22521	18.09.2024	147	12.02.2025	800,000,000	Fixed	52.5% Annual Simple Interest	Single Coupon at Redemption	At maturity
TRFVEST42511	1.11.2024	175	25.04.2025	395.000.000	Fixed	51% Annual Simple Interest	Single Coupon at Redemption	At maturity
TRFVEST62519	27.12.2024	181	26.06.2025	800,000,000	Fixed	51% Annual Simple Interest	Single Coupon at Redemption	At maturity

\*TLREF: Turkish Lira Overnight Reference Interest Rate

Corporate Credit Rating	
JCR Eurasia Rating - Long-Term National Corporate Credit Rating/Outlook	AA+ (tr)/Stable
JCR Eurasia Rating - Long-Term Local and Foreign Currency Corporate Credit Rating/Outlook	BB/Negative

JCR-Eurasia Rating did not make any rating changes in its evaluation dated March 28, 2024. JCR-Eurasia Rating maintained Vestel Beyaz Eşya Sanayi ve Ticaret AŞ's Long-Term National Corporate Credit Rating at 'AA+ (tr)' and Short-Term National Corporate Credit Rating at 'J1+ (tr)', both in the high investment grade category. The outlook for these ratings has also been maintained as "Stable." On the other hand, the Long Term International Foreign Currency and Local Currency Issuer Credit Ratings and Outlooks were maintained as 'BB/Negative' in parallel to international ratings and outlooks of the Republic of Türkiye.

Dividend Distribution Policy

The Company distributes profit in accordance with the provisions of the Turkish Commercial Code, Capital Market Regulations, Tax Regulations and other pertinent legislation as well as the profit distribution provision of its Articles of Association. The amount of profit to be distributed and date of distribution are approved by the General Assembly, upon the proposal of the Board of Directors.

Vestel Beyaz Eşya has adopted dividend distribution policy of distributing at least 25% of its distributable profit in cash and/or as bonus shares. Board of Directors shall review this policy every year, by taking into account the domestic and global economic conditions, the Company’s growth and investment plans and financial position. Revisions made in the policy shall be submitted to the approval of shareholders at the first General Assembly meeting following such revisions and the revised policy will be published on the Company’s web site.

Distribution of profit shall commence on the date determined by the General Assembly, provided that it is no later than the end of the year in which the General Assembly meeting is held. Subject to the provisions of the legislation in force, the Company may consider distributing advance dividends or paying dividends in equal or varying installments.

The Board of Directors' dividend distribution proposal was accepted at the 2023 Annual General Meeting held on May 29, 2024, and dividend distribution was completed on July 25, 2024.

OTHER MATTERS

Information on Conflicts of Interest between the Company and the Institutions from which the Company Obtains Investment Consultancy, Rating and Similar Services, and the Measures Taken to Prevent such Conflicts of Interest  
None.

Information on Legislative Changes that may Significantly Affect the Company’s Activities  
There were no legislative changes in 2024 that could significantly affect the Company’s activities.

Information on Cross-Shareholdings where Direct Participation in Share Capital exceeds 5%  
None.

Required Information on Related Party Transactions and Balances  
The required information on the Company’s transactions with related parties is provided in the footnotes of the financial statements dated December 31, 2024.



# CORPORATE GOVERNANCE

## INTERNAL AUDIT ACTIVITIES, INTERNAL CONTROL AND CORPORATE RISK MANAGEMENT SYSTEM

### The Audit Department and Its Activities

As is the case for all Zorlu Group Companies, the internal audit of the Vestel Group of Companies is carried out by the centralized Internal Audit Department structured within Zorlu Holding since 2000. The Internal Audit Department carries out the board approved audit programs in line with the International Internal Audit Standards and legal requirements and shares the results of its audits through both the audit reports prepared after each audit and the annual reports detailing all the audit and control activities conducted throughout the year with the Board of Directors and the Heads of Business Units.

In addition to the Internal Audit Department, Financial Audit and Tax Audit Departments were established in 2011 to conduct financial audits across all Group Companies and began their auditing activities in 2012. In the last quarter of 2013, the Internal Audit, Financial Audit, and Tax Audit Departments were consolidated under the umbrella of Zorlu Holding Audit and Internal Control General Directorate. In accordance with the evolving needs of Zorlu Group, the Tax Audit Department was restructured as Tax Audit Directorate as of December 1, 2015, while the Internal Audit Department was restructured into two distinct directorates, namely the Internal Audit Process Oversight and Internal Audit Inspection Oversight as of January 1, 2016. Following the completion of organizational restructuring for internal control activities to be carried out separately within the General Directorate of Audit and Internal Control in 2017, the General Directorate of Internal Control began operating as an independent department as of January 1, 2018. As of July 1, 2021, an organizational change was implemented within the General Directorate of Audit. In this context, the tax consultancy function of the Tax Directorate, which performs tax consultancy and audit functions, was transferred to the Office of Chief Financial Officer. The activities of the Internal Audit Process and Internal Audit Review Directorates were consolidated under the umbrella of the Directorate of Internal Audit and Ethics with the addition of the ethics function to their activities as of December 1, 2021.

As of June 1, 2022, the General Directorate of Audit was restructured as the Audit Department, reporting directly to the Zorlu Holding Board of Directors in line with the increasing importance of the audit function due to the restructuring of Zorlu Group’s corporate governance systems.

The purpose, authorities and duties as well as the operating principles and structure for the internal audit activities have been defined by a series of board-approved documents circulated across Group companies, such as the "Audit Regulation" and the "Internal Audit Working Principles.”

### Internal Audit Activities

Process audit activities are carried out in line with a board-approved, risk-based annual audit program to evaluate the effective and efficient use of resources, adherence to written rules (laws, regulations, internal policies and directives), and the accuracy, security and reliability of information.

Prior to each audit, internal auditors meet with senior management for a risk assessment, during which the risks that could jeopardize the company’s targets are positioned on a risk matrix based on their potential impact and probability of occurrence. During audit field work, the effectiveness of internal controls for high-impact and high-probability risks are evaluated through tests. The results of the observations are shared with the company management in the form of a draft report, and then a final report, including the feedback of the management, is sent to the senior management. As a result, the department provides consultancy services with reasonable assurance while offering best practices drawing from synergy within the Group. One month after the issuance of the final report, actions taken are reported to the Board of Directors in line with the 4T approach (Treat, Terminate, Transfer, Tolerate).

Internal Audit Department organizes periodic meetings with the Audit Committee throughout the year. In these meetings, participants evaluate planned and actual audits, consultancy activities and special audits and other relevant matters for the year ahead, share findings, review action plans, follow-up results based on these findings, and review plans for the upcoming period.

The Zorlu Group supports and encourages the 12-members Internal Audit Team's professional development through training programs, memberships in relevant associations (such as the Institute of Internal Auditing Türkiye - TİDE), and obtaining international professional certifications to enhance and strengthen their existing knowledge, skills, and other qualifications. The team includes 3 CFEs (Certified Fraud Examiners), 1 CRMA (Certification in Risk Management Assurance), 1 CPA (Certified Public Accountant), 1 ISO 27001 LA (Information Security Lead Auditor), 1 CMB Advanced Level License, and 1 CMB Derivatives License.

### Financial Audit Activities

The Financial Audit Department began conducting audits in Zorlu Group companies starting from 2012. Currently, a team of 5 people is conducting the audit work.

These departments ensure that the Group companies' balance sheet and income statement accounts used for financial and tax reporting purposes are in conformity with the uniform chart of accounts, tax legislation and audit standards and provide reasonable assurance to the Board of Directors in these areas. Audit findings are reported to the company executives and senior management.

In addition, the Financial Audit Team reviews the CMB-compliant financial reports of the publicly traded companies of Zorlu Group and shares its comments with the related departments.

The Financial Audit Team includes 4 CPAs (Certified Public Accountants).

### Organization and Activities of the General Directorate of Internal Control and Corporate Risk Management

The General Directorate of Internal Control and Corporate Risk Management coordinates the development of risk management and internal control systems that support the achievement of objectives, taking into account new business models, increasingly complex risks, and technological requirements brought about by the changing business world, while contributing to Vestel Group Companies' development in terms of corporate governance and sustainability goals.

# CORPORATE GOVERNANCE

## Internal Control Department Organization and Activities

The Internal Control function in Vestel Group Companies is coordinated under the Zorlu Holding roof and executed in a centralized structure, as it is in other Zorlu Group Companies. The purpose, duties and authorities and the working principles of the Internal Control Department and the professional and ethical rules to which it adheres, are defined by the documents such as the "Internal Control Regulation" and the "Internal Control Manual," which were shared with the relevant managers. In addition, the fundamental internal control principles intended to be implemented throughout our Group have been established through the "Zorlu Holding Internal Control Framework" and are shared in their current form for employees to access.

"The internal control system is a system implemented by the Institution's Board of Directors, managers, and employees to provide reasonable assurance for achieving effectiveness and efficiency of operations, reliability of financial reporting systems, and compliance with legal requirements." The Internal Control Department provides guidance and coordination to process owners and managers who conduct operations in establishing and maintaining effective and efficient internal controls, with the goal of developing processes and internal control structures that will ensure effective risk management throughout the Zorlu Group.

The Internal Control Department supports managers and employees in identifying areas that need improvement in processes and internal control systems, determining necessary steps, utilizing information technologies as much as possible during implementation, executing decided actions, and regularly monitoring the status of these actions. In addition, the division offers ongoing mentor ship to managers and process proprietors concerning these issues, and lends its expertise in internal control, risk mitigation, and procedural advancement through its involvement in the task forces of key projects aimed at improving both procedural efficiency and information technology infrastructure. It is the collective responsibility of, and contribution from, all pertinent managers and staff within the Group companies to ensure the institution, oversight, appraisal, and enactment of requisite actions pertaining to the internal control framework.

The Internal Control Department prepares an annual risk-based internal control work plan to conduct its activities in a systematic, continuous, and disciplined manner. The formulation of the internal control work plan is significantly influenced by risk-oriented evaluations performed by the Internal Control Division, requests originating from the Risk Committee, the Board of Directors, and management, internal control observations ascertained during audit procedures by the Audit Division, and the establishment of corporate risk matrices. The Annual Internal Control work plan is submitted for approval and information to the CEO and the Risk Committee.

The Internal Control team of the Zorlu Group is composed of professionals who exhibit sophisticated proficiencies in domains including internal control, risk mitigation, procedural enhancement, system application controls, and project administration, coupled with a breadth of cross-industry expertise. Furthermore, the Zorlu Group actively promotes and facilitates the enhancement of the team's current expertise and skill set through educational programs, affiliations with pertinent professional organizations, and the pursuit of internationally recognized professional credentials (including but not limited to CIA, CPA, CISA, CFE, CICA, CRMA).

## Organization and Activities of the Corporate Risk Management Department

Within the Vestel Group Companies, the corporate risk management function is executed by the Corporate Risk Management Department, which operates under the Internal Control and Corporate Risk Management General Directorate—a division directly subordinate to the Zorlu Holding Chief Executive Officer as of January 2023. Zorlu Holding's Corporate Risk Management Department carries out its duties in collaboration with the **Sector Corporate Risk Management Coordinator** appointed at Vestel Group Companies and the relevant management.

In order to provide a sufficient level of supervision over **corporate risk management procedures**, the **Early Risk Detection Committee (ERDC)** meetings, comprising independent members of the Board of Directors, were systematically held in 2024 according to the predetermined schedule, focusing on the principal risks within the organization's risk management structure, nascent risks, risk tolerance and corporate ethos, risk evaluation results, stipulated risk reduction measures, and the current state of these initiatives. The resolutions adopted by the Committee as a result of its assessments, in conjunction with the risk-related data and reports, are duly submitted to the Board of Directors for their consideration. Action tracking, meeting agendas, and reporting for the Committee sessions is undertaken by the Internal Control and Corporate Risk Management General Directorate; the Sector President maintains a standing invitation, and company general managers and functional leads may be invited to participate based on the specific subjects under discussion. Furthermore, the Department of Corporate Risk Management holds a permanent seat on the Sustainability Coordination Board.

The Corporate Risk Management team of the Zorlu Group is composed of professionals who exhibit sophisticated proficiencies in domains including internal control, risk mitigation, procedural enhancement, system application controls, and project administration, coupled with a breadth of cross-industry expertise. Zorlu Group actively facilitates and promotes the enhancement of the team's current expertise and skill set by providing access to educational programs at both domestic and international professional forums, fostering representation within pertinent professional organizations, and supporting membership acquisition.

## Training and Awareness

To underscore the Group's dedication to Corporate Risk Management, the **"Corporate Risk Management Policy,"** which articulates the foundational principles of its risk management strategy and has been scrutinized and sanctioned by the Risk Committee, along with the **"Corporate Risk Management Regulation,"** specifying the aims, responsibilities, and competencies of the Corporate Risk Management Division, its modus operandi, and the duties of all personnel, especially managerial staff, in this respect, are available for reference on the organization's online portals. Annual revisions are conducted, and the updated versions are provided for the entire workforce. In addition, for the purpose of elevating corporate risk management consciousness, an **exhaustive training** curriculum, encompassing the organization's operational protocols and the accountability of all personnel concerning these matters, has been mandated for employees across all hierarchical tiers, and the completion ratios are tracked via the performance evaluation metrics of both managerial and staff members.



# CORPORATE GOVERNANCE

### Corporate Risk Management in Action

In its methodology for corporate risk management (CRM), the Vestel Companies Group is committed to discerning the prospective ramifications of circumstances that may jeopardize the sustained operation of the Group, foreseeing occurrences that might obstruct the attainment of its corporate goals, evaluating the risks inherent in such events, allocating resources for preemptive actions, and establishing and upholding a framework that guarantees the ongoing surveillance of risks. In this context, it is aimed to integrate corporate risk management into the strategies and corporate culture of Group companies, to take it into account at every stage, from strategic management decisions to the execution of daily operations, to approach risks from the perspective of threats and opportunities as part of the performance of all employees, and thus to contribute to sustainable growth. Throughout the Vestel Companies Group, performance metrics concerning the administration of critical risks and the execution of risk mitigation strategies are integrated into the financial, strategic, and operational/organizational objectives of the corporate leadership, commencing with the Sector President; these factors are likewise considered during performance appraisals.

Corporate Risk Management is a systematic set of processes that affects the management of Vestel Group of Companies and all employees, starting with the Board of Directors. It operates in integration with the strategic planning process, aims to identify, measure, and manage the risks that prevent the Company from achieving its short- and long-term strategic goals within the risk tolerances set by the management, and thereby add value to the Company and its stakeholders. Aware of the importance of identifying non-financial risks as well as financial risks and developing a proactive approach towards them, Vestel Group of Companies gives the management of non-financial assets, such as human, innovation, and environmental capital, an important place in its corporate governance approach. Integral to the framework of risk management, the Group's **propensity for risk** and its **threshold of acceptable risk** are duly regarded, thereby playing a determinative role in the assessment of risk magnitudes. The assessment of these elements extends beyond financial considerations to encompass a rigorous evaluation of their implications on reputation, innovation, sustainability, workplace safety and health, human rights, environmental stewardship, operational efficiency, staff and client contentment, and the Group's steadfast adherence to its Ethical Principles.

In the framework of the corporate risk management methodology, **each employee** across the Vestel Companies Group bears the principal accountability for the determination, assessment, and efficient administration of risks pertinent to their operational duties and procedural responsibilities. The objective is to ensure that process proprietors take into account the organization's risk appetite and acceptable levels of risk when administrating their respective processes and during all stages of decision-making.

In accordance with the specifications outlined in the "**Corporate Risk Management Handbook**" and the educational programs delivered to all managerial staff, **risk universes**, which are structured with a focus on the core value chain, undergo **prioritization via scoring** through **impact-probability criteria matrices**—developed in alignment with risk appetite and tolerance thresholds—during hierarchical workshops executed with risk proprietors, comprising middle and upper management personnel positioned at the first line of operations. The **risk management** strategies, or **risk mitigation actions**, formulated for the prioritized risks are subject to approval and subsequent monitoring by both the Risk Committee and the Board of Directors. The tracking of pertinent actions is executed quarterly; however, the list and magnitudes of prioritized risks are subject to reviews and, when necessary, revisions with requisite approvals, in consideration of contemporary developments and prospective hazards; a holistic assessment of the entire risk landscape is performed at a minimum of once per annum.

Corporate risk management practices are conducted in accordance with the tenets of international standards, namely those established by the IIA, COSO, and ISO 31000. The department ensures ongoing dialog with **process and risk-holding functions** operating at the front line by means of advisory services and collaborative coordination. The Corporate Risk Management division maintains a tight-knit cooperative relationship with the **Internal Control Department**, which similarly occupies the second line of defense, facilitating information exchange concerning the present and intended internal control frameworks for risks and the maturity assessments of the associated operational procedures. The Internal **Audit Group Presidency**, which occupies the **third** line of defense, considers the outcomes of the corporate risk evaluation as a constituent element in the development of the yearly internal audit blueprint. Furthermore, a communicative and collaborative relationship is sustained between the two divisions with respect to nascent risks and promptly evolving occurrences pertaining to risk-related matters.

The **Corporate Risk Management Model** used at the Vestel Group Companies is summarized below

Risk Management process is composed of six sub-processes:

1. Corporate Risk Management Model
2. Risk Assessment
3. Risk Management Strategies
4. Communication and Counseling
5. Monitoring and Review
6. Reporting



**Corporate Risk Management Model:** The corporate risk management model encompasses directives, particularly essential policies and regulations, the risk management framework containing scope and methodology in detail, and the organizational chart that renders the operational structure visible, all necessary for conducting corporate risk management activities in an effective and sustainable manner.

**Risk Assessment:** When identifying, analyzing, and determining the levels of risks, the sector and dynamics in which the company operates are considered, with internal and external expectations taken into account through systematic and collective reasoning.

**Risk Management Strategies:** Action plans must be established for risks that have been identified, named and defined, and whose impact, probability, and severity have been determined through scenario analysis. Risk action plans serve as the instrumental mechanism through which risk strategies are meticulously elaborated into tangible objectives, subject to ongoing surveillance and enhancement.

**Communication and consultation:** One of the prerequisites for the success of the corporate risk management framework and management system is the effective communication of corporate risk management concepts, outputs and results from studies, their benefits, documents and internal/external benchmark studies to relevant employees.

**Monitoring and Review:** The purpose of monitoring and review is to guarantee and enhance the quality and efficacy of the corporate risk management process, encompassing its design, implementation, and consequential results. The systematic monitoring and periodic evaluation of corporate risk management procedures and their results are an integral, pre-planned component of the risk management framework, within which responsibilities are distinctly delineated.

**Reporting:** The outcomes of the corporate risk management analyses are disseminated via reports structured at differing tiers, contingent upon their significance and the magnitude of the associated risks.

# CORPORATE GOVERNANCE

### Risk Types

Risks are analyzed under the following four groups depending on their content. Risk types can internally overlap (that is, a single risk may be defined by its content within more than one risk type). For example, a compliance risk can also be characterized as a strategic risk. In this sense, the type of risk will be recorded in the organizational risk map based on the predominant aspect in terms of the quality and quantity of the losses to be incurred.

- **Strategic Risks:** Structural risks that may prevent an organization from achieving its short, medium, or long-term goals can be classified under this heading. Risks such as planning, business model, market and competition, corporate communication, reputation, and corporate governance are typical examples of strategic risks.
- **Financial Risks:** Financial risks refer to the risks that arise as a result of the organization's financial position and choices. Financial risks primarily include credit, interest rate, and liquidity risks.
- **Operational Risks:** Operational risks refer to risks that may prevent an organization from fulfilling its core business activities. They include some risk items such as natural disasters, business interruptions, procurement, machine breakage/failure.
- **Compliance Risks:** This refers to legal sanctions, material financial losses, or reputation losses that the organization may face if it fails to comply with laws, regulations, Zorlu Group Ethical Principles, and good practice standards.

### Business Continuity Management

Mirroring the organizational framework of Corporate Risk Management, **Business Continuity Management Coordinators** are designated from within the managerial echelons of the Companies, and annual training programs and workshops are conducted under centralized coordination. In order to address potential disruptions to operational continuity, communication protocols for hierarchical notifications, alongside crisis communication strategies and administrative structures tailored to specific incidents, have been implemented. The Early Detection of Risk Committee was established under the Turkish Commercial Code, the Company's Articles of Association, and the Capital Markets Board's Corporate Governance Communiqué for early detection of risks that may jeopardize the existence, development, and continuity of the Company, implementation of the necessary measures about the risks identified, and management of the risks. The Committee continues its efforts to identify threats in advance that may have negative consequences on the continuity and development of the Company, to take action plans against these threats, and to manage risks effectively. The Early Detection of Risk Committee convened 6 times in 2024 to supervise corporate risk management processes adequately.

### Opinion of the Board of Directors regarding the Company's Internal Control System and Internal Audit Activities

None.

### 2023 Annual General Meeting

Information pertaining to the 2023 Ordinary General Assembly Meeting, inclusive of the statements of independence from the prospective independent members of the Board of Directors, is available for review within the General Assembly Information Document, accessible through the Company's official web portal at the following URL: <https://vestelinternational.com/tr/yatirimci-iliskileri-vesbe/kurumsal-yonetim/genel-kurul-toplantilari>

### CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE STATEMENT

Vestel Beyaz Eşya Sanayi ve Ticaret AŞ, characterized by its unwavering commitment to adherence to the Capital Markets Board's (CMB) "Principles of Corporate Governance," commenced its corporate governance initiatives in the year 2005. As part of this undertaking, an array of modifications were implemented to the Company's Articles of Association in the preliminary stage, designed to establish an equitable, accountable, responsible, and transparent framework for the shareholder body. With these amendments, minority shareholders were granted the rights outlined in the Corporate Governance Principles, while significant changes were made to the management structure to promote "better management." The Company established corporate governance mechanisms following the amendments to the Articles of Association to uphold corporate governance practices. The effectiveness of the Board of Directors was enhanced with the inclusion of independent members, and the committees reporting to the Board aimed to improve management efficiency.

Vestel Beyaz Eşya Sanayi ve Ticaret AŞ carries out its activities in compliance with the applicable legislation and the Capital Markets Board's "Corporate Governance Principles." The Company fully complies with all the compulsory principles in the Corporate Governance Principles appended to the CMB's Communiqué on Corporate Governance (II-17.1) and has also adopted the majority of the non-compulsory principles. No conflict of interest has been noted between the stakeholders in relation to the principles that have not yet been fully complied with.

Vestel Beyaz Eşya Sanayi ve Ticaret AŞ continues its efforts to further enhance compliance with Corporate Governance Principles and to achieve conformity with the majority of non-mandatory principles not yet implemented, being conscious of the positive contributions that the adoption of Corporate Governance Principles within the company provides to the Company.

For the accounting period ending December 31, 2024, explanations regarding compliance with corporate governance principles contained in the appendix to the Corporate Governance Communiqué and principles not yet achieved are included in the Corporate Governance Compliance Report ("URF"), the Corporate Governance Information Form ("KYBF"), and other relevant sections of the report.

In addition to making a material event disclosure when any changes occur in the URF or KYBF during the period, these changes are also included in interim reports.



CORPORATE GOVERNANCE

CORPORATE GOVERNANCE COMPLIANCE REPORT

	Compliance Status					Explanation
	Yes	Partial	No	Exempt	Not Applicable	
1.1. FACILITATING THE EXERCISE OF SHAREHOLDERS RIGHTS						
1.1.2 - Up-to-date information and disclosures which may affect the exercise of shareholder rights are available to investors at the corporate website.	X					
1.2. RIGHT TO OBTAIN AND REVIEW INFORMATION						
1.2.1- Management did not enter into any transaction that would complicate the conduct of special audit.	X					
1.3. GENERAL ASSEMBLY						
1.3.2 - The company ensures the clarity of the General Assembly agenda, and that an item on the agenda does not cover multiple topics.	X					
1.3.7 - Insiders with privileged information have informed the board of directors about transactions conducted on their behalf within the scope of the company's activities in order for these transactions to be presented at the General Shareholders' Meeting.					X	In 2024, there were no transactions in this scope.
1.3.8 - Members of the board of directors who are concerned with specific agenda items, auditors, and other related persons, as well as the officers who are responsible for the preparation of the financial statements were present at the General Shareholders' Meeting.	X					
1.3.10- The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions.		X				The General Assembly agenda includes a separate item to inform shareholders about donations and grants. During the General Assembly, general information is provided regarding the total amount of donations and grants made during the relevant accounting period, within the upper limit set at the previous year's General Assembly, and, when necessary, in response to shareholders' requests for detailed information, about the beneficiaries of these donations and grants. The application is planned to continue in this direction in the following General Assemblies as well.
1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak.	X					
1.4. VOTING RIGHTS						
1.4.1 - There is no restriction preventing shareholders from exercising their shareholder rights.	X					
1.4.2 - The company does not have shares that carry privileged voting rights.	X					
1.4.3 - The company withholds from exercising its voting rights at the General Shareholders' Meeting of any company with which it has cross-ownership, in case such cross-ownership provides management control.					X	The Company does not have any cross-shareholding relationship that brings with it a controlling relationship.
1.5. MINORITY RIGHTS						
1.5.1 - The company pays maximum diligence to the exercise of minority rights.	X					
1.5.2 - The Articles of Association extend the use of minority rights to those who own less than one twentieth of the outstanding shares, and expand the scope of the minority rights.			X			The scope of minority rights has not been expanded in the Articles of Association and the provisions of the relevant legislation are applied. No amendment to the Articles of Association is planned in this regard.

	Compliance Status					Explanation
	Yes	Partial	No	Exempt	Not Applicable	
1.6. DIVIDEND RIGHT						
1.6.1 - The dividend policy approved by the General Shareholders' Meeting is posted on the company website.	X					
1.6.2 - The dividend distribution policy comprises the minimum information to ensure that the shareholders can have an opinion on the procedure and principles of dividend distributions in the future.	X					
1.6.3 - The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item.					X	The Company distributed cash dividend in 2024.
1.6.4 - The board reviewed whether the dividend policy balances the benefits of the shareholders and those of the company.	X					
1.7. TRANSFER OF SHARES						
1.7.1 - There are no restrictions preventing shares from being transferred.	X					
2.1. CORPORATE WEBSITE						
2.1.1. - The company website includes all elements listed in Corporate Governance Principle 2.1.1.	X					
2.1.2 - The shareholding structure (names, privileges, number and ratio of shares of real person shareholders owning more than 5% of the issued share capital) is updated on the website at least every 6 months.	X					
2.1.4 - The company website is prepared in other selected foreign languages, in a way to present exactly the same information with the Turkish content.	X					
2.2. ANNUAL REPORT						
2.2.1 - The board of directors ensures that the annual report represents a true and complete view of the company's activities.	X					
2.2.2 - The annual report includes all elements listed in Corporate Governance Principle 2.2.2.	X					
3.1. CORPORATION'S POLICY ON STAKEHOLDERS						
3.1.1 - The rights of the stakeholders are protected pursuant to the relevant regulations, contracts and within the framework of bona fides principles.	X					
3.1.3 - Policies or procedures addressing stakeholders' rights are published on the company's website.	X					
3.1.4 - A whistleblowing program is in place for reporting legal and ethical issues.	X					
3.1.5 - The company addresses conflicts of interest among stakeholders in a balanced manner.	X					
3.2. SUPPORTING THE PARTICIPATION OF THE STAKEHOLDERS IN THE CORPORATION'S MANAGEMENT						
3.2.1 - The Articles of Association, or the internal regulations (terms of reference/manuals), regulate the participation of employees in management.	X					
3.2.2 - Surveys/other research techniques, consultation, interviews, observation method etc. were conducted to obtain opinions from stakeholders on decisions that significantly affect them.	X					

CORPORATE GOVERNANCE

	Compliance Status					Explanation
	Yes	Partial	No	Exempt	Not Applicable	
3.3. HUMAN RESOURCES POLICY						
3.3.1 - The company has adopted an employment policy ensuring equal opportunities, and a succession plan for all key managerial positions.	X					
3.3.2 - Recruitment criteria are documented.	X					
3.3.3 - The company has a policy on human resources development, and organizes trainings for employees.	X					
3.3.4 - Meetings have been organized to inform employees on the financial status of the company, remuneration, career planning, education and health.	X					
3.3.5 - Employees, or their representatives, were notified of decisions impacting them. The opinion of the related trade unions was also taken.	X					The Company signed a collective bargaining agreement with Türk Metal Union for the period from January 1, 2024, to December 31, 2025. One representative room has been created, and a Turkish Metal Union Vestel Branch has been established exclusively for Vestel companies.
3.3.6 - Job descriptions and performance criteria have been prepared for all employees, announced to them and taken into account to determine employee remuneration.	X					
3.3.7 - Measures (procedures, trainings, raising awareness, goals, monitoring, complaint mechanisms) have been taken to prevent discrimination, and to protect employees against any physical, mental, and emotional mistreatment.	X					Zorlu Holding Ethical Principles Zorlu Holding Human Rights Policy Necessary measures are taken with the Complaint Request Evaluation System practices.
3.3.8 - The company ensures freedom of association and supports the right for collective bargaining.	X					Our company respects the right of employees to join and not to join organizations. A first-term collective bargaining agreement has been signed between the Turkish Metal Union and the workplace for the period from January 1, 2024, to December 31, 2025. 99% of the employees covered by the union have become members. Our staff visits the branch and representative rooms on various matters, union representatives fulfill their legal union duties, and the personnel participate in the union's awareness and technical training sessions.
3.3.9 - A safe working environment for employees is maintained.	X					
3.4. RELATIONS WITH CUSTOMERS AND SUPPLIERS						
3.4.1- The Company measured customer satisfaction, and operated to ensure unconditional customer satisfaction.	X					
3.4.2 - Customers are notified of any delays in handling their requests.	X					
3.4.3 - The company complied with the quality standards with respect to its products and services.	X					
3.4.4 - The company has in place adequate controls to protect the confidentiality of sensitive information and business secrets of its customers and suppliers.	X					

	Compliance Status					Explanation
	Yes	Partial	No	Exempt	Not Applicable	
3.5. ETHICAL RULES AND SOCIAL RESPONSIBILITY						
3.5.1-The board of the corporation has adopted a code of ethics, disclosed on the corporate website.	X					
3.5.2 - The company has been mindful of its social responsibility and has adopted measures to prevent corruption and bribery.	X					
4.1. ROLE OF THE BOARD OF DIRECTORS						
4.1.1 - The board of directors has ensured strategy and risks do not threaten the long-term interests of the company, and that effective risk management is in place.	X					
4.1.2- The agenda and minutes of board meetings indicate that the board of directors discussed and approved strategic targets, ensured resources were adequately allocated, and monitored company and management performance.	X					
4.2. ACTIVITIES OF THE BOARD OF DIRECTORS						
4.2.1-The board of directors documented its meetings and reported its activities to the shareholders.	X					
4.2.2 - Duties and authorities of the members of the board of directors are disclosed in the annual report.	X					
4.2.3-The board has ensured the company has an internal control framework adequate for its activities, size and complexity.	X					
4.2.4 - Information on the functioning and effectiveness of the internal control system is provided in the annual report.	X					
4.2.5 - The roles of the Chairman and Chief Executive Officer are separated and defined.	X					
4.2.7 - The board of directors ensures that the Investor Relations department and the corporate governance committee work effectively. The board works closely with them when communicating and settling disputes with shareholders.	X					
4.2.8 - The company has subscribed to a Directors and Officers liability insurance covering more than 25% of the capital.		X				A Group Executive Liability Insurance has been taken out by Zorlu Holding AŞ, the indirect controlling shareholder of the Company, to cover any damages that may be caused by the Board of Directors members' faults during their duties, including those affecting Vestel Beyaz Eşya. However, the annual insurance limit does not exceed 25% of the Company's capital.



	Compliance Status					Explanation
	Yes	Partial	No	Exempt	Not Applicable	
4.3. STRUCTURE OF THE BOARD OF DIRECTORS						
4.3.9 - The board of directors has approved the policy on its own composition, setting a minimal target of 25% for female directors. The board annually evaluates its composition and nominates directors so as to be compliant with the policy.		X				Although there is no written policy or target regarding the selection of female members for the Board of Directors, diversity is given importance in the candidate selection process. The creation of a written policy is being considered for the future. In order to create an inclusive and diversity-driven corporate culture and take a step closer to ensuring equality in society, particularly in the business world, the “Eşit Bi’Hayat (An Equal Life) Manifesto” ( <a href="https://vestelinternational.com/Content/files/uploads/640/ZH_TCE_Manifesto.pdf">https://vestelinternational.com/Content/files/uploads/640/ZH_TCE_Manifesto.pdf</a> ) prepared by Zorlu Holding, the Company’s indirect controlling shareholder, is used as a guide in all business processes. Zorlu Holding is one of the founders of the 30% Club in Türkiye, which aims to increase the percentage of women to 30% in corporate decision-making bodies, boards of directors, and senior management. It is also a corporate supporter of the Women on Boards Association.
4.3.10 - At least one member of the audit committee has 5 years of experience in audit/accounting and finance.	X					
4.4. BOARD MEETING PROCEDURES						
4.4.1 - Each board member attend the majority of the board meetings in person or via an electronic board meeting system.	X					
4.4.2 - The board has formally approved a minimum time by which information and documents relevant to the agenda items should be supplied to all board members.	X					
4.4.3 - The opinions of board members that could not attend the meeting, but did submit their opinion in written format, were presented to other members.					X	Although it is possible to submit opinions, no member was unable to attend the Board of Directors meetings in the relevant period and submitted his/her opinions in writing to the Board of Directors.
4.4.4 - Each member of the board has one vote.	X					
4.4.5 - The board has a charter/written internal rules defining the meeting procedures of the board.	X					
4.4.6 - Board minutes document that all items on the agenda are discussed, and board resolutions include director’s dissenting opinions if any.	X					

	Compliance Status					Explanation
	Yes	Partial	No	Exempt	Not Applicable	
4.4.7-There are limits to external commitments of board members. Shareholders are informed of board members’ external commitments at the General Assembly Meeting.		X				Due to the significant contributions made by the Board of Directors members through their work experience and industry expertise, there are no restrictions on them taking on other roles outside the Company, and there are no plans to impose any limitations in this regard. The roles taken by the Board of Directors members outside the Company are presented to the shareholders at the General Assembly by being included in the annual report and the general assembly information document.
4.5. BOARD COMMITTEES						
4.5.5 - Board members serve in only one of the Board’s committees.		X				Three independent Board members serve on more than one committee. No change is planned in the current situation due to the number of independent Board members.
4.5.6 - Committees have invited persons to the meetings as deemed necessary to obtain their views.	X					
4.5.7 - If external consultancy services are used, the independence of the provider is stated in the annual report.	X					An independent consultancy company, which is not affiliated with the Company, has provided services for the nomination of independent candidates for the Board of Directors.
4.5.8 - Minutes of all committee meetings are kept and reported to board members.	X					
4.6. FINANCIAL RIGHTS PROVIDED TO BOARD MEMBERS AND EXECUTIVES						
4.6.1-The board of directors has conducted a board performance evaluation to review whether it has discharged all its responsibilities effectively.	X					
4.6.4-The company did not extend any loans to its board directors or executives, nor extended their lending period or enhanced the amount of those loans, or improve conditions thereon, and did not extend loans under a personal credit title by third parties or provided guarantees such as surety in favor of them.	X					
4.6.5-The individual remuneration of board members and executives is disclosed in the annual report.			X			Remuneration of Board members and senior executives is disclosed collectively in the annual report in line with general practice. Considering the legislation on the protection of personal data, the practice of disclosing fees on an individual basis will continue to be monitored.

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE INFORMATION FORM

1. SHAREHOLDERS	
1.1. Facilitating the Exercise of Shareholders Rights	
The number of investor meetings (conference, seminar/etc.) organized by the company during the year	During the year, a total of 40 meetings were held with investors and analysts by phone, video conference or face-to-face, and one investor conference organized by brokerage houses was attended.
1.2. Right to Obtain and Examine Information	
The number of special audit request(s)	There was no request for the appointment of a special auditor during the reporting period.
The number of special audit requests that were accepted at the General Shareholders' Meeting	None.
1.3. General Assembly	
Link to the PDP announcement that demonstrates the information requested by Principle 1.3.1. (a-d)	https://www.kap.org.tr/tr/Bildirim/1281318
Whether the general assembly meeting documents were presented in Turkish and English languages simultaneously	Yes, they were presented.
The links to the PDP announcements associated with the transactions that are not approved by the majority of independent directors or by unanimous votes of present board members in the context of Principle 1.3.9	There was no such transaction in 2024.
The links to the PDP announcements associated with related party transactions in the context of Article 9 of the Communique on Corporate Governance (II-17.1)	There was no transaction carried out within the scope of Article 9 in 2024.
The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communique on Corporate Governance (II-17.1)	https://www.kap.org.tr/tr/Bildirim/1291711
The name of the section on the corporate website that demonstrates the donation policy of the company	Corporate Governance / Policies / Donation and Charity Policy
The relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been approved	https://www.kap.org.tr/tr/Bildirim/1292314
The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	None.
Information regarding the stakeholders who attend general assemblies	Although there is no restriction regarding the participation of stakeholders in the AGM, there was no participation thereby other than the shareholders.
1.4. Voting Rights	
Whether there are any privileged voting rights	No
In case there are voting privileges, indicate the privileged shareholders and their voting percentages.	None.
Shareholding rate of the majority shareholder	77.33%
1.5. Minority Rights	
Whether the scope of minority rights is expanded (in terms of content or percentage) in the Articles of the Association	No
If yes, specify the relevant provision of the articles of association.	There is no such policy.
1.6. Dividend Right	
The name of the section on the corporate website that describes the dividend distribution policy	Stock and Bond Information / Dividend Distribution Policy
Minutes of the relevant agenda item in case the board of directors proposed to the general assembly not to distribute dividends, the reason for such proposal and information as to use of the dividend.	-
PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends	-

General Assembly Date	The number of information requests received by the company regarding the clarification of the agenda of the General Shareholders' Meeting	Shareholder participation rate to the General Shareholders' Meeting	Percentage of shares directly present	Percentage of shares represented by proxy	Specify the name of the page of the corporate website that contains the General Shareholders' Meeting minutes, and also indicates for each resolution the voting levels for or against	Specify the name of the page of the corporate website that contains all questions asked in the general assembly meeting and all responses to them	The number of the relevant item or paragraph of General Shareholders' Meeting minutes in relation to related party transactions	The number of declarations by insiders received by the board of directors	The PDP link of the general assembly notification
29.05.2024	None.	81.6069%	0.0009%	81.6060%	Corporate Governance / General Assembly Meetings	Corporate Governance / General Assembly Meetings	None.	None.	<a href="https://www.kap.org.tr/tr/Bildirim/1292314">https://www.kap.org.tr/tr/Bildirim/1292314</a>

2. PUBLIC DISCLOSURE AND TRANSPARENCY	
2.1. Corporate Website	
The headings of the sections on the corporate website that include information required by the corporate governance principle numbered 2.1.1	The information requested in the corporate governance principle numbered 2.1.1. is available on the Company's Investor Relations website under the sections "About Us, News, Corporate Governance, Financials, Stock Information and Frequently Asked Questions."
The heading of the section on the corporate website that includes the list of real person shareholders who own more than 5% of the Company's shares, directly or indirectly	Corporate Governance / Ownership Structure
Languages in which the corporate website is presented	Turkish & English
2.2. Annual Report	
The page numbers and/or name of the sections in the Annual Report that demonstrate the information requested by principle 2.2.2.	
a) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the duties of the members of the board of directors and executives conducted out of the company and declarations on independence of board members	It is presented in the Board of Directors and Senior Management sections of the annual report. Statements of independence were presented in the Corporate Governance section of the Annual Report.
b) Page number or heading of the section in the annual report that provides information on the committees established under the Board of Directors	It is presented in the Corporate Governance section of the annual report.
c) Page number or heading of the section in the annual report that includes the number of board meetings held throughout the year, and the members' attendance status	It is presented in the Additional Disclosures Required by Legislation section of the annual report.
d) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on amendments in the legislation which may significantly affect the activities of the corporation	Presented in the Additional Disclosures Required by Legislation section of the annual report.
e) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on significant lawsuits filed against the corporation and the possible results thereof	It is presented in the Additional Disclosures Required by Legislation section of the annual report.
f) Page number or heading of the section in the annual report that provides information on the conflicts of interest between the Company and entities providing investment advisory and rating services to the Company, and the precautions taken to prevent these	It is presented in the Additional Disclosures Required by Legislation section of the annual report.
g) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the cross ownership subsidiaries that the direct contribution to the capital exceeds 5%	Presented in Additional Disclosures Required by Legislation section of the annual report.
h) Page number or heading of the section that provides information on employees' benefits and professional training, as well as other corporate social responsibility activities related to the Company's operations that have social and environmental impacts	It is presented in the Employees and Corporate Citizenship sections of the annual report.



CORPORATE GOVERNANCE

3. STAKEHOLDERS	
3.1. Corporation’s Policy on Stakeholders	
The heading of the section on the corporate website that includes the policy on compensation	Corporate Governance / Policies / Employee Compensation Policy
The number of final court verdicts against the Company that result from violation of employee rights	43
The title of the individual in charge of the whistleblowing programme	Zorlu Holding Deputy General Manager for Internal Audit & Ethics on behalf of Zorlu Holding AŞ’s Ethics Committee (Senem Dal - senem.dal@zorlu.com)
Contact information of the Company's mechanism to report	Code of Ethics Hotlines: etik@vestel.com.tr; etik@zorlu.com 0 212 456 23 23 / 0 850 226 23 23
3.2. Supporting the Participation of the Stakeholders in the Corporation's Management	
The heading of the section on the corporate website that includes internal regulations on employees' participation in the managerial bodies of the Company	The Complaint/Suggestion/Request Evaluation System, which has been created to assess complaints, wishes, and requests from employees, and to enhance employee motivation, satisfaction, and productivity, is available on a corporate portal kiosk mobile application that is exclusively accessible to company employees.
Corporate bodies where employees are represented	Occupational Health and Safety Committee, Happy Employee Committee, Meal Satisfaction and Menu Selection Committee, Disciplinary Board and Annual Leave Committee. A collective bargaining agreement has been signed, effective from January 1, 2024, which has increased the representation of employees.
3.3. Human Resources Policy	
The role of the board on developing and ensuring that the company has a succession plan for the key management positions	The succession plan for the Company's key management positions (Deputy General Manager and above) is implemented within the scope of Zorlu Group Senior Management Talent Management practices, under the coordination of Zorlu Holding Chief Human Resources Officer, taking the recommendations of the Corporate Governance Committee and following the opinion and approval of the Board of Directors.
The name of the section on the corporate website that demonstrates the human resource policy covering equal opportunities and hiring principles. Also provide a summary of relevant parts of the human resource policy.	The Vestel Group of Companies' Recruitment and Placement Regulation, which includes the criteria for equal opportunities and recruitment of personnel, is available on the Company’s corporate portal. The Regulation sets out the general rules regarding the employment of individuals, who are compatible with the vision, mission, work requirements and values of the Vestel Group of Companies, by offering them an equal opportunity and by evaluating them fairly and objectively to meet the human resource needs of the Group companies. The Human Resources Policy is available in the Corporate Governance / Policies section on the corporate website.
Whether the company provides an employee stock ownership programme	There is no employee stock ownership programme.
The name of the section on the corporate website that demonstrates the human resource policy covering discrimination and mistreatments and the measures to prevent them. Also provide a summary of relevant parts of the human resource policy.	The Human Resources Policy is available in the Corporate Governance / Policies / Human Resources Policy section. It is specifically mentioned in all regulations: “No discrimination is permitted in applications on the basis of gender, age, religion, race, sect, social status, physical appearance, ethnic origin, nationality, sexual orientation or any other personal characteristics.”
The number of definitive convictions the company is subject to in relation to health and safety measures	5
3.5. Ethical Rules and Social Responsibility	
The heading of the section on the corporate website that includes the policy on ethical principles	Corporate Governance / Code of Ethics
The name of the section on the company website that demonstrates the corporate social responsibility report. If there is no report on corporate social responsibility, precautions taken with respect to the environmental, social and corporate governance issues	It is presented in the Sustainability section of the corporate website under the “Environmental Sustainability,” “Social Sustainability” and “Corporate Sustainability” headings.
Any measures combating any kind of corruption including embezzlement and bribery	These measures are included in the Zorlu Holding Ethical Principles, which is available under the heading of the Code of Ethics in the Corporate Governance section on the Company’s corporate website.

4. BOARD OF DIRECTORS-I	
4.2. Principles of Activity of the Board of Directors	
Date of the last board evaluation conducted	May 2024
Whether the board evaluation was externally facilitated	No
Whether all board members released from their duties at the GSM	Yes
Name(s) of the board member(s) with specific delegated duties and authorities, and descriptions of such duties	Chairman of the Board: Ahmet Nazif Zorlu, Deputy Chairman of the Board of Directors: Ayşegül İldeniz With the Board of Directors decision dated May 30, 2024, and numbered 2024/25, Ahmet Nazif Zorlu and Olgun Zorlu, jointly, or either Ahmet Nazif Zorlu or Olgun Zorlu, together with either Bekir Cem Köksal or Alp Dayı, have been authorized to represent and bind the Company in all matters without any financial limitation, for a period of one year.
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	1
Specify the name of the section or page number of the annual report that provides the summary of the review of the effectiveness of internal controls	It is presented in the Corporate Governance section of the annual report.
Name of the Chair	Ahmet Nazif Zorlu
Name of the CEO	Ergün Güler
If the CEO and Chair functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles	They are different individuals.
Link to the PDP notification stating that any damage that may be caused by the members of the board of directors during the discharge of their duties is insured for an amount exceeding 25% of the company’s capital	<a href="https://www.kap.org.tr/tr/Bildirim/1310407">https://www.kap.org.tr/tr/Bildirim/1310407</a>  There is an executive liability insurance for the damages that may be caused by the members of the board of directors due to their negligence during the execution of their duties and it does not exceed 25% of the share capital.
The name of the section on the corporate website that demonstrates current diversity policy targeting women directors	None.
The number and ratio of female directors within the Board of Directors	Number: 1 Ratio: 14%

COMPOSITION OF BOARD OF DIRECTORS							
Name, Surname of Board Member	Whether Executive Director or Not	Whether Independent Director or Not	The First Election Date to Board	Link to PDP Notification that includes the Independency Declaration	Whether the Independent Director considered by the Nomination Committee	Whether She/He is the Director who ceased to satisfy the Independence or Not	Whether the Director has at least 5 years of experience on Audit, Accounting and/or Finance or Not
Ahmet Nazif Zorlu	Non-executive	Not independent director	13.11.1997	-	-	-	-
Ayşegül İldeniz	Non-executive	Independent director	09.05.2018	<a href="https://www.kap.org.tr/tr/Bildirim/1282590">https://www.kap.org.tr/tr/Bildirim/1282590</a>	Considered	No	-
Olgun Zorlu	Non-executive	Not independent director	13.11.1997	-	-	-	-
Bekir Cem Köksal	Executive	Not Independent Director	18.03.2005	-	-	-	Yes
Mümin Cengiz Ultav	Non-executive	Not Independent Director	29.05.2024	-	-	-	-
Adnan Yıldırım	Non-executive	Independent director	29.05.2024	<a href="https://www.kap.org.tr/tr/Bildirim/1282590">https://www.kap.org.tr/tr/Bildirim/1282590</a>	Considered	No	Yes
Emin Ataç	Non-executive	Independent director	29.05.2024	<a href="https://www.kap.org.tr/tr/Bildirim/1282590">https://www.kap.org.tr/tr/Bildirim/1282590</a>	Considered	No	-

CORPORATE GOVERNANCE

4. BOARD OF DIRECTORS-II	
4.4. Meeting Procedures of the Board of Directors	
Number of physical board meetings in the reporting period (meetings in person)	The Board meetings were held in person in 2024 while online participation has been provided for members with excuses. A total of 12 meetings were held in 2024.
Director average attendance rate at board meetings	90%
Whether the board uses an electronic portal to support its work or not	No
Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	1 week before the meeting
The name of the section on the corporate website that demonstrates information about the board charter	It is specified in the Article 10 of the Articles of Association which is available in the Corporate Governance section of the website.
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	None.
4.5. Board Committees	
Page numbers or section names of the annual report where information about the board committees are presented	It is presented in the Corporate Governance section of the annual report.
Link(s) to the PDP announcement(s) with the board committee charters	<a href="https://www.kap.org.tr/tr/Bildirim/220055">https://www.kap.org.tr/tr/Bildirim/220055</a> <a href="https://www.kap.org.tr/tr/Bildirim/267359">https://www.kap.org.tr/tr/Bildirim/267359</a> <a href="https://www.kap.org.tr/tr/Bildirim/348292">https://www.kap.org.tr/tr/Bildirim/348292</a> <a href="https://www.kap.org.tr/tr/Bildirim/348296">https://www.kap.org.tr/tr/Bildirim/348296</a> <a href="https://www.kap.org.tr/tr/Bildirim/348298">https://www.kap.org.tr/tr/Bildirim/348298</a>

COMPOSITION OF BOARD COMMITTEES-I				
Names of the Board Committees	Name of Committees Defined as “Other” in the First Column	Name-Surname of Committee Members	Whether Committee Chair or Not	Whether Board Member or Not
Audit Committee	-	Adnan Yıldırım	Yes	Independent Board member
Audit Committee	-	Emin Ataç	No	Independent Board member
Corporate Governance Committee	-	Ayşegül İldeniz	Yes	Independent Board member
Corporate Governance Committee	-	Adnan Yıldırım	No	Independent Board member
Corporate Governance Committee	-	Bensu Güde Öncü	No	Not board member
Risk Committee	-	Adnan Yıldırım	Yes	Independent Board member
Risk Committee	-	Emin Ataç	No	Independent Board member
Other	Strategy, Investment and R&D Committee	Ayşegül İldeniz	Yes	Independent Board member
Other	Strategy, Investment and R&D Committee	Emin Ataç	No	Independent Board member
Other	Strategy, Investment and R&D Committee	Bekir Cem Köksal	No	Board Member
Other	Sustainability Committee	Emin Ataç	Yes	Independent Board member
Other	Sustainability Committee	Ergün Güler	No	Not board member

4. BOARD OF DIRECTORS-III	
4.5. Committees Established under the Board of Directors-II	
Specify where the activities of the audit committee are presented in your annual report or website (Page number or section name in the annual report/ website)	It is presented in the Corporate Governance section of the annual report.
Specify where the activities of the corporate governance committee are presented in your annual report or website (Page number or section name in the annual report/website)	It is presented in the Corporate Governance section of the annual report.
Specify where the activities of the nomination committee are presented in your annual report or website (Page number or section name in the annual report/website)	It is presented in the Corporate Governance section of the annual report.
Specify where the activities of the early detection of risk committee are presented in your annual report or website (Page number or section name in the annual report/website)	It is presented in the Corporate Governance section of the annual report.
Specify where the activities of the remuneration committee are presented in your annual report or website (Page number or section name in the annual report/website)	It is presented in the Corporate Governance section of the annual report.
4.6. Financial Rights Provided to Board Members and Executives	
Specify where the operational and financial targets and their achievement are presented in your annual report (Page number or section name in the annual report)	It is presented in the CEO Message and 2024 Assessment Sections of the annual report.
Specify the section of website where remuneration policy for executive and non-executive directors are presented.	Corporate Governance / Policies / Remuneration Policy
Specify where the individual remuneration for board members and senior executives are presented in your annual report (Page number or section name in the annual report)	It is presented in the Additional Disclosures Required by Legislation section of the annual report.

COMPOSITION OF BOARD COMMITTEES-II					
Names of the Board Committees	Name of Committees Defined as “Other” in the First Column	Percentage of Non-executive Directors	Percentage of Independent Directors in the Committee	Number of Meetings Held in Person	Number of Reports on Its Activities Submitted to the Board
Audit Committee		100%	100%	5	5
Corporate Governance Committee		67%	67%	5	2
Risk Committee		100%	100%	6	6
Other	Strategy, Investment and R&D Committee	67%	67%	4	2
Other	Sustainability Committee	50%	50%	4	3



# CORPORATE GOVERNANCE

## STRUCTURE OF THE BOARD OF DIRECTORS

Vestel Beyaz Eşya managed, represented and authorized by a Board of Directors composed of a minimum of five and maximum of eleven members to be elected by the General Assembly. Majority of the members of the Board of Directors consists of non-executive members.

The number and qualifications of independent members to serve on the Board of Directors are determined in accordance with the Capital Markets Legislation and the regulations of the Capital Markets Board regarding corporate governance. Chairman or vice-chairman of the Board is elected from amongst the independent members.

Board members are elected from amongst individuals, who have the knowledge and experience about the sector and the field of operation of the Company, preferably with higher education, with skills to read and analyze financial statements and reports and the basic information about the legal regulations applicable to the Company's daily and long-term transactions and dispositions, and who have the opportunity and determination to attend all of the scheduled meetings of the Board of Directors for the relevant budget year.

Board members are elected for a period of minimum of one and maximum of three years. Board members whose term of office expires may be re-elected. General Assembly may replace board members at any time.

Board meetings are held at the Company's head office, when deemed necessary and at least once a month. Chairman and in his/her absence, the vice-chairman, invites the Board of Directors to convene a meeting. Apart from this, any member may request the Board Chairman to invite the Board to convene. The Board convenes and resolves with the absolute majority of the total number of members. Regulations imposed by the Corporate Governance Principles of the Capital Markets Board also apply.

Vestel Beyaz Eşya's Board of Directors consists of a total of 7 members, three of whom are independent. 6 Board members are non-executive. Independent members fulfill the independence criteria envisaged in the CMB's Communiqué on Corporate Governance No. II-17.1. Independent board member candidates were determined by the resolution of the Board of Directors based on the evaluation and proposal of the Corporate Governance Committee. The candidates for independent board membership submitted their written statements of independence within the framework of the legislation, Articles of Association and the independence criteria set forth in the Communiqué on Corporate Governance to the Corporate Governance Committee at the time of their nomination. The Committee submitted its evaluation reports on whether these candidates fulfill the independence criteria to the Board of Directors and the Board decided that these candidates would be submitted to the approval of shareholders at the General Assembly to be elected as independent members to the Board.

One female member serves on the Board of Directors, who is an independent director and the ratio of female members on the Board is 14%.

The board members were elected to serve for one year at the Annual General Meeting held on May 29, 2024. The average term of office for the current board members is 11.8 years.

No board member, including the chairperson, has a preferential voting right. Each member possesses an equal vote.

Chairperson and CEO are separate individuals.

## DUTIES AND AUTHORITIES OF THE BOARD OF DIRECTORS

The Board of Directors manages and represents the Company. In addition to this main task, the Board of Directors is also responsible to the Company's stakeholders (customers, employees, suppliers and other stakeholders). The following are the non-transferable and inalienable duties and powers of the Board of Directors:

- Managing the company at a high level and including the issue of instructions,
- Determining the management organization of the company,
- Establishing the necessary order for accounting, financial auditing, and financial planning as required by the company's management,
- Appointment and dismissal of managers and persons serving the same purpose and who hold the authority to sign,
- Higher supervision of whether the persons responsible for management act in accordance with the laws, articles of association, internal guidelines and written instructions of the Board of Directors,
- Keeping the books of shares, the Board of Directors' resolutions and minutes of the general shareholders' meetings, preparation of the annual report and corporate governance report and submission to the General Assembly, organization of the General Shareholders' Meetings and execution of the General Assembly decisions,
- Taking the measures stipulated in the Article 376 of the Turkish Commercial Code in case of loss of capital or insolvency.

In this context, the responsibilities of the Board of Directors are as follows:

- To act cautiously in line with duty of care and supervision,
- To determine the company's short- and long-term goals,
- To examine the strategies which will be implemented to achieve the company's goals, to contribute to their development and to ensure their implementation,
- To examine the strategic and financial performance of the company and to take measures for improvement,
- To select the general manager, evaluate him/her in accordance with certain performance criteria and to determine his/her remuneration,
- To ensure the administrative and financial audit of the company,
- To ensure that the Board of Directors has the structure and function required to ensure the effective and efficient operation of the sub-committees of the Board of Directors and senior management, and to determine their performance criteria,
- To determine the company's approach to communication and relationships with stakeholders and external authorities,
- To determine and implement business ethics rules for the company and its employees,
- To ensure that the company's internal and external activities and actions comply with the relevant legislation.

The Board of Directors is authorized to take decisions on all kinds of work and transactions as required to perform the Company's business activities, except those to be taken by the General Assembly in accordance with the law and the Articles of Association.

# CORPORATE GOVERNANCE

## BOARD COMMITTEES

- In order to assist the Board of Directors to perform its duties and responsibilities more effectively, a Corporate Governance Committee, an Early Detection of Risk Committee and an Audit Committee have been set up under the Board in line with the Capital Markets Board's Corporate Governance Principles. Owing to the nature of the Board structure, the Company has not set up a separate “Remuneration Committee” or a “Nomination Committee,” the duties of which are performed by the Corporate Governance Committee.
- As per the Corporate Governance Principle No. 4.5.3, all members of the Audit Committee and the chairpersons of other committees are elected from among the independent members of the Board.
- The independent board members, Ms. Aysegül İldeniz, Mr. Adnan Yıldırım and Mr. Emin Atağ serve on more than one committee due to the number of the Board members and the committee formation requirements in accordance with the CMB's Corporate Governance Principles.
- Committees convene at intervals stipulated by the legislation and the related Committee's working principles or upon a request from a member. The committees submit their reports containing information about their work and meeting results to the Board of Directors.
- Any and all resources and support required for the committees to fulfill their duties effectively are provided by the Board of Directors. The committees can invite anyone they deem necessary to their meetings and seek their opinions.
- Duties, working principles and the members of the Committees are determined by the Board of Directors and are disclosed to the public on the Public Disclosure Platform and the Company website.

### Audit Committee

- The Audit Committee was set up for the effective oversight of the Company's financial and operational activities pursuant to the Article 3 of the CMB's Communiqué Serial X, No. 19. The Committee is responsible for the supervision of the Company's accounting system, public disclosure of financial information, independent audit and the functioning and efficiency of the Company's internal control and internal audit system.
- Pursuant to the CMB's Communiqué on Corporate Governance No. II-17.1, the “Working Principles of the Audit Committee” were revised and approved at the Board of Directors' meeting dated March 27, 2014. The revised working principles were made available to the shareholders through the Public Disclosure Platform and the Company website.
- The Audit Committee is structured in accordance with the Capital Markets Board's Corporate Governance Principles and comprises two members. The Committee consists of two members.
- The Chairman of the Committee was elected from among the independent members of the Board and certain criteria were taken into account in the election process. Care is taken to ensure that the Chairperson of the Committee previously held a similar role, has the knowledge to analyze financial statements, is well-versed in accounting standards, and is highly qualified.
- Both members of the Audit Committee were elected from among the independent Directors. The Chairman of the Committee is Mr. Adnan Yıldırım, and the other member is Mr. Emin Atağ.

The structure of the Committee and membership information are as follows as per the decision taken in the Company's Board meeting on June 10, 2024:

Committee Members	Duty	Status
Adnan Yıldırım	Chairman of the Committee	Independent Board Member
Emin Atağ	Member of the Committee	Independent Board Member

- In principle, the Audit Committee shall convene at least four times a year, being once in each quarter. The Committee convened five times in 2024.
- The Committee carries out its activities in line with the working principles set out in detail and in writing.
- In 2024, the Audit Committee performed the following functions:
  - Monitoring the Company's financial and operational activities,
  - Supervision and approval of the compliance of the annual and interim financial statements to be disclosed to the public with the accounting principles followed by the Company as well as their accuracy and veracity,
  - Selection of the independent audit firm, preparation of the independent audit contract and initiation of the independent audit process,
  - Monitoring the effectiveness and performance of the independent audit activity,
  - Overseeing the functioning and effectiveness of the internal control and internal audit system,
  - Reviewing the reports relating to the internal control and internal audit studies conducted during the reporting period.

### Corporate Governance Committee

- The Corporate Governance Committee was established to monitor the Company's compliance with the CMB's Corporate Governance Principles, carry out studies for improvement and make proposals to the Board of Directors in order to improve the implementation of corporate governance practices.
- Pursuant to the CMB's Communiqué on Corporate Governance No. II-17.1, the “Working Principles of the Corporate Governance Committee” were revised and approved at the Board of Directors' meeting dated 27 March 2014. The revised version of the working principles was disclosed to shareholders via the Public Disclosure Platform and the Company website.
- The Corporate Governance Committee is composed of at least three members, including two non-executive Board Members and the Investor Relations Director. The Chairperson of the Committee is Ms. Aysegül İldeniz, who has been selected from among the independent members.
- Corporate Governance Committee also fulfills the duties of the Nomination Committee and the Remuneration Committee.

In accordance with the decisions taken at the meetings of the Board of Directors of our Company held on June 10, 2024 and January 17, 2025, the Committee's distribution of duties is as follows:

Committee Members	Duty	Status
Aysegül İldeniz	Chairperson of the Committee	Independent Board Member
Adnan Yıldırım	Member of the Committee	Independent Board Member
Bensu Güde Öncü	Member of the Committee	Investor Relations Officer

- In principle, the Committee convenes at least twice a year in order to ensure the effective performance of its duties. Corporate Governance Committee convened five times in 2024.
- In 2024, an independent consultancy company, which is not affiliated with our company, provided services for the nomination of independent board candidates.
- The activities carried out by the Committee in 2024, in line with the working principles put into writing in detail, are presented below:
  - Making proposals to the Board of Directors to improve corporate governance practices within the scope of compliance with the Capital Markets Board's Communiqué on Corporate Governance no. II-17.1 and engaging in and overseeing activities required for compliance with the legislation within the Company,
  - Preparing the evaluation reports on the independence of the independent Board member candidates for submission to the Board of Directors,
  - Overseeing the activities of the Investor Relations Department,
  - Within the scope of the Remuneration Committee duties, submission to the Board of its proposal for the compensation to be paid to the members of the Board of Directors and executives with administrative responsibility for the year 2024, considering the degree of attainment of the criteria used in remuneration.

### The Early Detection of Risk Committee

- The Early Detection of Risk Committee was established pursuant to the Board of Directors' Resolution dated 15 March 2013, in order to identify risks which could threaten the existence, development and continuity of the Company, take necessary measures against these risks and undertake risk management activities in line with the Turkish Commercial Code, Articles of Association and CMB's Communiqué on Corporate Governance. The Committee continues its activities with regard to the early detection of threats which may have negative consequences on the development and continuity of the Company and manage the risks effectively by developing action plans against such threats.
- Pursuant to the CMB's Communiqué on Corporate Governance No. II-17.1, the “Working Principles of the Early Detection of Risk Committee” were revised and approved at the Board of Directors' meeting dated 27 March 2014. The revised working principles were made available to the shareholders through the Public Disclosure Platform and the Company website.
- The Early Detection of Risk Committee is composed of at least two Board members. In case the Committee has only two members, both of them, and in case it has more than two members, the majority of them, must be non-executive Board members. The Chairperson of the Committee is Mr. Adnan Yıldırım, who has been selected from among the independent members. The other member of the Risk Early Detection Committee is Mr. Emin Atağ, an independent Board of Directors member.



CORPORATE GOVERNANCE

- Early Detection of Risk Committee submits a report to the Board of Directors every two months.

The structure of the Committee and membership information are as follows as per the decision taken in the Company’s Board meeting on June 10, 2024:

Committee Members	Duty	Status
Adnan Yıldırım	Chairperson of the Committee	Independent Board Member
Emin Ataç	Member of the Committee	Independent Board Member

- The Early Detection of Risk Committee convenes at least 3 times a year, but as often as necessary for the effectiveness of its activities and as explained in its working principles. The Committee held six meetings in 2024 and presented six risk reports to the Board of Directors.
- The activities carried out by the Committee in 2024, in line with the working principles put into writing in detail, are presented below:
  - Risk assessment has been conducted at all levels, and an inventory of risks critical to the company in strategic, financial, and operational areas has been compiled.
  - Risks were classified according to the following criteria on the risk map, where they are positioned according to their impact and probability levels.

By Level of Potential Impact:

- o Negligible
- o Minor
- o Moderate
- o Serious
- o Critical

According to Likelihood:

- o Rare
- o Low
- o Possible
- o High
- o Almost Certain

- As a result of these assessments, it was seen that the risks were generally concentrated under the main headings of Strategic, Financial, Compliance and Operational Risks.
- As a result of the risk inventory and the Enterprise Risk Management Department’s research, risk reports were prepared and submitted to the Committee in order to ensure early detection of risks which may jeopardize the Company’s existence, development and continuity and adoption of the necessary measures against these risks and management of risk. These reports are as follows:
  - o Enterprise Risk Management Risk Assessment Criteria
  - o Developments in Business Continuity Management
  - o Vestel Corporate Risk Management Activities and Roadmap
  - o Corporate Risk Management and Internal Control Current Situation and Developments Briefing
  - o Business Continuity Management Actions Current Situation and Developments
  - o Vestel Group Beyaz Eşya Corporate Risk Assessment Results

In 2024, in accordance with Article 366, Paragraph 2 of the Turkish Commercial Code, the Strategy, Investment, and R&D Committee, as well as the Sustainability Committee, have been established to work under the Board of Directors, with the aim of assisting the Board in fulfilling its supervisory responsibilities through advisory decisions.

Strategy, Investment and R&D Committee

The Committee may include at least one independent member, non-executive members and executive members to be determined by the Board of Directors. The Committee is chaired by an independent member.

The Committee regularly reviews investments (including M&A projects). The Committee evaluates the investment projects under the authority of the Board of Directors prior to the approval of the Board of Directors and forms the Committee’s advisory opinion. It advises the Board of Directors on priorities for the utilization of the investment budget. Conducts studies on other strategic issues assigned by the Board of Directors. Discuss and evaluate the developments that will affect Vestel’s current business and strategic initiatives. It takes the development of strategic plans on its agenda every three months and evaluates them. The realization of strategic objectives is presented as an interim report every six months. Provides recommendations on the necessary management and organizational structure in line with strategic objectives.

The structure of the Committee and membership information are as follows as per the decision taken in the Company’s Board meeting on June 10, 2024:

Committee Members	Duty	Status
Ayşegül İldeniz	Chairperson of the Committee	Independent Board Member
Emin Ataç	Member of the Committee	Independent Board Member
Bekir Cem Köksal	Member of the Committee	Board Member

Sustainability Committee:

The Committee may include at least one independent member, non-executive members and executive members to be determined by the Board of Directors. The Committee is chaired by an independent member.

The Committee reviews the sustainability strategy, targets and policies by following current developments and submits its recommendations to the Board of Directors. Informs the Board of Directors about preventive/improvement measures, different areas and operational results to ensure the implementation of sustainability principles. Provides recommendations on the necessary management and organizational structure in line with the sustainability strategy and goals. Recommends local international memberships and collaborations to support the achievement of the sustainability strategy and goals.

The structure of the Committee and membership information are as follows as per the decision taken in the Company’s Board meeting on June 10, 2024:

Committee Members	Duty	Status
Emin Ataç	Chairperson of the Committee	Independent Board Member
Ergün Güler	Member of the Committee	Chairman of the Executive Committee

# CORPORATE GOVERNANCE

## EVALUATION OF THE BOARD OF DIRECTORS REGARDING THE WORKING PRINCIPLES AND EFFECTIVENESS OF THE BOARD COMMITTEES

In accordance with the Corporate Governance Principles of the Capital Markets Board, and to ensure the effective fulfillment of the Board of Directors' duties and responsibilities, the following committees have been established to work under the Board of Directors, as per the Board's decision dated June 10, 2024:

- Independent Board Member Ms. Ayşegül İldeniz has been appointed as the Chairperson of the Corporate Governance Committee, and Independent Board Member Mr. Adnan Yıldırım and Investor Relations Department Manager Ms. Ayça Ersoy have been selected as committee members (Ms. Bensu Güde Öncü has been appointed by the Board of Directors in the decision dated January 17, 2025),
- Independent Board Member Mr. Adnan Yıldırım has been appointed as the Chairperson of the Audit Committee, and Independent Board Member Mr. Emin Ataç has been selected as a committee member,
- Independent Board Member Mr. Adnan Yıldırım has been appointed as the Chairperson of the Risk Early Detection Committee, and Independent Board Member Mr. Emin Ataç has been selected as a committee member.

Due to the structure of the Board, the Company did not establish a separate “Remuneration Committee” and a “Nomination Committee.” The duties of these committees are fulfilled by the Corporate Governance Committee. The Working Principles of the Board Committees were revised in accordance with the CMB’s Communiqué on Corporate Governance No. II-17.1 and approved at the Board meeting held on 27 March 2014. The revised working principles were made available to the shareholders through the Public Disclosure Platform and the Company’s website (<https://vestelinternational.com/tr/yatirimci-iliskileri-vesbe>).

In 2024, in accordance with Article 366, Paragraph 2 of the Turkish Commercial Code, the Strategy, Investment, and R&D Committee, as well as the Sustainability Committee, have been established to work under the Board of Directors, with the aim of assisting the Board in fulfilling its supervisory responsibilities through advisory decisions.

By decision of the Board of Directors dated June 10, 2024;

- Ms. Ayşegül İldeniz has been appointed as the Chairperson of the Strategy, Investment, and R&D Committee, and Independent Board Member Mr. Emin Ataç and Board Member Mr. Bekir Cem Köksal have been selected as committee members.
- Independent Board Member Mr. Emin Ataç has been appointed as the Chairperson of the Sustainability Committee, and Mr. Ergün Güler, the CEO of Vestel Group of Companies, has been selected as a committee member.

In 2024, all Board of Directors Committees have fulfilled their duties and responsibilities in accordance with the Corporate Governance Principles and their own Working Principles, and have operated effectively.

In order to ensure that the committees effectively carry out their duties in 2024, the following has been done in accordance with the annual meeting plans specified in the Working Principles:

- The Corporate Governance Committee convened 3 times,
- The Corporate Governance Committee convened 1 time to fulfill the duties of the Nomination Committee,
- The Corporate Governance Committee convened 1 time to fulfill the duties of the Remuneration Committee,
- The Audit Committee convened 5 times,
- The Early Detection of Risk Committee convened 6 times,
- Strategy, Investment and R&D Committee 4 times
- The Sustainability Committee convened 4 times. The Committees submitted reports on their activities and the results of their meetings to the Board of Directors.

According to these meetings:

- The “Corporate Governance Committee,” which was established in line with the Capital Markets Board's Communiqué on Corporate Governance in order to monitor the Company’s compliance with the Corporate Governance Principles, carry out studies for improvement, and submit proposals to the Board of Directors, monitored the Company’s compliance with the Corporate Governance Principles, made recommendations to the Board to improve compliance with the non-mandatory principles and oversaw the activities of the Investor Relations Department.
- The Corporate Governance Committee also fulfills the duties of the Nomination Committee. Within the scope of its duties as the Nomination Committee, the Corporate Governance Committee evaluated the applications for independent board membership by assessing the independence status of the board member candidates according to the independence criteria. The Committee prepared a report on its evaluations and submitted it to the Board of Directors for approval.
- The Corporate Governance Committee, which also fulfills the duties of the Remuneration Committee, submitted its proposal to the Board of Directors regarding the remuneration of the Company’s Board members and executives with administrative responsibilities for the year 2024, taking into account the degree of attainment of the criteria used in remuneration within the scope of the duties of this committee.
- The “Audit Committee,” which was established for the supervision of the Company’s accounting system, the independent audit, public disclosure of financial information, and functioning and efficiency of the Company’s internal control and internal audit system, presented its views and recommendations in the areas of its responsibility to the Board of Directors.
- The “Early Detection of Risk Committee,” which was established for the early detection of risks that could threaten the Company’s existence, development and continuity, implementation of necessary measures against these risks and management of risk, carried out a high-level risk assessment, compiled an inventory of risks critical to the Company in strategic, financial and operational areas and prepared and submitted six Risk Reports to the Board based on the risk inventories and Enterprise Risk Management Department’s research during the year within the scope of its duties set forth in its Working Principles.

## DECLARATIONS OF INDEPENDENCE OF INDEPENDENT BOARD MEMBERS

### DECLARATION OF INDEPENDENCE

I hereby declare that I am a candidate to serve as an "independent member" on the Board of Directors of Vestel Beyaz Eşya Sanayi ve Ticaret AŞ ("Company") within the scope of the criteria set forth in the legislation, Articles of Association and the Capital Markets Board's Corporate Governance Communiqué No. II-17.1;

- a) There is no relation of employment in executive positions to assume material roles and responsibilities for the past five years between the Company, Subsidiaries where the Company holds control or significant power over management or Partners that hold significant power in the Company and the legal entities where such Partners hold control over management, and me, my wife, and up to second-degree relatives by kinship and marriage; that no capital or voting rights or privileged shares more than 5% were held collectively or individually or no material trade relations were established,
- b) In the last five years, I have not been a partner (5% or more), an employee in a managerial position with significant duties and responsibilities or a member of the Board of Directors in companies from which the company has purchased or sold services or products to a significant extent within the framework of the agreements made, especially in the audit (including tax audit, legal audit, internal audit), rating and consultancy of the company, during the periods when services or products were purchased or sold,
- c) I have the educational background, knowledge, and experience necessary for me to duly perform the tasks I will assume as an Independent Board Member,
- d) In accordance with the legislation to which I am bound, I will not work full-time in public institutions and organizations after being elected as a member, except for university faculty membership,
- e) I am considered a resident in Türkiye according to the Income Tax Law no.193 dated 31/12/1960,
- f) I possess strong ethical standards, professional credibility, and experience that are necessary for making positive contributions to the Company’s operations, maintaining my independence in possible conflicts of interest between the Company and its shareholders, and making decisions freely taking into consideration the rights of stakeholders,
- g) I will make sufficient time for keeping track of the company’s activities and for fully performing my duties on behalf of the Company,
- h) I have not been a member of the Board of Directors of the Company for more than six years within the last ten years,
- i) I have not served as an independent member of the Board of Directors in more than three of the companies controlled by the Company or the shareholders who control the management of the Company and in more than five of the companies traded on the stock exchange in total,
- j) I have not been registered and announced on behalf of the legal entity elected as a member of the Board of Directors.

Emin Ataç



# CORPORATE GOVERNANCE

## DECLARATION OF INDEPENDENCE

I hereby declare that I am a candidate to serve as an "independent member" on the Board of Directors of Vestel Beyaz Eşya Sanayi ve Ticaret AŞ ("Company") within the scope of the criteria set forth in the legislation, Articles of Association and the Capital Markets Board's Corporate Governance Communiqué No. II-17.1;

- a) There is no relation of employment in executive positions to assume material roles and responsibilities for the past five years between the Company, Subsidiaries where the Company holds control or significant power over management or Partners that hold significant power in the Company and the legal entities where such Partners hold control over management, and me, my wife, and up to second-degree relatives by kinship and marriage; that no capital or voting rights or privileged shares more than 5% were held collectively or individually or no material trade relations were established,
- b) In the last five years, I have not been a partner (5% or more), an employee in a managerial position with significant duties and responsibilities or a member of the Board of Directors in companies from which the company has purchased or sold services or products to a significant extent within the framework of the agreements made, especially in the audit (including tax audit, legal audit, internal audit), rating and consultancy of the company, during the periods when services or products were purchased or sold,
- c) I have the educational background, knowledge, and experience necessary for me to duly perform the tasks I will assume as an Independent Board Member,
- d) In accordance with the legislation to which I am bound, I will not work full-time in public institutions and organizations after being elected as a member, except for university faculty membership,
- e) I am considered a resident in Türkiye according to the Income Tax Law no.193 dated 31/12/1960,
- f) I possess strong ethical standards, professional credibility, and experience that are necessary for making positive contributions to the Company's operations, maintaining my independence in possible conflicts of interest between the Company and its shareholders, and making decisions freely taking into consideration the rights of stakeholders,
- g) I will make sufficient time for keeping track of the company's activities and for fully performing my duties on behalf of the Company,
- h) I have not been a member of the Board of Directors of the Company for more than six years within the last ten years,
- i) I have not served as an independent member of the Board of Directors in more than three of the companies controlled by the Company or the shareholders who control the management of the Company and in more than five of the companies traded on the stock exchange in total,
- j) I have not been registered and announced on behalf of the legal entity elected as a member of the Board of Directors.

**Adnan Yıldırım**

## DECLARATION OF INDEPENDENCE

I hereby declare that I am a candidate to serve as an "independent member" on the Board of Directors of Vestel Beyaz Eşya Sanayi ve Ticaret AŞ ("Company") within the scope of the criteria set forth in the legislation, Articles of Association and the Capital Markets Board's Corporate Governance Communiqué No. II-17.1 (the "Communiqué") (under the framework of Article 6, paragraph 5 of the Communiqué; subject to obtaining the approval of the Capital Markets Board and the exemption stipulated in Article 4.3.6(g) of the Corporate Governance Principles, limited to a temporary period of up to one year);

- a) There is no relation of employment in executive positions to assume material roles and responsibilities for the past five years between the Company, Subsidiaries where the Company holds control or significant power over management or Partners that hold significant power in the Company and the legal entities where such Partners hold control over management, and me, my wife, and up to second-degree relatives by kinship and marriage; that no capital or voting rights or privileged shares more than 5% were held collectively or individually or no material trade relations were established,
- b) In the last five years, I have not been a partner (5% or more), an employee in a managerial position with significant duties and responsibilities or a member of the Board of Directors in companies from which the company has purchased or sold services or products to a significant extent within the framework of the agreements made, especially in the audit (including tax audit, legal audit, internal audit), rating and consultancy of the company, during the periods when services or products were purchased or sold,
- c) I have the educational background, knowledge, and experience necessary for me to duly perform the tasks I will assume as an Independent Board Member,
- d) In accordance with the legislation to which I am bound, I will not work full-time in public institutions and organizations after being elected as a member, except for university faculty membership,
- e) I am considered a resident in Türkiye according to the Income Tax Law no.193 dated 31/12/1960,
- f) I possess strong ethical standards, professional credibility, and experience that are necessary for making positive contributions to the Company's operations, maintaining my independence in possible conflicts of interest between the Company and its shareholders, and making decisions freely taking into consideration the rights of stakeholders,
- g) I will make sufficient time for keeping track of the company's activities and for fully performing my duties on behalf of the Company,
- h) I have not been a member of the Board of Directors of the Company for more than six years within the last ten years,
- i) I have not served as an independent member of the Board of Directors in more than three of the companies controlled by the Company or the shareholders who control the management of the Company and in more than five of the companies traded on the stock exchange in total,
- j)I have not been registered and announced on behalf of the legal entity elected as a member of the Board of Directors.

**Ayşegül İldeniz**

ANNEX 1: ABOUT THE REPORT

This report includes Vestel Beyaz Eşya Sanayi ve Ticaret A.Ş.'s business model and strategy, material issues and future plans that create long-term value for its stakeholders. The report covers financial information as well as sustainability and climate-related governance, strategy, risk management and metrics and targets.

Scope

The information and data in this report covers six production facilities of Vestel Beyaz Eşya (Refrigerator I-II Plants, Washing Machine Plant, Tumble Dryer Plant, Dishwasher Plant, Air-Conditioning - Water Heater - Cooking Appliances Plant) within Vestel City in Manisa, and encompasses the period between January 1 and December 31, 2024. In order to share the impacts of Vestel Beyaz Eşya on the value chain, the report also covers customer experience, sales, marketing, after-sales services, store and dealer practices under Vestel Ticaret A.Ş.

Standards and Principles Used in the Report

This report has been prepared in accordance with the Integrated Reporting Framework and GRI Standards. In line with our materiality assessment determined in accordance with the European Sustainability Reporting Standards (ESRS), we have addressed the key sustainability issues that shape our sustainability disclosures.

In addition, Turkish Sustainability Reporting Standards (TSRS) 1 "General Provisions on Disclosure of Sustainability-Related Financial Information" and TSRS 2 "Climate-related Disclosures" were taken as basis in the report preparation process. The report also encompasses Vestel Beyaz Eşya's progress achieved under the United Nations Global Compact (UNGC) and its contributions to the United Nations (UN) Sustainable Development Goals (SDGs). The table prepared based on UNGC principles is presented in Annex 9.

Vestel Beyaz Eşya continues to work towards full compliance with sustainability principles. Detailed information on this issue can be found in the Sustainability Principles Compliance Report in Annex 10. In addition, the metrics specified in the SASB Home Appliance Manufacturing standard are included in our sustainability statements.

ANNEX 2: STAKEHOLDER RELATIONS

Communication and collaboration with stakeholders constitute one of the key elements of Vestel Beyaz Eşya's value creation model. The Company establishes dialogue with various stakeholders through various channels and integrates its stakeholders' views into decision-making processes. Under the stakeholder analysis conducted in 2021, Vestel Beyaz Eşya reached employees, suppliers, analysts, investors, customers, authorized dealers and service providers, universities, sectoral associations and initiatives, CSOs, media and local governments and received the opinions of its stakeholders on its sustainability priorities. Under the strategy that it has shaped depending on these priorities, Vestel Beyaz Eşya aims to annually share its performance with the public through its integrated reports.

Vestel Beyaz Eşya adopts sustainability and circularity as a principle by taking part in many plat-forms where it carries out active policies with its stakeholders. It plays an active role in the working groups of many platforms, including the European White Goods Manufacturers Association (AP-PLiA), TOBB, İSKİD, TÜSİAD, and TÜRKBESD, as well as many national organizations in Eu-rope. It closely monitors developments within the scope of the European Union Green Deal policy and develops strategies focused on green and digital transformation. Accordingly, Vestel Beyaz Eşya has been chairing the 'Eco-Design Task Force for Sustainable Products', which was established at TÜRKBESD in the last quarter of 2023. The task force contributes to Türkiye's harmonization process in line with the Eco-Design for Sustainable Products Regulation, which has been introduced in Europe, and follows new initiatives launched in Europe within the framework of this regulation. Furthermore, within the scope of environmental regulations, it continues to participate in policy and legislative development studies carried out to control fluorinated greenhouse gases and reduce emissions through the İSKİD F-Gas Working Group.

Since 2022, Vestel has been voluntarily participating with industry stakeholders in the development of the Code of Conduct (CoC) policy for Energy Smart Appliances (ESA), led by the European Union Joint Research Center (JRC). The aim of this "Code of Conduct" is to describe and increase the number of interoperable ESAs available on the EU market. This aims to improve the environmental impact of energy use over the whole energy system in the near future. Energy smart products are expected to generate less carbon emissions with a smart energy grid management system. The second phase of the ESA project, which started last year with version 1.0 and in which Vestel is a stakeholder, has begun. On September 18, 2024 in Brussels, Belgium, the kick-off workshop of the second phase of the Code of Conduct project aimed at establishing a common framework for interoperability of Energy Smart Products took place. This workshop was organized to introduce the objectives of the project and provide direction for future work. Vestel was also a stakeholder in CoC 2.0, the second phase of ESA. The ESA scope was expanded to include energy management systems, photovoltaic inverters (PVI) and electric vehicle chargers (EVC) and the first version of the CoC was updated in line with new solutions and protocols. The workshop attracted a broad participation from the energy management sector and provided a platform for presentations, discussions and opportunities for collaboration among participants.

Vestel Beyaz Eşya aims to develop effective solutions in the fight against climate change, energy efficiency, hydrogen technologies and many other areas. In this context, Horizon programs, which include bilateral and multiple collaborations and consortia, continue to work by developing joint projects with TÜBİTAK supports, universities and leading companies in the sector. It also carries out processes to evaluate potential project and cooperation opportunities in line with sustainability goals. In order to reduce environmental impact and develop innovative solutions, Vestel Beyaz Eşya carries out projects such as the use of hydrogen, biogas production, the use of methane and oxygen mixture in household stoves, heat pump technologies and training activities in the field of clean energy. The industry-academia consortium formed under the TÜBİTAK 1832 SAYEM call aims to develop hydrogen technologies, while contributing to energy conversion through biogas production from factory food waste. At the same time, low-emission fuel systems for its products are being studied and university students are being trained in clean energy technologies, encouraging the transfer of academic knowledge to industrial applications. Within the scope of decarbonization targets, R&D activities on energy-efficient, low-carbon emission heat pump technologies are ongoing and Vestel Beyaz Eşya is committed to contributing to a sustainable future by fulfilling its environmental responsibilities. Vestel Beyaz Eşya carries out a strong interaction and cooperation process with both internal and external stakeholders for the projects carried out and for which applications are pending.

Vestel CEO is a board member of TURKTRADE.



Methods for Communication with Stakeholders

Stakeholder Group	Communication Channels	Frequency of Communication	Communication Channels	Outputs of the Topics Addressed	Evaluation of Feedback Received
Employees	In-house information in different formats (e-mail, digital screens, online platforms, face-to-face meetings, Corporate portal) Surveys, opinion and recommendation kiosks Trainings Annual corporate meetings Integrated reports Online and physical in-house leader communication sessions Principles of Industrial Excellence	Daily	<ul style="list-style-type: none"><li>Sharing all kinds of announcements with employees via e-mail, SMS, Vestel Corporate Portal and notifications on the employee information screen (mobile page/application)</li><li>Collecting, responding to and monitoring employees' complaints, suggestions and questions through the employee information screen (mobile page/application)</li></ul>	<ul style="list-style-type: none"><li>Categorization and reporting of suggestions, complaints and questions received through the employee information screen (mobile page/application)</li><li>Making strategic decisions in the light of this data</li></ul>	<ul style="list-style-type: none"><li>Taking actions when necessary in line with the feedback received from employees</li></ul>
Sectoral Organizations and Associations, CSOs, International Organizations	Membership in professional associations Presidency of the board of directors in professional and sectoral associations Integrated reports Research reports Participation in seminars and summits	Monthly	<ul style="list-style-type: none"><li>Sharing sectoral knowledge and developing joint projects</li><li>Evaluating opportunities for cooperation</li><li>Leading the sector by assuming a leadership role</li><li>Strengthening inter-organizational cooperation</li><li>Analysis and recommendations on sectoral developments</li><li>Trend analysis at national and international level</li><li>Following sectoral updates</li><li>Integration into global developments and sharing of experience</li></ul>	<ul style="list-style-type: none"><li>Realization of joint projects and events</li><li>Strengthening solidarity within the sector</li><li>Taking strategic steps that shape the sector</li><li>Increasing the effectiveness of organizations</li><li>Creating data-driven strategic decisions</li><li>Drawing a road map by analyzing the current situation of the sector</li><li>Expanding the global network</li><li>Implementation of technological and sectoral innovations within the organization</li></ul>	<ul style="list-style-type: none"><li>Reflecting the suggestions of the association members to the projects</li><li>Taking actions in line with sectoral demands</li><li>Producing solutions to sectoral problems with the feedback received</li></ul>
Suppliers	Supplier Code of Conduct Trainings Audits and counts Periodic review meetings Announcements Integrated reports	Weekly, Monthly, Quarterly	<ul style="list-style-type: none"><li>Submission of the procurement principles document online in a standardized manner when suppliers apply to Vestel</li><li>Weekly, monthly and quarterly meetings with suppliers on market situation and commercial issues depending on the category of purchase</li><li>Auditing and visiting all suppliers from which direct materials are purchased by quality assurance teams at the company location</li><li>Organizing company visits for periodic counts and reconciliations for sub-industry companies</li><li>Conducting audits and trainings on business ethics and sustainability with critical suppliers and third party audit firm</li><li>Organizing scorecards for automotive suppliers and sharing them with suppliers</li></ul>	<ul style="list-style-type: none"><li>Better collaboration on issues that require instant reaction such as price, forecast, market changes</li><li>Sustainability awareness created in our suppliers</li><li>Quality and supply continuity</li><li>Increased synergies in cooperation and partnerships</li></ul>	<ul style="list-style-type: none"><li>Taking actions for development areas as a result of audit activities</li><li>Evaluation of supplier notifications by purchasing management,</li><li>Reorganization of strategic procurement targets</li></ul>

Stakeholder Group	Communication Channels	Frequency of Communication	Communication Channels	Outputs of the Topics Addressed	Evaluation of Feedback Received
Investors, Shareholders and Analysts	Disclosures on the Public Disclosure Platform Press releases Investor Relations website Integrated reports One-on-one meetings and e-mail correspondence Phone calls Video conferences Investor conferences and roadshows General Assembly meetings Annual and interim financial statements and annual reports Presentations for investors Intermediary firm reports	Daily / Quarterly / Annual	<ul style="list-style-type: none"><li>Publicly available financial and operational information</li><li>Company strategy</li><li>Important developments related to company operations</li><li>Industry, regulatory and competition developments</li><li>Corporate Governance issues</li><li>Macroeconomic developments</li><li>Sustainability efforts</li><li>Other investor questions</li></ul>	<ul style="list-style-type: none"><li>Understanding of company strategy, financials and operations by investors and analysts</li><li>Supporting investor confidence</li><li>Support for investors' investment decisions</li><li>Minimizing fluctuations in share value</li></ul>	<ul style="list-style-type: none"><li>Evaluation of feedback at senior management level</li><li>Evaluation of feedback by the Corporate Governance Committee</li><li>Evaluation of feedback at Board level</li></ul>
Public Institutions	One-on-one visits Team meetings with relevant institutions Reports, analyses Public events	Monthly	<ul style="list-style-type: none"><li>Promotion of special projects to relevant public institutions</li><li>Discussions on regulatory compliance and joint projects</li><li>Cooperation on regional development and public funded projects</li><li>Developing public-private partnerships</li><li>Participation in joint events with ministries and local governments</li><li>Workshops, seminars and regional awareness in public projects</li><li>Publicizing social responsibility projects</li></ul>	<ul style="list-style-type: none"><li>Strengthening relations with public institutions</li><li>Creating a roadmap for public support of projects</li><li>Faster realization of joint projects</li><li>Improving projects with guidance and suggestions from public institutions</li><li>Increased brand awareness in public projects</li><li>Event results that contribute positively to public policy</li></ul>	<ul style="list-style-type: none"><li>Reorganization of strategic objectives based on feedback</li><li>Improving cooperation processes according to the assessments of public authorities</li><li>Analyses provide a basis for inter-institutional cooperation</li><li>Developing more effective communication strategies in public events</li></ul>
Media	Press releases and interviews Ads Social media Website Press conferences Fair visits Reports and surveys	Weekly	<ul style="list-style-type: none"><li>Introduction of new products and technologies</li><li>The company's growth strategies</li><li>Sustainability efforts</li><li>Collaborations and partnership announcements</li><li>Product campaigns</li><li>Brand awareness raising efforts</li><li>Featured technologies and innovations</li><li>Engagement-driven campaigns</li><li>Announcing corporate social responsibility projects</li><li>Strengthening brand image</li><li>Sector trend analysis</li><li>Corporate sustainability progress</li><li>Innovation and R&amp;D results</li></ul>	<ul style="list-style-type: none"><li>Increased media visibility</li><li>Rate of reaching the target audience</li><li>Gaining public awareness and recognition</li><li>Number of news in the press</li><li>Participants' feedback</li><li>Collaborations and deal potentials</li><li>Engagement metrics such as likes, shares, comments</li><li>Increase in the number of followers</li><li>Problems and suggestions frequently raised by users</li><li>Page visitor rates</li><li>Increase in conversion rates</li><li>Improvements based on user feedback</li></ul>	<ul style="list-style-type: none"><li>Analysis of tone and feedback in news</li><li>Positive/negative media visibility assessment</li><li>Customer behavior analysis after the campaign</li><li>Change in product/ brand perception</li><li>Updates based on user experience and accessibility feedback</li><li>Optimization in line with new content and page demands</li><li>Requests from new customers and business partners</li><li>Identification of gaps and areas of opportunity in the market</li></ul>

Methods for Communication with Stakeholders

Stakeholder Group	Communication Channels	Frequency of Communication	Communication Channels	Outputs of the Topics Addressed	Evaluation of Feedback Received
Consumers and Customers	Press releases and interviews One-on-one meetings with corporate clients Ads Social media Web site Customer service Integrated reports	Daily			<ul style="list-style-type: none"><li>• Evaluating the impact of the messages and the public reaction</li><li>• Updating the communication strategy according to positive/negative feedback</li><li>• Making product/service improvements based on customer demands and feedback</li></ul>
			<ul style="list-style-type: none"><li>• New product announcements</li><li>• Customer satisfaction and success stories</li><li>• Sustainability and social responsibility projects</li><li>• Campaigns and special offers</li><li>• Collaboration and solutions</li><li>• Special service requests</li><li>• Feedback collection and expectation analysis</li><li>• Requests received via call center and live support</li><li>• Complaint and suggestion follow-up</li><li>• Improving problem resolution rates</li></ul>	<ul style="list-style-type: none"><li>• Increased brand visibility in the media</li><li>• Increased demand for products and services</li><li>• Reinforcing consumer confidence</li><li>• Creating individual solutions</li><li>• Increasing opportunities for corporate collaboration</li><li>• Identifying improvement steps based on feedback</li><li>• Increased campaign conversion rates</li><li>• Increased sales and customer reach</li><li>• Increase in solution time and satisfaction rate</li><li>• Taking actions to prevent recurrence of problems</li></ul>	<ul style="list-style-type: none"><li>• Creating action plans for customized solutions</li><li>• Analyzing campaign performance and customer interest</li><li>• Optimizing ad content and visual strategies</li><li>• Increasing speed and efficiency in problem solving</li><li>• Making process improvements by learning from feedbacks</li><li>• Supporting decision-making mechanisms based on feedback in strategic planning</li><li>• Identifying actions to increase customer satisfaction based on feedbacks</li></ul>

Stakeholder Group	Communication Channels	Frequency of Communication	Communication Channels	Outputs of the Topics Addressed	Evaluation of Feedback Received
Local Community	Regular visits Integrated reports Seminars and training activities Social responsibility projects	Quarterly	<ul style="list-style-type: none"><li>• On-site observation of community needs</li><li>• Developing solutions for local problems</li><li>• Ensuring sustainable communication with stakeholders</li><li>• Performance analysis for social projects</li><li>• Assessment of local community feedback</li><li>• Trainings for professional development and employment</li><li>• Seminars to raise sustainability and environmental awareness</li><li>• Information meetings about technological innovations</li><li>• Environmental cleaning, afforestation and recycling projects</li><li>• Support to the local community in education, health and sports</li><li>• Gender equality and inclusion activities</li></ul>	<ul style="list-style-type: none"><li>• Development of projects in line with community needs</li><li>• Strengthening community-brand relations</li><li>• Strengthening social responsibility strategies</li><li>• Increase in local employment after training</li><li>• Raising the level of awareness and knowledge in society</li><li>• Improving the quality of community life</li><li>• Contributing to the environment and local development</li></ul>	<ul style="list-style-type: none"><li>• Improving projects with feedback from the local community</li><li>• Creating new projects based on needs analysis</li><li>• Updating action plans in line with performance evaluations</li><li>• Restructuring activities in terms of social benefit</li><li>• Organizing education content according to social needs</li><li>• Making programs more effective with participant feedback</li></ul>
Universities	University career events University and student club sponsorships Reports and surveys Joint ventures and projects	Monthly	<ul style="list-style-type: none"><li>• Realization of meetings regarding career activities planned to be organized during the academic year</li><li>• Learning the details of the planned events (student profile to participate, scope of the event, other participating companies, etc.) and proceeding to the approval stage whether to participate or not</li></ul>	<ul style="list-style-type: none"><li>• Participating in various university career events within the scope of talent attraction in line with the strategies determined by our company and ensuring that students benefit from internship and job opportunities within the scope of talent attraction</li></ul>	<ul style="list-style-type: none"><li>• Receiving feedback from university students at the events attended</li></ul>



ANNEXES

ANNEX 3: ASSOCIATION MEMBERSHIPS AND SUPPORTED INITIATIVES

APPLiA (Home Appliance Europe)	Business World Plastics Initiative (IPG)
United Brands Association of Türkiye	Izmir Chamber of Commerce (İZTO)
Global Compact Signatories Association (UNGC Türkiye)	Manisa Chamber of Commerce and Industry
Durable Goods Council (TOBB DTM)	Muradiye Organized Industrial Zone
Foreign Economic Relations Board (DEİK)	White Goods Manufacturers’ Association of Türkiye (TURKBESD)
	Foreign Trade Association of Türkiye (TURKTRADE)
Electrical and Electronics Recycling and Waste Management Association (ELDAY)	Türkiye Circular Economy Platform
Association for the Protection of Intellectual Property	Turkish Exporters Assembly (TIM)
Air-Conditioning and Refrigeration Manufacturers’ Association (İSKİD)	Quality Association of Türkiye (KalDer)
Istanbul Chamber of Industry (İSO)	Turkish Investor Relations Society (TUYİD)
Istanbul Chamber of Commerce (İTO)	Authorized Economic Operator Association

	2021	2022	2023	2024
Amount spent on memberships (TL)	641,252	1,576,469	2,933,881	4,498,868

ANNEX 4: INTEGRATED MANAGEMENT SYSTEMS AND ENVIRONMENTAL MANAGEMENT

Activities carried out under the umbrella of the Integrated Management System are performed as per TS EN ISO 9001 Quality Management System, TS EN ISO 14001 Environmental Management System, TS EN ISO 50001 Energy Management System, TS EN ISO 14064 Greenhouse Gas Calculation and Verification Standards, 14046 Water Footprint Standards, TS ISO 45001 Occupational Health and Safety Management System and TS EN ISO 27001 Information Security Management System.

Certificate	Ratio of Facilities Covered by the Certificate* (%)
ISO 9001	100
ISO 14001	100
ISO 14046	100
ISO 14064	100
ISO 27001	40
ISO 45001	100
ISO 50001	100

\*Vestel Beyaz Eşya's production facilities and internal warehouses are included in the calculation for the rate of facilities holding the certificate.

Integrated Management Systems (environment, energy, occupational health and safety, information security and quality) Policies of Vestel Beyaz Eşya are available [here](#).

Vestel Beyaz Eşya’s Environmental Coordination Group ensures that environmental issues are handled within a broader structure along with Vestel Environment Working Group. Management Systems and Customer Relations Manager is responsible for environmental sustainability management as Vestel Beyaz Eşya Environmental Official and Environmental Management Representative.

Through environmental management systems, Vestel analyzes and records all environmental outputs according to the ISO 14001 standard. In this context, the Company drafts various reports on a monthly and annual basis. It monitors waste water pollution analyses, energy and water consumption, water and carbon footprint, diesel consumption and hazardous and non-hazardous waste quantities on a monthly basis. As per environmental legislation, Vestel Beyaz Eşya indicates this information in the monthly evaluation report. It reports its carbon footprint according to the ISO 14064 standard, and its water footprint according to the ISO 14046 standard and has them verified by independent third parties.

In 2024, 2,705 employees received a total of 1,945 person\*hours of training on "Sustainability,," "Environment" and "Zero Waste."

In 2024, the Company spent TL 1,963,676.17 for environmental investments and expenditures.

In the last four years, no environmental penalty has been imposed and no environmental penalty has been paid.

In addition to complying with all national laws, especially the Environmental Law, as determined by the Ministry of Environment and Urbanization of the Republic of Türkiye, as well as the following European and global legal regulations for the sector:

- Directive on Waste Electrical and Electronic Equipment (WEEE),
- RoHS - Directive on the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment,
- Regulation of the Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH),
- Ecodesign Framework Directive for Energy-Related Products,
- Energy Efficiency Law and the Regulation on Increasing Efficiency in the Use of Energy Re-sources and Energy,
- Communiqués on energy labeling specific to each product group,
- Environmental Law No. 2872 and related regulations.

Biodiversity

There is no habitat for the species which are of importance for scientific studies and/or are or may be endangered as well as the endemic species for our country, biosphere reserve, biotope, biogenetic reserve area, unique geological and geomorphological formation in Manisa Organized Industrial Zone (MOIZ), where Vestel Beyaz Eşya operates. As a result of previous environmental impact assessments (EIA), it was found out that the species under protection did not live and endangered flora species did not grow within the Company’s operating area.

No flora-fauna study has been carried out due to the fact that there are only industrial areas in the 2 km sphere of influence of MOIZ borders. Vestel Beyaz Eşya is committed to complying with the Environmental Law No. 2872 and the regulations issued pursuant to this law regarding potential measures.

Air Emissions

In addition to greenhouse gas emissions, various air emissions occur as a result of production processes. In order to keep emissions within the limits of regulations, the Company measures emissions every two years as per the Regulation on the Control of Industrial Air Pollution. Relevant studies are being carried out for the 2024 values.

Annual total air emissions* (tons)	2020	2022
NOx	31.4	40.8
SOx	0.02	0.7
Persistent organic pollutants (POP)	-	-
Volatile organic compounds (VOC)	0.7	8.7
Dust (PM)	2.9	26.4

\*Under legal compliance, these values are measured every two years. There is no perfluorocarbon emission.

Wastewater Discharge

Domestic and industrial wastewater are generated in the facility. This wastewater is discharged into the sewage network of Manisa Organized Industrial Zone. The facility holds a Connection Permit Certificate and Connection Quality Control Permit Certificate issued by Manisa OIZ under the Regulation on Water Pollution Control. Pollution loads of wastewater are measured by MOIZ by taking samples every 15 days. Measurement values were found to be below the limit values specified in the Regulation on Water Pollution Control.

Waste Water Discharge Values (mg/l)	2022	2023	2024
Chemical oxygen demand (COD)	783.6	726.4	717.9
Total Suspended Solids	160.2	166.5	166.9

ANNEX 5: AWARDS

Marketing and Corporate Communications Awards
<p><b>iF Design Awards</b></p> <p>In 2024, Vestel received a total of four awards in three different categories at the world-renowned design competition iF Design Awards. The dryer with active lint collection and the washing machine and dryer with water recovery system won in the "Home Appliances" category, the VestelGO washing machine won in the "Concept" category, and the Epochal yeast cabinet won in the "Kitchen Appliances" category.</p>
<p><b>UX Design</b></p> <p>VestelGO Washing Machine and Vestel Gourmet View Built-in Oven won awards in three categories at UX Design 2024, an international design platform that evaluates the impact of user experience on daily life, products and services.</p>
<p><b>Plus XAwards</b></p> <p>In 2024, Vestel Beyaz Eşya received the "Brand of the Year" award in the "Large Home Appliances" category at the Plus XAwards, one of the world's most prestigious design and innovation awards. Vestel Beyaz Eşya's Fulldoor dishwasher, MediShield and New 387 refrigerator won four awards in the "Quality, Design, Ease of Use and Functionality" category, while the TFT Tower washing machine and tumble dryer won four awards in the "High Quality, Design, Ease of Use, Functionality and Innovation" category.</p>
<p><b>European Design Awards 2024</b></p> <p>Vestel's products with an innovative design approach received an award at the European Design Awards 2024, one of Europe's prestigious design awards. This year, the award-winning products include the Vestel Gourmet View Built-in Oven, the New Vestel Ready Cook Built-in Oven, the Vestel Heat Pump, the Vestel T180 Washing Machine, the New Vestel 60 cm Combo Refrigerator, the Vestel B Series Dishwasher, the New Vestel Fulldoor Dishwasher Family, and the Vestel SmokeTech Integrated Handle Built-in Oven.</p>
<p><b>International Design Awards 2024</b></p> <p>Vestel's innovative and user-oriented design approach was once again recognized at the International Design Awards 2024, one of the prestigious platforms of the international design world. This year, the products awarded include the Vestel Heat Pump, the New Vestel Fulldoor Dishwasher Family, the Vestel Knob-Top TFT Dryer and Washing Machine (Tower product), and the Vestel SmokeTech Integrated Handle Built-in Oven.</p>
Digitalization-Technology-Sustainability Awards
<p><b>Green Transformation Awards from Istanbul Chamber of Industry</b></p> <p>Vestel Elektronik received an award in the 'Sustainability Management' category at the 'Green Transformation Awards' organized by the Istanbul Chamber of Industry for industrial facilities that focus on sustainability.</p>
<p><b>Innovation Award for Vestel Washing Machine with Microfibre Filter</b></p> <p>Vestel Beyaz Eşya, with its technologies that support sustainable living, has been awarded the "Sustainable Product" award in the prestigious Sustainability Environmental Achievement and Leadership (SEAL) competition. This recognition was given for its washing machine equipped with the 'Aqua Microfiber Filter' technology, which prevents the release of microfibers into nature after washing clothes.</p>
<p><b>Best Machinery Company Award to Vestel</b></p> <p>In 2024, Vestel received the Best Machinery Company of the Year award at the sixth Hacettepe University Crystal Deer Awards.</p>
<p><b>Social Benefit Awards</b></p> <p>As Dünya Gazetesi, the Toplumsal Fayda Ödülleri (Social Benefit Awards), which aim to raise social responsibility awareness across the country and create public awareness through impactful and sustainable initiatives, has recognized Vestel Beyaz Eşya for its "Vestel'le Kendin Yap Atölyeleri" project in the Creative Volunteering Activities category. This award-winning project is expected to become a tradition in the coming years.</p>
<p><b>Green Dot Industry Awards</b></p> <p>Vestel Beyaz Eşya received an award in the "Environmental Social Responsibility Practices" category of the "Green Dot Industry Awards" organized by the Çevko Foundation for the seventh time this year with the "DIY Workshops with Vestel" project implemented by the Vestel Beyaz Eşya Renovation Center.</p>
<p><b>17. Gönülden Ödüller (Heartfelt Awards)</b></p> <p>At the 17<sup>th</sup> Gönülden Ödüller (Heartfelt Awards) ceremony organized by Özel Sektör Gönüllüleri Derneği (Private Sector Volunteers Association), Vestel Beyaz Eşya was awarded the "Most Successful Volunteering Project" award for its "Vestel'le Kendin Yap Atölyeleri" project.</p>
<p><b>Teknopark Izmir High Technology Awards</b></p> <p>At the Teknopark Izmir High Technology Awards, where achievements in R&amp;D, innovation and entrepreneurship are recognized, Vestel Beyaz Eşya was deemed worthy of the "Most Successful Large Scale Enterprise" award with its R&amp;D Center data for the year 2023.</p>



Customer Services Awards
<b>Stevie Awards</b> At the Stevie Awards, Vestel Customer Services received a Gold award for its "Household Appliances Analytics" project and Bronze awards for its "Installing Software on Household Appliances: Veslink" and "No Signal" projects, winning a total of 1 Gold and 2 Bronze awards.
<b>Golden Headset Award</b> Vestel received an award at the 6 <sup>th</sup> Golden Headset Awards organized by the Customer Experience Management and Technologies Association. Simge Piriñçi, Customer Representative at Vestel Call Center, won the Golden Headset Award in the "Most Sincere Customer Experience Story" category.
<b>Türkiye Customer Experience Awards</b> Vestel Customer Services was awarded Gold in the "Best Use of Customer Insight and Feedback Strategy" category and Silver in the "Best Product or Service Development" category at the Türkiye Customer Experience Awards (TCXA'23) organized by Awards International.
<b>Quality Association of Türkiye (KalDer) Successful Team of the Year Awards</b> Vestel Customer Services received the Bronze award for its end-to-end service quality practices at the Successful Team of the Year Awards organized annually by the Quality Association of Türkiye (KalDer).
<b>Globee Awards</b> Competing in the Globee Sales, Marketing, Customer Success, and Operations Awards, in which brands from all over the world participate, Vestel received one Gold and one Silver prize for its customer service programs.
Marketing and Corporate Communications Awards
<b>Crystal Apple Awards</b> Vestel received four awards at the Crystal Apple Awards, organized annually by the Association of Advertising Agencies, which certifies the unique achievements of agencies, brands and those who contribute to the practice by raising the level of creativity in marketing communications in Türkiye.
<b>Felis Awards</b> Vestel received 1 award in 2024 at the Felis Awards, organized by MediaCat to emphasize the role of effective creativity in marketing efforts in the advertising and marketing industry and to reward the achievements of all teams contributing to the creative world.
<b>Hammers Awards</b> Vestel received a total of 12 awards at The Hammers Awards, which annually recognizes marketing teams based on cases that set an example and inspire the sector.
<b>Mixx Awards</b> Focusing on digital creativity and its results, MIXX Awards evaluates digital advertising in all its layers, from strategy to creative work and execution, from media planning to integration, from efficiency to return on investment. Vestel received 2 awards in this competition.
<b>A Awards</b> Vestel received a total of six awards at the A Awards, an award program that encourages creativity in outdoor advertising in Türkiye.
<b>Brandverse Awards</b> It is a prestigious award program organized by Marketing Türkiye and BoomSonar, which evaluates all old and new generation marketing, communication and advertising activities with a 360-degree inclusive perspective. Vestel received 10 awards from the Brandverse Awards.
<b>MMA Smarties Awards</b> For years, the SMARTIES Awards, organized by the MMA, have highlighted and rewarded outstanding marketing achievements through innovative strategies and technologies that drive business results and positively impact lives. These awards recognize the most successful projects in the marketing sector, both locally and globally. Vestel won two awards in the Programmatic category at the MMA Smarties x Global Awards and two awards in the Emerging Tech Marketing/Programmatic category at the MMA Smarties Türkiye Awards.
<b>Gigi Awards</b> Organized under the leadership of the Association of Marketing Communicators, the GIGI Awards will bring a breath of fresh air to the marketing world and undertake the mission of rewarding remarkable achievements in the sector. Vestel returned from the Gigi Awards with 5 awards.
Other Awards
With export revenues of USD 2.4 billion in the Electric-Electronics sector, Vestel not only became the export champion for the 26 <sup>th</sup> time in a row, but also ranked as the 6 <sup>th</sup> largest exporter in the country. Vestel ranked first in the category of exports of iron and steel products in the "Metallic Stars of Export" awards given to successful exporters by the Istanbul Ferrous and Non-Ferrous Metals Exporters' Association. Vestel Beyaz Eşya won the second prize in the Intellectual Property and Commercialization categories at the Manisa Teknokent 2 <sup>nd</sup> Innovation and Technology Awards 2024. Vestel Beyaz Eşya, which received awards in all categories of the OSBÜK (Supreme Organization of Organized Industrial Zones) OSB STARS survey in 2024, was entitled to receive six awards, including a special award.

ANNEX 6: PERFORMANCE INDICATORS

All performance indicators cover the entire production facilities and internal warehouses of Vestel Beyaz Eşya

SOCIAL PERFORMANCE INDICATORS

Employees by Gender	2021		2022		2023		2024	
	Female	Male	Female	Male	Female	Male	Female	Male
Number of Employees	2,934	6,482	3,412	7,195	2,857	6,310	3,110	6,518
Total	9,416		10,607		9,167		9,628	

Employees by Category	2021		2022		2023		2024	
	Female	Male	Female	Male	Female	Male	Female	Male
White-collar	199	549	274	641	192	555	277	662
Blue-collar	2,735	5,933	3,138	6,554	2,665	5,755	2,833	5,856

Employees by Duration of Employment	2021		2022		2023		2024	
	Female	Male	Female	Male	Female	Male	Female	Male
Employed for 0-5 Years	2,077	3,643	2,251	4,062	1,847	3,493	2,090	3,282
Employed for 5-10 Years	668	1,415	840	1,494	770	1,372	627	1,265
Employed for 10 Years or More	189	1,424	321	1,639	240	1,445	393	1,971
Average Duration of Employment (Year)	4	5	4	6	4	6	4	7

Managers by Gender and Age	2021		2022		2023		2024	
	Female	Male	Female	Male	Female	Male	Female	Male
50 and Above	0	9	2	10	2	5	2	4
30-50 Years	27	162	35	171	25	147	32	166
30 and Below	4	15	5	15	9	16	7	13
Total	217		238		204		224	

Managers by Categories	2021		2022		2023		2024	
	Female	Male	Female	Male	Female	Male	Female	Male
Number of Employees in First Level Management Positions	24	110	32	117	32	119	37	129
Number of Employees in Middle Management Positions	7	65	10	68	3	37	3	43
Number of Employees in Senior Management Positions	0	11	0	11	1	12	1	11
Number of Managerial Employees in Revenue-Generating Functions	4	19	7	20	5	19	6	18

	2021		2022		2023		2024	
	Female	Male	Female	Male	Female	Male	Female	Male
Number of Employees in Science, Technology, Engineering and Math (STEM) Positions	160	492	117	556	155	491	152	525
Number of Full-Time Employees in R&D Department	127	470	136	517	121	473	115	488
Number of Employees with Disabilities	47	164	59	167	48	157	61	165
Ratio of Non-Managerial Employees	32%	68%	33%	67%	31%	69%	33%	67%
Promotion Rate	16%	84%	21%	79%	21%	79%	24%	76%

New Hires by Gender and Age	2021		2022		2023		2024	
	Female	Male	Female	Male	Female	Male	Female	Male
50 and Above	0	10	0	4	1	3	2	6
30-50 Years	348	610	367	523	219	344	472	579
30 and Below	807	1,804	747	1,849	560	1,273	1,175	2,082
Total	3,579		3,490		2400		4,316	

Employees Leaving Their Jobs by Gender and Age and Employee Turnover	2021	2022	2023	2024
Employee Turnover Rate	35%	27%	36%	40%
Turnover Rate for Employees Voluntarily Leaving Their Jobs	32%	23%	33%	35%
Ratio of Vacant Positions Filled with In-house Candidates	16%	10%	1%	23%
Ratio of Women Who Quit Their Jobs	31%	33%	31%	36%

Maternity/Paternity Leave	2021		2022		2023		2024	
	Female	Male	Female	Male	Female	Male	Female	Male
Number of Employees Who Took Parental Leave	122	292	133	328	125	319	110	285
Employees Returning from Parental Leave	67	292	73	328	26	319	43	285

Performance Review	2021		2022		2023		2024	
	Female	Male	Female	Male	Female	Male	Female	Male
Total Number of Employees Subjected to a Regular Performance and Career Development Review	122	292	133	328	125	319	256	592

Sub-Contracted Employees by Gender	2021		2022		2023		2024	
	Female	Male	Female	Male	Female	Male	Female	Male
Number of Sub-Contracted Employees	136	270	206	271	228	290	261	309
Total	406		477		518		570	

Employee Trainings	2021	2022	2023	2024
Training Hours Provided to Employees	131,889	152,300	133,751	159,981

Sub-Contracted Trainings	2021	2022	2023	2024
Training Hours Provided to Subcontractors	17,949	15,727	146	16,393

OHS Trainings	2021	2022	2023	2024
OHS Training Hours Provided to Employees	86,963	87,062	77,581	97,335
OHS Training Hours Provided to Subcontracted Employees	3,750	4,738	2,748	5,521

Environmental Trainings	2021		2022		2023		2024	
	Female	Male	Female	Male	Female	Male	Female	Male
Number of Employees Receiving Environmental and Zero Waste Training		-	284	752	917	2,335	832	1,873



ENVIRONMENTAL PERFORMANCE INDICATORS

Energy Consumption (MWh)	2021	2022	2023	2024
Natural Gas	76,979	77,039	80,075	78,823
Diesel	1,115	998	1,135	1,535
Electricity	117,953	121,530	122,281	126,044
Renewable Energy (Electricity)	76	175	170	188
Hot Water	15,711	13,150	12,620	7,988
Total	211,834	212,892	216,218	214,577

Greenhouse Gas Emissions (tons CO <sub>2</sub> e) <sup>6</sup>	2021	2022	2023	2024
Scope 1	16,729	16,688	16,078	15,533
Scope 2	71,902	58,295	60,962	57,146
Total Greenhouse Gas Emissions (Scope 1 and 2) <sup>7</sup>	88,631	74,983	77,040	72,679
Scope 3 <sup>8</sup>	13,022,321	12,139,377	10,485,509	10,260,270
Scope 3 - Category 1			595,234	531,518
Scope 3 - Category 2			282	27,810
Scope 3 - Category 4			83,737	81,886
Scope 3 - Category 5			1,113	1,171
Scope 3 - Category 6			440	329
Scope 3 - Category 7			6,736	6,711
Scope 3 - Category 9			221,637	66,679
Scope 3 - Category 11			9,563,983	9,540,627
Scope 3 - Category 12			12,344	3,376

<sup>6</sup> Vestel Beyaz Eşya calculated its carbon footprint under the GHG Protocol standard and reported it following the requirements in Article “9.3 Content of the greenhouse gas report” in TS EN ISO 14064-1 standard. IPCC 6<sup>th</sup> Assessment Report was taken as a basis for emission factors in carbon footprint calculations made under the Tier 1 method. For emission factors that could not be determined through the IPCC report, DEFRA, EPA and Ecoinvent version 3.6 sources were used. Direct and indirect emissions within the boundaries of the organization are verified by independent third parties according to the ISO 14064 standard.

<sup>7</sup> Scope 1 includes consumed natural gas, refrigerants, and vehicle fuels used in processes and plants; Scope 2 includes purchased electricity and heat energy. Scope 1 and 2 emissions are verified by independent third parties.

<sup>8</sup> For Scope 3, calculations for 2021 were made for categories 1, 4, 6, 7 and 11. Calculations for 2022 are made for category 11.

Water Withdrawal (m³)	2021	2022	2023	2024
Mains Water	365,959	391,798	409,041	605.365
Groundwater	572,971	560,273	435,582	421.294
Rainwater	-	1,263	9,193	10.279
Total Water Withdrawal <sup>9</sup>	938,930	954,597	853,816	1.036.938
Amount of Waste Water Discharged to the Network	845,037	858,000	729,307	868.273
Total Net Water Consumption <sup>10</sup>	93,893	96,596	124,509	168.665
Amount of Recycled Water	465	25,158	111,027	75.097

<sup>9</sup>Water footprint is verified by independent third parties.

<sup>10</sup>Total Net Water Consumption = Total Water Withdrawal - Water Discharged

Amount of Waste (tons) <sup>11</sup>	2021	2022	2023	2024
Total Amount of Hazardous Waste	1,760	1,814	1,410	2,020
Hazardous Waste Incinerated for Energy Generation	618	698	722	671
Recovered Hazardous Waste	1,141	1,115	687	1,348
Hazardous Waste Sent to Landfill/Solid Waste Site	0.90	0.85	0.74	0.72
Total Amount of Non-Hazardous Waste	45,012	44,266	46,210	46,908
Non-Hazardous Waste Incinerated for Energy Generation	1,892	1,573	1,786	1,839
Recycled Non-Hazardous Waste	43,120	42,693	44,423	45,069
Non-Hazardous Waste Sent to Landfill/Solid Waste Site	-	-	-	-
Total Amount of Waste (tons)	46,773	46,080	47,619	48,928
Total Recycled/Recovered Waste	44,261	43,808	45,111	46,417
Total Waste Sent to Landfill/Solid Waste Site	0.9	0.85	0.74	0.74
Total Waste Incinerated for Energy Generation	2,510	2,271	2,508	2,510
Total Waste Disposed	2,511	2,272	2,509	2,511
Waste Recycling Rate	95%	95%	95%	95%

<sup>11</sup>Waste is disposed of off-site.

Raw Material Consumption (tons) <sup>12</sup>	2021	2022	2023	2024
Steel	233,229	217,973	259,432	201,309
Plastics	165,198	166,968	167,921	158,931
Glass	38,633	40,310	36,772	16,995
Paper - Cardboard	17,681	19,508	13,228	19,261
Aluminum	3,710	5,006	4,322	7,723
Copper	1,181	1,669	949	1,002
Cast Iron	27,421	28,518	30,663	2,575

<sup>12</sup> Raw materials of the ready-made components were not included in the analysis.

ANNEX-7: VESTEL BEYAZ EŞYA INTEGRATED ANNUAL REPORT 2024 - REPORTING PRINCIPLES

This reporting principles ("Principles") provides information on the data preparation and reporting methodologies of indicators within the scope of the limited assurance in Vestel Beyaz Eşya Sanayi ve Ticaret A.Ş. ("Incorporation" or "Vestel Beyaz Eşya") in the Vestel Beyaz Eşya Integrated Annual Report 2024 ("2024 Integrated Annual Report").

The indicators include social indicators and environmental indicators. It is the responsibility of the Incorporation’s management to ensure that appropriate procedures are in place to prepare the indicators mentioned above in line with, in all material respects, the principles.

The information included in this guide is for the FY 24 fiscal year ending December 31, 2024 (January 1 - December 31, 2024) and as detailed in the “Key Definitions and Reporting Scope” section comprises only the relevant operations of the Incorporation that are the responsibility of the Incorporation by excluding information about subcontractors.

General Reporting Principles

- In preparing this guidance document, consideration has been given to following principles:
- Information Preparation – to highlight to users of the information the primary principles of relevance and reliability of information; and
- Information Reporting – to highlight the primary principles of comparability / consistency with other data including prior year and understandability / transparency providing clarity to users.

Key Definitions and Reporting Scope

For the purpose of this report, the Company makes the following definitions:

Type	Indicator	Scope
Environmental	Energy consumption (MWh)	
	Natural Gas (MWh)	It refers to the amount of natural gas consumed during the reporting period, which is tracked from the invoices received by the Company from service providers (12 months) and can be mapped with financial reporting systems. The amount of consumption includes the amount used for industrial operations and domestic use.
	Diesel (MWh)	In the reporting period, it refers to the amount of diesel fuel consumed in relation to the use of stationary combustion generators and the use of factory vehicles (off-road), which can be tracked from the invoices received by the Company from service providers and mapped with financial reporting systems. Only the amount used for industrial operations is included in the consumption amount.
	Electricity (MWh)	Refers to the total amount of electricity purchased during the reporting period, which is tracked from the invoices received by the Company from service providers (12 months). Consumption amount includes the amount used for industrial operations and domestic use.
	Hot Water (MWh)	This refers to the amount of hot water that is tracked from the invoices received by the Company from service providers during the reporting period. Only the amount used for industrial operations is included in the consumption amount.
	Renewable Energy (MWh)	Refers to the amount of renewable energy generation generated from solar panels at the Vestel Beyaz Eşya factory, which is monitored through the Vestel database portal (SolarEdge) tracking system.
	Total (MWh)	Refers to the sum of natural gas, diesel, electricity, hot water and renewable energy consumption during the reporting period.
	Energy Intensity (MWh / Million EUR)	In the reporting period, the ratio of total energy consumption to total turnover that can be mapped in the financial report.
	Scope 1 Emissions (tCO <sub>2</sub> e)	In the reporting period, the amount of the Company's natural gas, the amount of diesel, gasoline and LPG in company vehicles tracked from the invoices of service providers, the amount of direct greenhouse gas emissions from fixed combustion generators (diesel), mobile combustion factory vehicles and chemicals (refrigerant gases and fire extinguishers). The Company calculates greenhouse gas emissions in accordance with the standard "TS EN ISO 14064-1:2019 Greenhouse Gases - Part 1: Guidelines and Specifications for the Calculation and Reporting of Greenhouse Gas Emissions and Removals at the Organization Level."
	Scope 2 Emissions (tCO <sub>2</sub> e)	Refers to the amount of indirect greenhouse gas emissions arising from the Company's electricity and hot water consumption during the reporting period. The Company calculates greenhouse gas emissions in accordance with the standard "TS EN ISO 14064-1:2019 Greenhouse Gases-Part 1: Guidelines and Specifications for the Calculation and Reporting of Greenhouse Gas Emissions and Removals at the Organization Level."

Type	Indicator	Scope
Environmental	Total Greenhouse Gas Emissions (Scope 1 and 2) (tCO <sub>2</sub> e)	Refers to the sum of the Company's Scope 1 Emissions and Scope 2 Emissions in the reporting period.
	Greenhouse Gas Intensity (tCO <sub>2</sub> e (million EUR)	Refers to the ratio of total Scope 1 and Scope 2 emissions to total turnover that can be mapped in the financial report during the reporting period.
	Scope 3 - Category 1 Emissions (tCO <sub>2</sub> e)	In the reporting period, it refers to the indirect greenhouse gas emissions arising from all goods and services purchased by the Company, which can be mapped with financial reporting systems, which are in Category 1 within the categories of the Company's GHG Protocol (Greenhouse Gas Protocol). The Company calculates greenhouse gas emissions in accordance with the standard "TS EN ISO 14064-1:2019 Greenhouse Gases - Part 1: Guidelines and Specifications for the Calculation and Reporting of Greenhouse Gas Emissions and Removals at the Organization Level."
	Scope 3 - Category 2 Emissions (tCO <sub>2</sub> e)	In the reporting period, it refers to the indirect greenhouse gas emissions arising from all capital asset purchases of the Company that can be mapped with financial reporting systems, which are in Category 2 within the categories in the Company's GHG Protocol (Greenhouse Gas Protocol). The Company calculates greenhouse gas emissions in accordance with the standard "TS EN ISO 14064-1:2019 Greenhouse Gases - Part 1: Guidelines and Specifications for the Calculation and Reporting of Greenhouse Gas Emissions and Removals at the Entity Level."
	Scope 3 - Category 4 Emissions (tCO <sub>2</sub> e)	In the reporting period, it refers to the indirect greenhouse gas emissions arising from the transportation and distribution of products purchased by the Company between the Company's suppliers and its own operations (in vehicles and facilities not owned or controlled by the Company), which are included in Category 4 of the categories in the Company's GHG Protocol (Greenhouse Gas Protocol). The Company calculates greenhouse gas emissions in accordance with the standard "TS EN ISO 14064-1:2019 Greenhouse Gases - Part 1: Guidelines and Specifications for the Calculation and Reporting of Greenhouse Gas Emissions and Removals at the Entity Level."
	Scope 3 - Category 5 Emissions (tCO <sub>2</sub> e)	In the reporting period, it refers to the indirect greenhouse gas emissions arising from the disposal and processing of wastes generated as a result of the Company's activities by third parties, which are included in Category 5 of the categories in the Company's GHG Protocol (Greenhouse Gas Protocol). The Company calculates greenhouse gas emissions in accordance with the standard "TS EN ISO 14064-1:2019 Greenhouse Gases - Part 1: Guidelines and Specifications for the Calculation and Reporting of Greenhouse Gas Emissions and Removals at Organization Level."
	Scope 3 - Category 6 Emissions (tCO <sub>2</sub> e)	In the reporting period, it refers to the indirect greenhouse gas emissions arising from flights and accommodations carried out by employees as part of the Company's activities, which are included in Category 6 of the categories in the Company's GHG Protocol (Greenhouse Gas Protocol) and monitored by data received from service provider companies. The Company calculates greenhouse gas emissions according to the standard "TS EN ISO 14064-1:2019 Greenhouse Gases - Part 1: Guidelines and Specifications for the Calculation and Reporting of Greenhouse Gas Emissions and Removals at the Organization Level."
	Scope 3 - Category 7 Emissions (tCO <sub>2</sub> e)	In the reporting period, it refers to the indirect greenhouse gas emissions arising from the use of employee shuttles and taxis used for the transportation of the Company's employees to and from work, which are monitored by the invoices of the service provider companies, which are included in Category 7 within the categories in the Company's GHG Protocol (Greenhouse Gas Protocol). The Company calculates greenhouse gas emissions according to the standard "TS EN ISO 14064-1:2019 Greenhouse Gases - Part 1: Guidelines and Specifications for the Calculation and Reporting of Greenhouse Gas Emissions and Removals at the Organization Level."
	Scope 3 - Category 9 Emissions (tCO <sub>2</sub> e)	In the reporting period, it refers to the indirect greenhouse gas emissions resulting from the transportation and distribution of the products sold by the Company, which are included in Category 9 of the categories in the Company's GHG Protocol (Greenhouse Gas Protocol). The Company calculates greenhouse gas emissions in accordance with the standard "TS EN ISO 14064-1:2019 Greenhouse Gases - Part 1: Guidelines and Specifications for the Calculation and Reporting of Greenhouse Gas Emissions and Removals at the Organization Level."
	Scope 3 - Category 11 Emissions (tCO <sub>2</sub> e)	In the reporting period, it refers to the indirect greenhouse gas emissions resulting from the lifetime use of the products sold by the Company, which are included in Category 11 of the categories in the Company's GHG Protocol (Greenhouse Gas Protocol). The Company calculates greenhouse gas emissions according to the standard "TS EN ISO 14064-1:2019 Greenhouse Gases-Part 1: Guidelines and Specifications for the Calculation and Reporting of Greenhouse Gas Emissions and Removals at the Organization Level."
	Scope 3 - Category 12 Emissions (tCO <sub>2</sub> e)	In the reporting period, it refers to the indirect greenhouse gas emissions arising from the disposal of waste generated at the end of the life of the products sold by the Company, which are included in Category 12 of the categories in the Company's GHG Protocol (Greenhouse Gas Protocol). The Company calculates greenhouse gas emissions according to the standard "TS EN ISO 14064-1:2019 Greenhouse Gases - Part 1: Guidelines and Specifications for the Calculation and Reporting of Greenhouse Gas Emissions and Removals at the Organization Level."



Type	Indicator	Scope
Environmental	<b>Water Withdrawal(m³)</b>	
	Mains Water (m³)	Refers to the amount of mains water consumed by Auxiliary Facility-1 and Auxiliary Facility-2 during the reporting period, which is purchased from Manisa Organized Industrial Zone (MOSB) and monitored from invoices (12 months).
	Groundwater (m³)	Refers to the amount of groundwater consumed by the Auxiliary Facility-1 during the reporting period, which is purchased from Manisa Organized Industrial Zone (MOSB) and monitored from invoices (12 months).
	Rain Water (m³)	Refers to the amount of rainwater obtained from flow meters in the Company's rain collection tanks and monitored through the Vestel database portal (Vestel Collecting Rain Process) during the reporting period.
	Total Water Withdrawal (m³)	Refers to the sum of the Company's Mains Water, Ground Water and Rain Water consumption during the reporting period.
	Amount of Wastewater Discharged to Network (m³)	Refers to the amount of wastewater received from Manisa Organized Industrial Zone (MOSB) and discharged during the reporting period, which is monitored through the monthly usage documents shared by MOSB, assuming that 90% of the total of Mains Water, Groundwater and Rainwater is wastewater.
	Total Net Water Consumption (m³)	Refers to the amount of Wastewater Discharged to the Network less the Total Water Withdrawal of the Company during the reporting period.
	Amount of Recycled Water (m³)	Refers to the total amount of water recovered during the reporting period, which is monitored by meters in the Company's recovery units and reused in production.
	Water Density (m³/ EUR million)	Refers to the ratio of total water withdrawal to total turnover that can be mapped in the financial report during the reporting period.
	<b>Waste Amount (tons)</b>	
	Total Amount of Hazardous Waste (tons)	In the reporting period, it refers to the sum of the amount of Hazardous Waste Recovered for Energy Generation, the amount of Hazardous Waste Recovered and the amount of Hazardous Waste Sent to Landfill/Solid Waste Site, which are monitored by the Mobile Waste Tracking System (MOTAT) of the Ministry of Environment, Urbanization and Climate Change and declared to the Integrated Environmental Information System.
	Hazardous Waste Incinerated for Energy Generation (tons)	In the reporting period, it refers to the amount of waste recycled for energy generation by the licensed waste processing facility of the Company, which is monitored by the Mobile Waste Tracking System (MOTAT) in the Integrated Environmental Information System of the Republic of Turkey Ministry of Environment, Urbanization and Climate Change and declared with the Waste Declaration with the code "R."
	Recovered Hazardous Waste (tons)	In the reporting period, it refers to the amount of waste recovered with the "R" code of the licensed waste treatment facility of the Company, which is monitored with the Mobile Waste Tracking System (MOTAT) in the Integrated Environmental Information System of the Republic of Turkey Ministry of Environment, Urbanization and Climate Change, and declared with the Waste Declaration.
	Hazardous Waste Sent to Landfill/Solid Waste Site (tons)	In the reporting period, it refers to the amount of waste monitored by the Mobile Waste Tracking System (MOTAT) in the Integrated Environmental Information System of the Republic of Turkey Ministry of Environment, Urbanization and Climate Change, declared with the Waste Declaration, and sent to the landfill & solid waste site with the "D" code of the licensed waste treatment facility.
	Total Amount of Non-Hazardous Waste (tons)	In the reporting period, the amount of Non-Hazardous Waste Recovered for Energy Generation, the amount of Non-Hazardous Waste Recycled and the amount of Non-Hazardous Waste Sent to Landfill are the total amount of Non-Hazardous Waste Recovered for Energy Generation, the amount of Non-Hazardous Waste Recycled and the amount of Non-Hazardous Waste Sent to Landfill, based on the reconciliation and delivery note & weighbridge receipts received from licensed waste processing companies authorized by the Republic of Turkey Ministry of Environment, Urbanization and Climate Change.
	Non-hazardous Waste Incinerated for Energy Generation (tons)	In the reporting period, it refers to the amount of recycled waste that is subjected to recycling process for the purpose of energy generation and declared to the Republic of Turkey Ministry of Environment, Urbanization and Climate Change with the Waste Declaration, which is tracked with the scale receipt & delivery note documents received from the licensed waste processing company of the Company.
	Recycled Non-Hazardous Waste (tons)	In the reporting period, it refers to the amount of recycled waste that is tracked with the scale receipt & delivery note documents received from the Company's licensed waste processing company, subjected to recycling process and declared to the Republic of Turkey Ministry of Environment, Urbanization and Climate Change with the Waste Declaration.
	Non-hazardous Waste Sent to Landfill/Solid Waste Site (tons)	Refers to the amount of recycled waste during the reporting period, which is tracked with the scale receipt & delivery note documents received from the Company's licensed waste processing company, subjected to landfill and disposal and declared to the Republic of Turkey Ministry of Environment, Urbanization and Climate Change with the Waste Declaration.
	Total Waste (tons)	Refers to the sum of the Company's Total Hazardous Waste and Total Non-Hazardous Waste in the reporting period.
	Total Recycled/Recovered Waste (tons)	Refers to the sum of the amount of Hazardous Waste Recovered and the amount of Non-Hazardous Waste Recycled by the Company during the reporting period.

Type	Indicator	Scope
Environmental	Total Waste Disposed (tons)	In the reporting period, it refers to the Company's Total Waste amount minus the Total Recycled/Recovered Waste amount.
	Total Waste Sent to Landfill/Solid Waste Site (tons)	Refers to the sum of the amount of Non-Hazardous Waste sent to the Company's Landfill/Solid Waste Site and Hazardous Waste sent to Landfill/Solid Waste Site during the reporting period.
	Total Waste Incinerated for Energy Generation (tons)	Refers to the sum of the Company's Non-Hazardous Waste Recovered for Energy Generation and Hazardous Waste Recovered for Energy Generation in the reporting period.
	Waste Recycling Rate (%)	Refers to the ratio of the Company's Total Recycled Waste to Total Waste in the reporting period.
Social	Employees by gender (#)	Refers to the gender breakdown of the total number of employees who were monitored through the Company's Human Resources data platform during the reporting period, covering all employees logged into the platform as of 31.12.2024, and for whom the Social Security Institution was notified of employment.
	Employees by category (#)	In the reporting period, it refers to the number of male and female employees monitored through the Company's Human Resources data platform, where monthly salaried employees are defined as "white collar" and hourly salaried employees are defined as "blue collar."
	Employees by Duration of Employment (#)	Refers to the number of male and female employees with a seniority of 0-5 years, 5-10 years and more than 10 years, who are monitored through the Company's Human Resources data platform and declared to the Social Security Institution through the Employment Declaration during the reporting period.
	Average Duration of Employment (Year)	In the reporting period, it refers to the number of employees who are monitored by the Company's Human Resources data platform, declared to the Social Security Institution through the Employment Declaration, and whose average duration is calculated based on their working hours as of 31.12.2024, broken down into men and women.
	Employees by Gender and Age (#)	In the reporting period, the number of employees aged 50 and over, 30-50 years old, 30-50 years old, 30 years old and under 30 years old, which are tracked through the Company's Human Resources data platform, created with the date of birth information in the personnel files by making the Employment Entry Declaration to the Social Security Institution, refers to the number of employees in terms of men and women.
	Managers by Gender and Age (#)	In the reporting period, it refers to the total number of people working at the lower management level Senior Manager and Manager positions, middle management level Manager positions and upper management level Chief Executive Officer, General Manager, Assistant General Manager positions in total, in terms of men and women, with the breakdowns of 50 years and over, 30-50 years, 30 years and under, covering all employees who are monitored by the Company's Human Resources data platform, entered into the platform as of 31.12.2024, and created with the date of birth information in the personnel files by making the Employment Entry Declaration to the Social Security Institution.
	Managers by Category (#)	In the reporting period, the number of women and men working in the first level management positions of Senior Manager and Manager, mid-level management positions of Manager and senior management positions of Chief Executive Officer, General Manager and Assistant General Manager, as determined by the Company.
	Number of Management Level Employees in Revenue Generating Positions (#)	In the reporting period, it refers to the number of men and women working in the following positions, which the Company defines as revenue-generating positions and which are monitored through the Company's Human Resources data platform: Chief Executive Officer, General Manager and Assistant General Manager, Purchasing department managers, Financial affairs department, finance department managers and all managers working in foreign trade.
	Ratio of Female Employees in Management positions (%)	In the reporting period, the ratio of the number of female employees working at lower management level Senior Manager and Manager positions, middle management level Manager positions and upper management level Chief Executive Officer, General Manager, Assistant General Manager positions to the total number of employees working at management level.
	Ratio of Female Employees at Management Level in Revenue Generating Positions (%)	The ratio of the number of female employees at the management level in revenue-generating positions to the total number of employees at the management level in revenue-generating positions in the reporting period.
	Number of Employees in STEM Positions (#)	In the reporting period, it refers to the number of men and women working in the R&D function, which the Company defines as STEM (Science, Technology, Engineering, Math) positions, and who have a bachelor's degree in Engineering, tracked through the Company's Human Resources data platform.
	Number of Full-Time Employees in the R&D Department (#)	In the reporting period, it refers to the number of full-time male and female employees who are tracked through the Company's Human Resources data platform, whose organization is the R&D department and who work full-time within the scope of Labor Law No. 4857, which is defined as 7.5 hours of work per day and 45 hours of work per week.

Type	Indicator	Scope
Social	Ratio of Female Employees in STEM Positions (%)	In the reporting period, the ratio of the number of female employees with a bachelor's degree in Engineering who work in the R&D function, which the Company defines as STEM (Science, Technology, Engineering, Math) positions, tracked through the Company's Human Resources data platform, to the number of employees in STEM positions.
	Number of Employees with Disabilities (#)	In the reporting period, it refers to the number of men and women employees of the Company who fall within the definition of disabled in the Law No. 5378 on Disabled Persons and who were declared to the Social Security Institution with the Employment Declaration within the reporting year.
	Ratio of Non-Managerial Employees (%)	In the reporting period, it refers to the ratio of the number of employees who are monitored through the Company's Human Resources data platform, declared to the Social Security Institution through the Employment Entry Declaration, and who are not included in the company's first level, middle level and upper level definitions, to the number of non-managerial employees.
	Promotion Rate (%)	Refers to the ratio of the number of male and female employees who were promoted during the reporting period to the total number of employees who were promoted during the reporting period as of 31.12.2024, which is monitored through the Company's Human Resources data platform and declared to the Social Security Institution through the Employment Entry Declaration, in gender breakdown.
	New Hires by Gender and Age (#)	Refers to the number of male and female employees aged 50 years and over, 30-50 years and 30 years and under, who were recruited by the Company during the reporting period and who were declared to the Social Security Institution with the Employment Declaration during the reporting year, and who are tracked in the Breakdown of Number of Management Level Employees.
	Employee Turnover Rate (%)	The ratio of the number of male and female employees to the total number of employees declared to the Social Security Institution in the reporting period.
	Voluntary Separation Employee Turnover Rate (%)	It expresses the ratio of the number of male and female employees, who were declared to the Social Security Institution of the Company in the reporting period with the Declaration of Leaving Employment within the reporting year and who are followed in the breakdown of those who left voluntarily, to the total number of employees.
	Ratio of Vacancies Filled with Internal Candidates (%)	In the reporting period, it expresses the ratio of the number of vacant positions filled with internal candidates followed by job change / rotation and internal promotion announcements within the approval of the Company's senior management to the total number of vacant positions.
	Ratio of Women who quit their jobs(%)	It expresses the ratio of the number of women who left their jobs as of 31.12.2024 to the total number of employees who left their jobs as of 31.12.2024, which was declared to the Social Security Institution of the Company with the Declaration of Leaving Work within the reporting period.
	Employees on Parental Leave (#)	In the reporting period, within the scope of the Regulation on Part-Time Work to be Performed After Maternity Leave or Unpaid Leave, it refers to the number of employees who took maternity and paternity leave within the periods specified in the regulation.
	Employees Returning from Parental Leave (#)	In the reporting period, within the scope of the Regulation on Part-Time Work to be Performed After Maternity Leave or Unpaid Leave, it refers to the number of male and female employees of the Company who returned from maternity and paternity leave within the periods specified in the regulation.
	Total Number of Employees Subjected to Regular Performance and Career Development Evaluation (#)	In the reporting period, it expresses the number of people in terms of men and women within the scope of 2 different evaluation systems that are monitored with performance evaluation forms as "Competency Based Performance Evaluation" made with white-collar employees who have completed 6 months as of the start date of the Company's year-end performance evaluation period and "Target & Competency Based Performance Evaluation" made with active white-collar employees as of the beginning of the year performance period.
	Number of Subcontracted Employees (#)	Refers to the total number of employees, in terms of men and women, working for the Company in ISS and EuroServe, which are the subcontractors of the Company, during the reporting period.
	Training Hours Provided to Employees (hours)	During the reporting period, the total number of training hours that were monitored through the Company's Vestel Academy Training Portal, tracked and recorded with the Company-specific information of the employees, and covering all trainings within the Company, including OHS Trainings.

Training Hours Provided to Subcontractors (hours)	In the reporting period, this refers to the total number of training hours provided and recorded by ISS and EuroServe, the subcontractor companies that the Company works with, to the personnel working for the Company, covering all trainings including OHS Trainings.
OHS Training Hours Provided to Subcontracted Employees (hours)	In the reporting period, this refers to the total number of compulsory or non-compulsory Occupational Health and Safety training hours provided by the Company to the personnel of ISS and EuroServe, the subcontractor companies that the Company works with, which are monitored through the Vestel Academy Training Portal, and the topics of which are created according to the hazard class within the scope of the Occupational Health and Safety Law No. 6331.

Type	Indicator	Scope
Social	OHS Training Hours Provided to Employees (hours)	Refers to the total number of compulsory or non-compulsory Occupational Health and Safety training hours during the reporting period, which are tracked and recorded through the Company's Vestel Academy Training Portal, and which are tracked and recorded with the Company-specific information of the employees, and for which topics are created according to the hazard class within the scope of the Occupational Health and Safety Law No. 6331.
	Number of Employees Receiving Environmental and Zero Waste Training (#)	Refers to the number of male and female employees who received Environment, Zero Waste and Sustainability Training during the reporting period, which is tracked and recorded through the Company's Vestel Academy Training Portal, and tracked and recorded with employees' Company-specific information.
	OHS Performance Indicators	
	Number of Fatalities (#) (Employees, Subcontractors, Total)	In the reporting period, it refers to the number of employees of the Company and the subcontractors ISS and EuroServe that the Company works with, who fall under the definition of "Fatal Work Accident" within the scope of the Occupational Health and Safety Law No. 6331, and who are followed up through notifications made to the Social Security Institution.
	Occupational Disease (#) (Employees, Subcontractors, Total)	In the reporting period, it refers to the number of occupational diseases of the Company's employees and the employees of ISS and EuroServe, the subcontractor companies that the Company works with, which fall within the definition of "Occupational Disease" within the scope of the Occupational Health and Safety Law No. 6331, and which are monitored through notifications made to the Social Security Institution.
	Number of Accidents (#) (Employees, Subcontractors, Total)	In the reporting period, it refers to the number of accidents that occurred to the Company employees and the subcontractors that the Company works with during the activities defined by the occupational safety laws and regulations of the employee, resulting in death, loss of working days, limited loss of working days and medical treatment, which are followed up through notifications made to the Social Security Institution.
	Number of Lost Days (#) (Employees, Subcontractors, Total)	In the reporting period, it refers to the total number of lost days that occurred during the activities defined by the occupational safety laws and regulations of the Company's employees and subcontractors that the Company works with, and prevented the employee from coming to the workplace on the next shift or working day, which is monitored through notifications made to the Social Security Institution.
	Lost time accident frequency rate (%) (Employees, Subcontractors, Total)	Refers to the ratio of the total number of lost time occupational accidents resulting in loss of working days, which occurred during the reporting period during the activities defined by the occupational safety laws and regulations of the Company's employees and the subcontractors that the Company works with, and which are monitored through notifications made to the Social Security Institution (SSI), multiplied by 1,000,000, to the Company's total working hours in the reporting period.
	Total injury rate (Accident frequency rate) (%) (Employees, Subcontractors, Total)	Refers to the ratio of the total number of occupational accidents that occurred to the Company's employees and subcontractors during the reporting period, which are monitored through notifications made to the Social Security Institution (SSI), multiplied by 1,000,000 to the Company's total working hours during the reporting period.
	Accident severity rate (%) (Employees, Subcontractors, Total)	In the reporting period, the total number of lost working days as a result of the total number of occupational accidents that occurred to the Company's employees and the subcontractors that the Company works with and that are monitored through notifications made to the Social Security Institution (SSI), multiplied by 100 and divided by the Company's (Total working days - Number of non-working days).



Data Preparation

1. Environmental Indicators

Energy consumption (MWh)

The following conversion factors were used in the sub-headings that constitute energy consumption.

Lt-MWh = MWh x 0.01008 (diesel)

Scope 1 Emissions (tCO<sub>2</sub>e)

Scope-1 emissions calculation includes the amount of direct greenhouse gas emissions from natural gas, diesel fuel, diesel fuel, gasoline and LPG in company vehicles, stationary combustion generators (diesel fuel), LPG used in the process and mobile combustion factory vehicles and chemicals (refrigerants and fire extinguishers).

Formula:  
Emission Amount = Activity Data \* Emission Factor \* Amplification Factor  
Activity Data = Consumption Quantity\*Net Calorific Value (TJ)  
Oxidation Factor = 1

GWP coefficients are taken from the IPCC 6<sup>th</sup> Assessment Report and calculated by multiplying the composite ton CO<sub>2</sub>-e value by the appropriate coefficients.

Emission Source	NKD	Density	Emission Factors	Unit	References
Fuel Consumption for Heating - Natural Gas (sm <sup>3</sup> )	34,54 TJ/10 <sup>^</sup> 6 m <sup>3</sup>	0,094 m <sup>3</sup> /kWh	0,182	kgCO <sub>2</sub> e/kWh	IPCC 6 <sup>th</sup> AR
Generator – Diesel (lt)	43,33 TJ/kton	0,845 kg/lt	2,722	kgCO <sub>2</sub> e/liter	IPCC 6 <sup>th</sup> AR
Fuel Consumption in Process - LPG	47,31 TJ/kton	—	2,988	kgCO <sub>2</sub> e/kg	IPCC 6 <sup>th</sup> AR
Company Vehicles for Transportation – Gasoline (lt)	44,8 TJ/kton	0,775 kg/lt	2,506	kgCO <sub>2</sub> e/liter	IPCC (2006), Vol 2, Chapter 3, Tablo 3.2.1 ve Tablo 3.2.2
Company Vehicles for Transportation – Diesel (lt)	43,33 TJ/kton	0,845 kg/lt	2,756	kgCO <sub>2</sub> e/liter	IPCC (2006), Vol 2, Chapter 3, Tablo 3.2.1 ve Tablo 3.2.2
Company Vehicles for Transportation Purposes - LPG	47,31 TJ/kton	—	3,07	kgCO <sub>2</sub> e/kg	IPCC (2006), Vol 2, Chapter 3, Tablo 3.2.1 ve Tablo 3.2.2
Operational Vehicles - Internal Waste Transportation (Diesel)	43,33 TJ/kton	0,845 kg/lt	3,00	kgCO <sub>2</sub> e/liter	IPCC (2006), Vol 2, Chapter 3, Tablo 3.3.1
Refrigerants - R22	-	-	1.960,00	kgCO <sub>2</sub> e/kg	IPCC 6 <sup>th</sup> AR
Refrigerants - R404A	-	-	4.728,00	kgCO <sub>2</sub> e/kg	IPCC 6 <sup>th</sup> AR
Refrigerants - R410A	-	-	2.256,00	kgCO <sub>2</sub> e/kg	IPCC 6 <sup>th</sup> AR
Refrigerants - R600A	-	-	0,006	kgCO <sub>2</sub> e/kg	IPCC 6 <sup>th</sup> AR
Refrigerants - R134A	-	-	1.530,00	kgCO <sub>2</sub> e/kg	IPCC 6 <sup>th</sup> AR
Refrigerants - R407C	-	-	1.908,00	kgCO <sub>2</sub> e/kg	IPCC 6 <sup>th</sup> AR
Fire Extinguishers - CO <sub>2</sub>	-	-	1,00	kgCO <sub>2</sub> e/kg	IPCC 6 <sup>th</sup> AR

Scope 2 Emissions (tCO<sub>2</sub>e)

Scope-2 emissions calculation includes the amount of indirect greenhouse gas emissions arising from the Company's Electricity and Hot Water amount.

Formula:  
Emission Amount = Activity Data\*Emission Factor

Emission Source	Emission Factors	Unit	References
Electricity	0,442	kgCO <sub>2</sub> e/kWh	Turkey Grid Electricity Emission Factor Information Form
Hot Water	0.1797	kgCO <sub>2</sub> e/kWh	Defra 2024 – Heat and Steam

Scope 3 Greenhouse Gas Emissions (tonCo<sub>2</sub>e)

The Company's Scope 3 greenhouse gas emissions in accordance with ISO 14064-1 are those that arise from the activities of the organization but cannot be directly controlled.

- Category 1: Purchased Goods and Services
- Category 2: Capital Goods owned and used by the Company
- Category 4: Upstream Transportation and Distribution
- Category 5: Disposal and recycling of waste generated as a result of the Company's operations
- Category 6: Business travel of Company Employees
- Category 7: Personnel Services
- Category 9: Downstream Transportation and Distribution
- Category 11: Use of Sold Products
- Category 12: Waste and disposal of products at the end of their useful life

covering greenhouse gas emissions from these categories. The emission factors, units, and references used in emission calculations are specified in the “Scope 3 Categories” table.

Formula:  
Emission Amount = Activity Data\*Emission Factor

Category 1: Purchased Goods and Services

In the reporting period, the Company's raw materials, which are directly used in the production processes of the Company, consist of direct purchases of production materials such as metals and electronic and electrical components (steel sheet, metal casting, plastic parts, motherboards and inventors, etc.) and indirect purchases of products and services that support the Company's operations, although not directly involved in the production process, include greenhouse gas emissions from energy consumption and carbon footprint arising from the production and processing of municipal water and rental warehouse service purchases.

Category 2: Capital Goods Owned and Used by the Company

It includes greenhouse gas emissions from machinery, equipment and buildings directly owned by the Company and used in production processes, service provision and operations.

Category 4: Upstream Transportation and Distribution

It includes greenhouse gas emissions resulting from the transportation of raw materials, metals, plastics, electronic components and packaging materials purchased by the Company during the procurement process from the place of production to the facility. The procurement process is carried out by ships, airplanes, trucks and trains.

Category 5: Disposal and recycling of waste generated as a result of the Company's operations

It includes greenhouse gas emissions resulting from the disposal and recycling of waste generated as a result of the Company's operations. Emissions from electrical appliances, mixed paper and cardboard, wood, mixed metal, mixed plastic, household waste, batteries, medical waste, mixed hazardous waste and waste water discharge are included in the calculation.

Category 6: Business Travel and Accommodation for Company Employees

It includes greenhouse gas emissions resulting from flights and accommodation of company employees for business travel. When calculating emissions, the number of trips for one-time transportation is calculated and summed separately.

Category 7: Employee Commuting

Includes greenhouse gas emissions resulting from the use of shuttles and taxis provided for the commuting of the Company's employees to and from work.

Category 9: Downstream Transportation and Distribution

It covers greenhouse gas emissions resulting from the export, distribution to local supply centers and retail sales of the products produced by the Company. The delivery process is carried out by ship, airplane and trucks.

Category 11: Use of Sold Products

The Company's greenhouse gas emissions include natural gas, electricity and LPG consumed during the sales and usage period of the products sold (the lifetime of dishwashers, ovens, dryers, refrigerators and washing machines is determined as 10 years). Energy consumption varies according to product type.

Category 12: Waste and disposal of products at the end of their useful life

It includes greenhouse gas emissions resulting from the recycling of metals (based on average weights) from the products sold by the Company (dishwashers, ovens, dryers, refrigerators, washing machines) after their useful lives.

Scope 3 Categories	Emission Factor Unit	Reference Source
Category 1 - Purchased Goods and Services	kgCO <sub>2</sub> e/USD	EPA 2007, Supply Chain Emission Factors for US Industries Commodities v1.3
Category 2 - Capital Assets	kgCO <sub>2</sub> e/USD	EPA 2007, Supply Chain Emission Factors for US Industries Commodities v1.2
Category 4 - Upstream Transportation and Distribution	tCO <sub>2</sub> e/ton*km	DEFRA 2024, Freightng goods
Category 5 - Waste from Operations	kgCO <sub>2</sub> e/ton	DEFRA 2024, Waste Disposal
Category 6 - Business Travel	Flights: kgCO <sub>2</sub> e/km Accommodation: kgCO <sub>2</sub> e/room unit	DEFRA 2024, Business Travels, Air DEFRA 2024, Hotel Stay
Category 7 - of Employee Commuting	kgCO <sub>2</sub> e/km	IPCC (2006), Vol 2, Chapter 3, Table 3.2.1 & Table 3.2.2
Category 9 - Downstream Transportation and Distribution	kgCO <sub>2</sub> e/ton*km	DEFRA 2024, Freightng Goods
Category 11 - Use of Products Sold - Electricity	tonCO <sub>2</sub> e/kWh	Türkiye: Türkiye Electricity Emission Factor & IEA Emissions Factors Other Countries: Ember Climate
Category 11 - Use of Products Sold - Natural Gas	tonCO <sub>2</sub> e/kg	Türkiye & Other Countries: IPCC (2006), Vol 2, Chapter 2, Table 2.3
Category 11 - Use of Products Sold - LPG	tonCO <sub>2</sub> e/kg	Türkiye & Other Countries: IPCC (2006), Vol 2, Chapter 2, Table 2.3
Category 12 - End-of-Life Transactions of Sold Products	kgCO <sub>2</sub> /kg	DEFRA 2024, Waste Disposal

Total Amount of Hazardous Waste (tons)  
Formula:  
Total Amount of Hazardous Waste (tons) = Hazardous Waste Recovered for Energy Generation + Recovered Hazardous Waste + Hazardous Waste Sent to Landfill/Solid Waste Site

Total Amount of Non-Hazardous Waste (tons)  
Formula:  
Total Amount of Non-Hazardous Waste (tons) = Non-Hazardous Waste Recovered for Energy Generation + Non-Hazardous Waste Recycled + Non-Hazardous Waste Sent to Landfill

Total Waste (tons)  
Formula:  
Total Waste (tons) = Total Amount of Hazardous Waste + Total Amount of Non-Hazardous Waste

Waste Recycling Rate (%)  
Formula:  
Waste Recycling Rate (%) = Total Recycled Waste / Total Waste

1. Social Indicators

Average Duration of Employment (Year)

Formula:  
Total Working Hours (Female) / Total Number of Female Employees  
Total Working Hours (Male) / Total Number of Male Employees

Ratio of Female Employees at Management Level (%)

Ratio of Female Employees at Lower Management Level:

Formula:  
Number of Female Employees at Lower Management Level / Number of Employees at Lower Management Level  
Ratio of Female Employees at Middle Management Level:

Formula:  
Number of Female Employees at Middle Management Level / Number of Employees at Middle Management Level  
Ratio of Female Employees at Senior Management Level:

Formula:  
Number of Female Employees at Senior Management Level / Number of Employees at Senior Management Level

Ratio of Female Employees at Management Level in Revenue Generating Positions (%)

Formula:  
Number of Female Employees at Management Level in Revenue Generating Positions / Number of Employees at Management Level in Revenue Generating Positions

Ratio of Female Employees in STEM Positions (%)

Formula:  
Number of Female Employees in STEM Positions / Number of Employees in STEM Positions

Percentage of Non-Managerial Employees (%) Female

Formula:  
Total Number of Female Non-managerial Employees /Total Number of Non-managerial Employees

Percentage of Non-Managerial Employees (%) Male

Formula:  
Total Number of Male Non-Managerial Employees /Total Number of Non-Managerial Employees

Promotion Rate (%)

Formula:  
Number of Female Employees Promoted / Total Number of Employees Promoted  
Number of Male Employees Promoted / Total Number of Employees Promoted

Employee Turnover Rate (%)

Formula:  
Number of Quits / Total Number of Employees

Voluntary Separation Employee Turnover Rate (%)

Formula:  
Number of Voluntary Quits / Total Number of Employees

Ratio of Vacancies Filled with Internal Candidates (%)

Formula:  
Number of Employees Filled with Internal Candidates / Total Number of Open Positions

Ratio of Women who Quit Their Jobs (%)

Formula:  
Number of Women who quit their jobs/ Total Number of Employees Quitting  
1.1 Social Indicators - OHS Performance

Lost Time Accident Frequency Rate (%)

Formula:  
(Total Number of Lost Time Work Accidents x 1.000.000) / (Total Working Hours)

Total Injury Rate (%)

Formula:  
(Total Number of Work Accidents x 1.000.000) / (Total Working Hours)

Accident Severity Rate (%)

Formula:  
(Total Number of Lost Days x 100) / (Total Working Days - Number of Non-Working Days)

Restatement

The measuring and reporting of sustainability-related data inevitably involves a degree of estimation. Restatements are considered where there is a change in the data of greater than 5 percent at the Incorporation level.





ANNEX 8: LIMITED ASSURANCE REPORT

Limited Assurance Report

to the Board of Directors of Vestel Beyaz Eşya Sanayi ve Ticaret A.Ş.

We have been engaged by the Board of Directors of Vestel Beyaz Eşya Sanayi ve Ticaret A.Ş. (“Company” or “Vestel Beyaz Eşya”) to perform a limited assurance engagement in respect of the Selected Sustainability Information (the “Selected Information”) stated in the Vestel Beyaz Eşya Integrated Annual Report 2024 (the “Integrated Report 2024”) for the year ended 31 December 2024 and listed below.

Selected Information

The scope of the Selected Information for the year ended 31 December 2024, which is subject to our limited assurance work, set out in the pages 99, 109, 115, 181, 182, 183, 184, and 185 of the Integrated Report 2024 with the sign “✔” is summarized below:

Social Performance Indicators

- o Employees by Gender (#)
- o Employees by Category (#)
- o Employees by Duration of Employment (#)
- o Managers by Gender and Age (#)
- o Managers by Categories (#)
- o Number of Employees in Science, Technology, Engineering and Math (STEM) Positions (#)
- o Number of Full-Time Employees in R&D Department (#)
- o Number of Employees with Disabilities (#)
- o Ratio of Non-Managerial Employees (%)
- o Promotion Rate (%)
- o New Hires by Gender and Age (#)
- o Employee Turnover Rate (%)
- o Turnover Rate for Employees Voluntarily Leaving Their Jobs (%)
- o Ratio of Vacant Positions Filled with In-house Candidates (%)
- o Ratio of Women Who Quit Their Jobs (%)
- o Number of Employees Who Took Parental Leave (#)
- o Employees Returning from Parental Leave (#)
- o Total Number of Employees Subjected to a Regular Performance and Career Development Review (#)
- o Number of Sub-contracted Employees (#)
- o Training Hours for Employees (hour)
- o Training Hours for Contractor Employees (hour)
- o OHS Training Hours for Employees (hour)
- o OHS Training Hours for Contractor Employees (hour)
- o Number of Employees Receiving Environmental and Zero Waste Training (#)
- o Number of Fatalities (#) (Employees, Subcontractors, Total)
- o Lost Time Accident Frequency Rate (%) (Employees, Subcontractors, Total)
- o Accident Severity Rate (%) (Employees, Subcontractors, Total)
- o Occupational Disease (#) (Employees, Subcontractors, Total)
- o Total Injury Rate (%) (Employees, Subcontractors, Total)
- o Number of Accidents (#) (Employees, Subcontractors, Total)
- o Number of Lost Days (#) (Employees, Subcontractors, Total)



Environmental Performance Indicators

Energy Consumption

- o Natural Gas (MWh)
- o Diesel (MWh)
- o Electricity (MWh)
- o Renewable Energy (Electricity) (MWh)
- o Hot Water (MWh)
- o Total (MWh)
- o Energy Density (MWh / mEUR)

Greenhouse Gas Emissions

- o Scope 1 Greenhouse Gas Emissions (tons CO<sub>2</sub>e)
- o Scope 2 Greenhouse Gas Emissions (tons CO<sub>2</sub>e)
- o Total Greenhouse Gas Emissions (Scope 1 and 2) (tons CO<sub>2</sub>e)
- o Scope 3 Greenhouse Gas Emissions (tons CO<sub>2</sub>e)
- o Category 1 Greenhouse Gas Emissions (tons CO<sub>2</sub>e)
- o Category 2 Greenhouse Gas Emissions (tons CO<sub>2</sub>e)
- o Category 4 Greenhouse Gas Emissions (tons CO<sub>2</sub>e)
- o Category 5 Greenhouse Gas Emissions (tons CO<sub>2</sub>e)
- o Category 6 Greenhouse Gas Emissions (tons CO<sub>2</sub>e)
- o Category 7 Greenhouse Gas Emissions (tons CO<sub>2</sub>e)
- o Category 9 Greenhouse Gas Emissions (tons CO<sub>2</sub>e)
- o Category 11 Greenhouse Gas Emissions (tons CO<sub>2</sub>e)
- o Category 12 Greenhouse Gas Emissions (tons CO<sub>2</sub>e)
- o Greenhouse Gas Density (tons CO<sub>2</sub>e/mEUR)

Water Withdrawal

- o Mains Water (m<sup>3</sup>)
- o Groundwater (m<sup>3</sup>)
- o Rain Water (m<sup>3</sup>)
- o Total Water Withdrawal (m<sup>3</sup>)
- o Amount of Waste Water Discharged to the Network (m<sup>3</sup>)
- o Total Net Water Consumption (m<sup>3</sup>)
- o Amount of Recycled Water (m<sup>3</sup>)
- o Water Density (m<sup>3</sup>/mEUR)



• Amount of Waste

- o Total Amount of Hazardous Waste (tons)
- o Hazardous Waste Incinerated for Energy Generation (tons)
- o Recovered Hazardous Waste (tons)
- o Hazardous Waste Sent to Landfill / Solid Waste Site (tons)
- o Total Amount of Non-Hazardous Waste (tons)
- o Non-Hazardous Waste Incinerated for Energy Generation (tons)
- o Recycled Non-Hazardous Waste (tons)
- o Non-Hazardous Waste Sent to Landfill / Solid Waste Site (tons)
- o Total Amount of Waste (tons)
- o Total Recycled / Recovered Waste (tons)
- o Total Waste Sent to Landfill / Solid Waste Site (tons)
- o Total Waste Incinerated for Energy Generation (tons)
- o Total Waste Disposed (tons)
- o Waste Recycling Rate (%)

Our assurance was with respect to the Selected Information marked with “🟡” in the in the Integrated Report 2024, and we have not performed any procedures with respect to earlier periods or any information other than Selected Information marked with “🟢” in the Integrated Report 2024 and, any other elements included in the Integrated Report 2024 and, therefore, do not express any conclusion thereon.

Criteria

The criteria used by the Company to prepare the Selected Information is set out in section the “Vestel Beyaz Eşya Integrated Annual Report 2024 – Reporting Principles” (the “Reporting Principles”) on pages 186, 187, 188, 189, 190, 191, 192, 193, 194 and 195 of the Integrated Report 2024.

The Company’s Responsibility

The Company is responsible for the content of the Integrated Report 2024 and the preparation of the Selected Information in accordance with the Reporting Principles. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of Selected Information that is free from material misstatement, whether due to fraud or error.

Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time. It is important to read the Selected Information in the context of the Reporting Principles

In particular, the conversion of different energy measures to megawatt-hour (MWh) and energy used to carbon emissions is based upon, inter alia, information and factors generated internally and/or derived by independent third parties as explained in the Reporting Principles. Our assurance work did not include examination of the derivation of those factors and other third-party information.



Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies International Standard on Quality Management 1 and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to form a limited assurance, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that the Selected Information has not been properly prepared in all material respects in accordance with the Reporting Principles. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information’, and, in respect of greenhouse gas emissions, International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements, issued by the International Auditing and Assurance Standards Board.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement under ISAE 3000 (Revised) and ISAE 3410. Consequently, the nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we:

- Made inquiries of the persons responsible for the Selected Information;
- Understood the process for collecting and reporting the Selected Information. This included analysing the key processes and controls for managing and reporting the Selected Information;
- Evaluated the source data used to prepare the Selected Information and re-performed selected examples of calculation;
- Performed limited substantive testing on a selective basis of the preparation and collation of the Selected Information prepared by the Company and;
- Undertook analytical procedures over the reported data.





Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Company’s Selected Information for the year ended 31 December 2024, is not properly prepared, in all material respects, in accordance with the Reporting Principles.

Restriction of use

This report, including the conclusion, has been prepared for the Board of Directors of the Company as a body, to assist the Board of Directors in reporting Company’s performance and activities related to the Selected Information. We permit the disclosure of this report within the Integrated Annual Report 2024 for the year ended 31 December 2024, to enable the Board of Directors of the Company to demonstrate they have discharged their governance responsibilities by commissioning a limited assurance report in connection with the Selected Information. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of Directors of Vestel Beyaz Eşya Sanayi ve Ticaret A.Ş. as a body Vestel Beyaz Eşya Sanayi ve Ticaret A.Ş. for our work or this report save where terms are expressly agreed and with our prior consent in writing.

PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.

Selma Canbul Çorum, SMMM  
Independent Auditor

Istanbul, 5 May 2025

ANNEX 9: UN GLOBAL COMPACT (UNGC) PROGRESS TABLE

Principles	İlkeler	References
Human Rights	Principle 1: Businesses should support, and respect proclaimed human rights.	Gender Equality, Human Rights and Inclusion,
	Principle 2: Businesses should not be complicit in human rights abuses.	
Labor Standards	Principle 3: Businesses should support workers' freedom of association and collective bargaining.	The Company does not employ any personnel working under the Collective Bargaining Agreement. All employee rights and interests are protected and overseen under the Labour Law No. 4857. The Company signed a collective bargaining agreement with Türk Metal Union on January 30, 2024.
	Principle 4: End forced and compulsory labor.	Gender Equality, Human Rights and Inclusion
	Principle 5: All forms of child labor should be stopped.	
	Principle 6: Eliminate discrimination in recruitment and placement.	Gender Equality, Human Rights and Inclusion
Environment	Principle 7: Businesses should support precautionary approaches to environmental problems.	A Net Zero Company
	Principle 8: It should support all kinds of activities and formations that will increase environmental responsibility.	A Net Zero Company
	Principle 9: Support the development and diffusion of environmentally friendly technologies.	A Net Zero Company
Anti-Corruption	Principle 10: Business should fight all forms of corruption, including bribery and extortion	Ethical Principles

ANNEXES

ANNEX 10: SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

COMPLIANCE STATUS					DESCRIPTION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (PAGE NUMBER, MENU NAME ON THE WEBSITE)
PRINCIPLE	YES	NO	PARTIAL	NOT APPLICABLE		
A. General Principles						
A1. Strategy, Policy and Targets						
A1.1	The prioritised environmental, social and corporate governance (ESG) issues, risks and opportunities have been determined by the Company's Board of Directors.	x			Risks and opportunities related to ESG issues are presented in the Global Trends, Risks and Opportunities section.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Global Trends, Risks and Opportunities: Page 52
	The ESG policies (Environmental Policy, Energy Policy, Human Rights and Employee Policy etc.) have been created and disclosed to the public by the Company's Board of Directors.	x			ESG policies are explained in the Employees and Quality and Product Safety sections, and the Management Systems Policy can be accessed from <b>here</b> , while the Zorlu Holding Human Rights Policy can be accessed from <b>here</b> .	Vestel Beyaz Eşya Entegre Faaliyet Raporu İlgili Bölüm/Bölümler  Çalışanlar: Sayfa 86  Kalite ve Ürün Güvenliği: Sayfa 126
A1.2	The short and long-term targets set within the scope of ESG policies have been disclosed to the public.	x			The targets set within the scope of ESG policies are discussed in general in the Strategic Approach section of the integrated annual report and detailed in the 2030 Targets table.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Strategic Approach: Page 36  2030 Targets: Page 43
A2. Implementation/Monitoring						
A2.1	The responsible committees and/or business units for the implementation of ESG policies and the senior officials related to ESG issues in the Company and their duties have been identified and disclosed to the public.	x			The governance structure designed for activities within the scope of sustainability is discussed in detail in the Sustainability Management section.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Sustainability Management: Page 46
	The activities carried out within the scope of policies by the responsible committee and/or unit have been reported to the Board of Directors at least once a year.	x			It has been conveyed in the Sustainability Management department.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Sustainability Management: Page 46
A2.2	In line with the ESG targets, the implementation and action plans have been formed and disclosed to the public.	x			Strategy areas and action plans are presented in the Strategic Approach section.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Strategic Approach: Page 36
A2.3	The Key ESG Performance Indicators (KPI) and the level of reaching these indicators have been disclosed to the public on yearly basis.	x			Detailed information is provided in Annex 6.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  ANNEX 6: Performance Indicators: Page 181
A2.4	The activities for improving the sustainability performance of the business processes or products and services have been disclosed to the public.	x			Explanations on these processes, products and services are provided in the Production and Innovation Power, A Net Zero Company, Accessible and Smart Products that Make Life Easier.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Production and Innovation Power: Page 75

PRINCIPLE	COMPLIANCE STATUS				DESCRIPTION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (PAGE NUMBER, MENU NAME ON THE WEBSITE)
	YES	NO	PARTIAL	NOT APPLICABLE		
A3. Reporting						
A3.1	The information about the sustainability performance, targets and actions have been given in annual reports of the Company an understandable, accurate and sufficient manner.	x			Within the scope of the Vestel Beyaz Eşya Integrated Annual Report, the approach, performance, targets and actions on material issues are transparently shared with stakeholders.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  2030 Targets: Page 43
A3.2	The information about activities which are related to the United Nations (UN) 2030 Sustainable Development Goals have been disclosed to the public.	x			The report states to which targets the projects launched contribute under each Sustainable Development Goal.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Strategic Approach: Page 36
A3.3	The lawsuits filed and/or concluded against the Company about ESG issues which are material in terms of ESG policies and/or will significantly affect the Company's activities, have been disclosed to the public.	x			It is explained in the Ethical Principles section.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Ethical Principles: Page 50
A4. Verification						
A4.1	The Company's Key ESG Performance metrics have been verified by an independent third party and publicly disclosed	x			Environmental performance indicators, social performance indicators, carbon and water footprint are verified by independent third parties	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Annex 6: Performance Indicators: Page 181
B. ENVIRONMENTAL PRINCIPLES						
B1	The policies and practices, action plans, environmental management systems (known by the ISO 14001 standard) and programs of the Company in the field of environmental management are disclosed.	x			Annex 4: It is explained in the Integrated Management Systems and Environmental Management section.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Annex 4: Integrated Management Systems and Environmental Management: Page 177
B2	The environmental reports prepared to provide information on environmental management have been disclosed to the public which is including the scope, reporting period, reporting date and limitations about the reporting conditions.	x			Necessary explanations are given in Annex 1, Annex 4 and Annex 6.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Annex 1: About the Report: Page 170  Annex 4: Integrated Management Systems and Environmental Management: Page 177  Annex 6: Performance Indicators: Page 181
B4	The environmental targets within the scope of performance incentive systems which included in the rewarding criteria have been disclosed to the public on the basis of stakeholders (such as members of the Board of Directors, managers and employees).			x	Although there are sustainability criteria included in the performance system, efforts are underway to increase and diversify these criteria.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Sustainability Management: Page 46  A Net Zero Company: Page 106
B5	How the prioritised environmental issues have been integrated into business objectives and strategies has been disclosed.	x			Detailed in the A Net Zero Company section.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  A Net Zero Company: Page 106



PRINCIPLE	COMPLIANCE STATUS				DESCRIPTION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (PAGE NUMBER, MENU NAME ON THE WEBSITE)
	YES	NO	PARTIAL	NOT APPLICABLE		
B7	x				It is presented in the Supply Chain section.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Supply Chain: Page 102
B8	x				A Net Zero Company is disclosed in Annex 2 and Annex 3.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  A Net Zero Company: Page 106  Annex 2: Stakeholder Relations: Page 171  Annex 3: Association Memberships and Supported Initiatives: Page 176
B9	x				Annex 4: Reported in the Integrated Management Systems and Environmental Management and Environmental Performance Indicators section.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Annex 4: Integrated Management Systems and Environmental Management: Page 177  Environmental Performance Indicators
B10	x				Annex 4: It is detailed in the Integrated Management Systems and Environmental Management section.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Annex 4: Integrated Management Systems and Environmental Management: Page 177
B11	x				Reported in the Environmental Performance Indicators section, increases and decreases are detailed in the 2030 Targets section.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  A Net Zero Company: Page 106  Environmental Performance Indicators: Page 184  2030 Targets: Page 43
B12	x				Reported in the Environmental Performance Indicators section and progress is detailed in the 2030 Targets section.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  A Net Zero Company: Page 106  Environmental Performance Indicators: Page 184  2030 Targets: Page 43

PRINCIPLE	COMPLIANCE STATUS				DESCRIPTION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (PAGE NUMBER, MENU NAME ON THE WEBSITE)
	YES	NO	PARTIAL	NOT APPLICABLE		
B13	x				The strategy to combat the climate crisis has been created and the planned actions have been publicly disclosed.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  A Net Zero Company: Page 106
B14	x				The programs/procedures to prevent or minimize the potential negative impact of products and/or services on the environment have been established and disclosed.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Products and Solutions Creating Benefits: Page 119
	x				The actions to reduce greenhouse gas emissions of third parties (suppliers, subcontractors, dealers, etc.) have been carried out and disclosed.	All details regarding the Company's environmentally friendly products and practices are discussed in the Products and Solutions Creating Benefits section.  Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Supply Chain: Page 102
B15	x				The environmental benefits/gains and cost savings of initiatives/projects that aims reducing environmental impacts have been disclosed.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  A Net Zero Company: Page 106
B16	x				The data related to energy consumption (natural gas, diesel, gasoline, LPG, coal, electricity, heating, cooling, etc.) has been disclosed as Scope-1 and Scope-2.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Environmental Performance Indicators: Page 184
B17	x				The information related to production of electricity, heat, steam and cooling as of the reporting year has been disclosed.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  A Net Zero Company: Page 108  Environmental Performance Indicators: Page 184
B18	x				The studies related to increase the use of renewable energy and transition to zero/low carbon electricity have been conducted and disclosed.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  A Net Zero Company: Page 106
B19	x				The renewable energy production and usage data has been publicly disclosed.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  A Net Zero Company: Page 106  Environmental Performance Indicators: Page 184
B20	x				The Company conducted projects about energy efficiency and the amount of reduction on energy consumption and emission achieved through these projects have been disclosed.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Energy Efficiency: Page 109

PRINCIPLE		COMPLIANCE STATUS				DESCRIPTION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (PAGE NUMBER, MENU NAME ON THE WEBSITE)
		YES	NO	PARTIAL	NOT APPLICABLE		
B21	The water consumption, the amount, procedures and sources of recycled and discharged water from underground or above ground (if any), have been disclosed.	x				Located in the Environmental Performance Indicators section.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Environmental Performance Indicators: Page 184
B22	The information related to whether Company's operations or activities are included in any carbon pricing system (Emissions Trading System, Cap & Trade or Carbon Tax).				x	Vestel Beyaz Eşya is not included in the carbon pricing system.	
B23	The information related to accumulated or purchased carbon credits within the reporting period has been disclosed.				x	There is no carbon credit purchased.	
B24	If carbon pricing is applied within the Company, the details have been disclosed.				x	Carbon pricing is not applied.	
B25	The platforms where the Company discloses its environmental information have been disclosed.	x				Explained in the A Net Zero Company and Annex 4: Integrated Management Systems and Environmental Management sections.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  A Net Zero Company: Page 106  Annex 4: Integrated Management Systems and Environmental Management: Page 177
C. SOCIAL PRINCIPLES							
C1. Human Rights and Employee Rights							
C1.1	The Institutional Human Rights and Employee Rights Policy has been established in the light of the Universal Declaration of Human Rights, ILO Conventions ratified by Türkiye and other relevant legislation. The policy and the officials that responsible for the implementation of it have been determined and disclosed.	x				Gender Equality is explained in the Human Rights and Inclusion section and Zorlu Holding Human Rights Policy, Zorlu Holding Code of Ethics and Equal Bi'Hayat Gender Equality Manifesto can be accessed from the links below.  <b>Zorlu Holding Human Rights Policy</b>  <b>Ethical Principles</b>  <b>Eşit Bi' Hayat (An Equal Life) Gender Equality Manifesto</b>	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Gender Equality, Human Rights and Inclusion: Page 86
C1.2	Considering the effects of supply and value chain, fair workforce, improvement of labour standards, women's employment and inclusion issues (gender, race, religion, language, marital status, ethnic identity, sexual orientation, gender identity, family responsibilities, union activities, political opinion, disability, social and cultural differences, etc., such as non-discrimination) are included in its policy on employee rights.	x				Explained in detail in the Gender Equality, Human Rights and Inclusion section.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Gender Equality, Human Rights and Inclusion: Page 86

PRINCIPLE	COMPLIANCE STATUS				DESCRIPTION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (PAGE NUMBER, MENU NAME ON THE WEBSITE)
	YES	NO	PARTIAL	NOT APPLICABLE		
C1.3	The measures taken for the minority rights/equality of opportunity or the ones who are sensitive about certain economic, environmental, social factors (low income groups, women, etc.) along the supply chain have been disclosed.	x			Explained in the sections on Gender Equality, Human Rights, and Inclusivity, and Supply Chain.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Gender Equality, Human Rights and Inclusion: Page 86  Supply Chain: Page 102
C1.4	The developments regarding preventive and corrective practices against discrimination, inequality, human rights violations, forced and child labour have been disclosed.	x			Detailed in the section on Gender Equality, Human Rights, and Inclusivity, and Supply Chain.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Gender Equality, Human Rights and Inclusion: Page 86  Supply Chain: Page 102
C1.5	Investments in employees (education, development policies), compensation, fringe benefits, right to unionize, work/life balance solutions and talent management are included in the employee rights policy.	x			Reported in the Employees section.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Employees: Page 86
	The mechanism for employee complaints and resolution of disputes have been established and related solution processes have been determined.				Reported in the Employees section.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Employees: Page 86
C1.6	The activities carried out within the reporting period which related to ensure employee satisfaction have been disclosed.	x			Reported in the Employees section.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Employees: Page 86
	The occupational health and safety policies have been established and disclosed.				Explained in the Occupational Health and Safety section, and the relevant data is reported in the Social Performance Indicators section.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Occupational Health and Safety: Page 98
	The measures taken for protecting health, preventing occupational accidents and related statistics have been disclosed.				Measures taken to prevent occupational accidents and protect health are reported in the Occupational Health and Safety section and accident statistics are reported in the Social Performance Indicators section.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Occupational Health and Safety: Page 98  Social Performance Indicators: Page 181



PRINCIPLE	COMPLIANCE STATUS				DESCRIPTION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (PAGE NUMBER, MENU NAME ON THE WEBSITE)
	YES	NO	PARTIAL	NOT APPLICABLE		
C1.7	The personal data protection and data security policies have been established and disclosed.	x			Explained in the Data Security and Cyber Risks section and the Privacy Policy and Clarification Text Links are shared below.  <b>Privacy Policy</b>  <b>Disclosure Text</b>	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Data Security and Cyber Risks: Page 84
C1.8	The ethics policy has been established and disclosed.	x			Vestel adopts a business manner on the basis of Zorlu Holding Ethical Principles. Zorlu Holding Code of Ethics can be accessed at the following address: from <b>here</b>	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Ethical Principles: Page 50
C1.9	The studies related to social investment, social responsibility, financial inclusivity and access to finance have been explained.	x			Explained in the Social Support section.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Corporate Citizenship: Page 100
C1.10	The informative meetings and training programs related to ESG policies and practices have been organized for employees.	x			Information and trainings on ESG are reported in Sustainability Management, Ethical Principles, Employees and Annex 4: Integrated Management Systems and Environmental Management.	Sustainability Management: Page 46  Ethical Principles: Page 50  Employees: Page 86  Annex 4: Integrated Management Systems and Environmental Management: Page 177
C2. Stakeholders, International Standards and Initiatives						
C2.1	The customer satisfaction policy regarding the management and resolution of customer complaints has been prepared and disclosed.	x			Customer Satisfaction Policy is detailed under the heading Customer Experience and can be accessed here.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Customer Experience: Page 128
C2.2	The information about the communication with stakeholders (which stakeholder, subject and frequency) have been disclosed.	x			Stakeholder Relations are detailed in Annex 2.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Annex 2: Stakeholder Relations: Page 171

PRINCIPLE	COMPLIANCE STATUS				DESCRIPTION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (PAGE NUMBER, MENU NAME ON THE WEBSITE)
	YES	NO	PARTIAL	NOT APPLICABLE		
C2.3	The international reporting standards that adopted in reporting have been explained.	x			The international reporting standards adopted are provided in Appendix 1: About the Report and Net Zero Company.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Annex 1: About the Report: Page 170  A Net Zero Company: Page 106
C2.4	The principles adopted regarding sustainability, the signatory or member international organizations, committees and principles have been disclosed.	x			Member Associations and Supported Initiatives are given in Annex 3.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Annex 3: Association Memberships and Supported Initiatives: Page 176
C2.5	The improvements have been made and studies have been carried out in order to be included in the Borsa Istanbul sustainability indices and/or international index providers.	x			What is done to be included in sustainability indices is explained in detail in the Sustainability Management section.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Sustainability Management: Page 46
D. Corporate Governance Principles						
D1	The opinions of stakeholders have been sought in the determination of measures and strategies related to sustainability field.	x			The materiality analysis was based on the views of 2,372 stakeholders.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Materiality Analysis: Page 38  Annex 2: Stakeholder Relations: Page 171
D2	The social responsibility projects, awareness activities and trainings have been carried out to raise awareness about sustainability and its importance.	x			Explained in the Ethical Principles, Employees and Social Support sections.	Vestel Beyaz Eşya Integrated Annual Report Related Section(s)  Ethical Principles: Page 50  Employees: Page 86  Social Support: Page 100

ANNEX 11: TCFD INDEX

TCFD Recommendations	Disclosures	Reference
Governance	The Boards of Directors' oversight of climate-related risks and opportunities	46-49
	Management's role in assessing and managing risks and opportunities	46-49, 52-54
Strategy	Climate-related risks and opportunities the organization has identified over the short, medium, and long term	60-64
	The impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	60-64
	The resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a +2°C scenario or lower	60-64
Risk Management	The organisation's processes for identifying and assessing climate-related risks	60-64
	The organisation's processes for managing climate-related risks	60-64
	How processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	60-64
Metrics and Targets	The metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	43, 60-64
	Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	40, 184
	The targets used by the organization to manage climate-related risks and opportunities and performance against targets	46

ANNEX 12: SASB INDEX

Accounting Metric	Disclosure in Integrated Report 2023	Code
<b>Product Safety</b>		
(1) Number of recalls issued and (2) total units recalled	Quality and Product Safety, p. 126	CG-AM-250a.1
Discussion of process to identify and manage safety risks associated with the use of its products	Quality and Product Safety, p. 126, 127	CG-AM-250a.2
Total amount of monetary losses because of legal proceedings associated with product safety	Quality and Product Safety, p. 126	CG-AM-250a.3
<b>Product Lifecycle Environmental Impacts</b>		
Percentage of eligible products by revenue certified to an energy efficiency certification	Products and Solutions Creating Benefits, p. 119	CG-AM-410a.1
Percentage of eligible products by revenue certified to an environmental product lifecycle standard	Products and Solutions Creating Benefits, p. 119	CG-AM-410a.2
Description of efforts to manage products' end-of-life impacts	Products and Solutions Creating Benefits, p. 119	CG-AM-410a.3



ANNEXES

ANNEX 13: ESRS COMPLIANCE TABLE

ESRS Standard	DR	Description	Page Number
ESRS 2	BP-1	General Basis for Preparation of Sustainability Statement	170
ESRS 2	BP-2	Disclosures in Relation to Specific Circumstances	170
ESRS 2	GOV-1	The Role of the Administrative, Management and Supervisory Bodies	46-49, 162-169
ESRS 2	GOV-2	Information Provided to, and Sustainability Matters Addressed by the Undertaking's Administrative, Management and Supervisory Bodies	46-49
ESRS 2	GOV-3	Integration of Sustainability-Related Performance in Incentive Schemes	46
ESRS 2	GOV-4	Statement on Due Diligence	89
ESRS 2	GOV-5	Risk Management and Internal Controls Over Sustainability Reporting	46-49
ESRS 2	SBM-1	Strategy, Business Model and Value Chain	32-37
ESRS 2	SBM-2	Interests and View of Stakeholders	171-175
ESRS 2	SBM-3	Material Impacts, Risks and Opportunities and Their Interaction with Strategy and Business Model	38-42, 52-65
ESRS 2	IRO-1	Description of the Process to Identify and Assess Material Impacts, Risks and Opportunities	38-42
ESRS 2	IRO-2	Disclosure Requirements in ESRS Covered by the Undertaking's Sustainability Statement	170
E1	E1-1	Transition Plan Climate Change Mitigation	106-109
E1	E1-2	Policies Related to Climate Change Mitigation and Adaptation	106-109
E1	E1-3	Actions and Resources in Relation to Climate Change Policies	106-109
E1	E1-4	Targets Related to Climate Change Mitigation and Adaptation	43, 107-109
E1	E1-5	Energy Consumption	107-109, 184

ESRS Standard	DR	Description	Page Number
E1	E1-6	Gross Scope 1, 2, 3 and Total GHG Emissions	184
E1	E1-7	GHG removals and ghg mitigation projects financed through carbon credits	-
E1	E1-8	Internal carbon pricing	-
E1	E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	60-64
E5	E5-1	Policies Related to Resource Use and Circular Economy	112-114
E5	E5-2	Actions and Resources Related to Resource Use and Circular Economy	112-114
E5	E5-3	Targets Related to Resource Use and Circular Economy	43, 112-114
E5	E5-4	Resource Inflows	112-114
E5	E5-5	Resource Outflows	112-114
E5	E5-6	Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	57
S1	S1-1	Policies Related to Own Workforce	86-90
S1	S1-2	Process for Engaging with Own Workforce and Workers' Representatives About Impacts	86-90
S1	S1-3	Process to Remediate Negative Impacts and Channels for Own Workforce to Raise Concerns	86-90
S1	S1-4	Taking Action on Material Impacts on Own Workforce and Approaches to Managing Material Risks and Pursuing Material Opportunities Related to Own Workforce, and Effectiveness of Those Actions	86-90
S1	S1-5	Targets Related to Managing Material Negative Impacts, Advancing Positive Impacts and Managing Material Risks and Opportunities	43

ESRS Standard	DR	Description	Page Number
S1	S1-6	Characteristics of the Undertaking's Employees	86-87, 181-183
S1	S1-7	Characteristics of Non-Employees in the Undertaking's Own Workforce	183
S1	S1-8	Collective Bargaining Coverage and Social Dialogue	89, 136
S1	S1-9	Diversity Metrics	181-182
S1	S1-10	Adequate Wages	89
S1	S1-11	Social Protection	136
S1	S1-12	Persons with Disabilities	88, 182
S1	S1-13	Training and Skills	91-94, 183
S1	S1-14	Health and Safety Metrics	98-99
S1	S1-15	Work-life Balance Metrics	97
S1	S1-16	Remuneration Metrics (Pay Gap and Total Remuneration)	88
S1	S1-17	Incidents, Complaints and Severe Human Rights Impacts	51, 89
S2	S2-1	Policies Related to Value Chain Workers	102
S2	S2-2	Processes for Engaging with Value Chain Workers About Impacts	103-105, 172

ESRS Standard	DR	Description	Page Number
S2	S2-3	Processes to Remediate Negative Impacts and Channels for Value Chain Workers to Raise Concerns	50
S2	S2-4	Taking Action on Material Impacts on Value Chain Workers, and Approaches to Managing Material Risks and Pursuing Material Opportunities Related to Value Chain Workers, and Effectiveness of Those Actions	98-99, 105
S2	S2-5	Targets Related to Managing Material Negative Impacts, Advancing Positive Impacts, and Managing Material Risks and Opportunities	102, 43
S4	S4-1	Policies Related to Consumers and End-Users	126, 128
S4	S4-2	Process for Engaging with Consumers and End-Users About Impacts	128, 174
S4	S4-3	Process to Remediate Negative Impacts and Channels for Consumers and End-Users to Raise Concerns	50
S4	S4-4	Taking Action on Material Impacts on Consumers and End-Users, and Approaches to Managing Material Risks and Pursuing Material Opportunities Related to Consumers and End-Users, and Effectiveness of Those Actions	126-131
S4	S4-5	Targets Related to Managing Material Negative Impacts, Advancing Positive Impacts, and Managing Material Risks and Opportunities	43, 128
G1	G1-1	Corporate Culture and Business Conduct Policies	50-51
G1	G1-2	Management of Relationships with Suppliers	102
G1	G1-3	Prevention and Detection of Corruption and Bribery	50-51
G1	G1-5	Political influence and Lobbying Activities	-
G1	G1-6	Payment Practices	103



ANNEX 14: SUSTAINABILITY RISKS AND OPPORTUNITIES

Risk Identification: TR ETS Risk

Explanation	The majority of Vestel Beyaz Eşya’s operations take place in Türkiye and in the short term, the Company is likely to be affected by the Turkish Emissions Trading System (TR ETS), which is expected to be implemented for emission-intensive production facilities. With the entry into force of the regulation, Türkiye will adopt a system similar to the European Union Emissions Trading System (EU ETS).
Effect on Financial Position	<p>With the implementation of the TR ETS, Vestel Beyaz Eşya will be subject to carbon pricing, particularly for Scope 1 emissions. This can lead to a direct cost increase in the company’s production activities. Although free emission rights will be allocated and carbon prices will be kept low in the first phase, this temporary situation may have a negative impact on Vestel’s financial performance and cash flows in the long term.</p> <p>Over time, free emission rights are expected to be reduced and carbon prices are expected to rise. This may increase Vestel’s operating costs and reduce its profitability. In addition, fluctuations in carbon prices can create uncertainty in budget planning and cash flow management. Carbon costs are expected to put a greater burden on the company’s financial position in the future, especially if emission-reducing investments are not made in production facilities. These risks may require Vestel to reassess its capital expenditures and long-term financial strategies.</p>
Expected Financial Impact	TL 1,426,923
Financial Impact Statement	<p>Vestel Beyaz Eşya’s average Scope 1 emissions in recent years have been calculated as approximately 15,533 tCO<sub>2</sub>e. Assessments to be made under the TR ETS will be based on this amount. In the first phase of the TR ETS, it is envisaged to provide producers with free allowances of 75-100% of their Scope 1 emissions. Accordingly, in the worst case scenario, Vestel would be obliged to pay for 25% of its Scope 1 emissions.</p> <p>In the scenario where Vestel is required to pay 25% of its average Scope 1 emissions, the company’s obligation is calculated as 3,883.25 tCO<sub>2</sub>e: (15,533 tCO<sub>2</sub>e) × (25%) = 3,883.25 tCO<sub>2</sub>e</p> <p>It is stated that the relevant amount of carbon will be taxed under the TR ETS and a tax of €10 per ton is envisaged by the authorities. In this case, the cost of the risk that Vestel may face in the first stage is calculated as follows: (3,883.25 tCO<sub>2</sub>e) × (10 €/tCO<sub>2</sub>e) = 38,832.5 €</p> <p>When we evaluate this cost at the average EUR/TL exchange rate, the total cost is calculated as TL 1,378,553.75.</p>
Cost of Response to Risk	TL 12,835,441
Description of Cost Calculation	In order to be minimally affected by the TR ETS, Vestel Beyaz Eşya has carried out various projects to reduce Scope 1 emissions. These projects include measures such as reducing the temperature in dyeing ovens, implementing an online energy consumption system and testing different systems. The total investment cost of 4 different projects realized within this scope was calculated as TL 12,835,441.
Description of Response	At Vestel Beyaz Eşya, measures such as reducing the temperature in dyeing ovens, installing an online energy consumption monitoring system and testing different systems to determine the most effective solutions were implemented.

Risk Identification: Water Risk

Explanation	Water risk includes issues such as water scarcity, drought or water quality problems in the region where the company operates.
Effect on Financial Position	The expected impact that the company will face due to water stress is increased costs due to operational disruptions.
Expected Financial Impact	TL 1,506,543,060
Financial Impact Statement	Due to its location in a region with water shortages, Vestel faces the risk of daily or short-term production interruptions. Vestel City factories, in particular, are located in a region with a risk of water scarcity of over 75% according to the optimistic, pessimistic and business-as-usual scenarios of the WRI index. In case of a 7-11 day production outage, there may be a risk of a net sales loss of approximately 2-3% of total turnover due to production stoppages.
Cost of Response to Risk	TL 35,720,000
Description of Cost Calculation	The Company continuously works to reduce water consumption and discharge data. Cost refers to the total cost of water efficiency projects planned and implemented between 2023-2027.
Description of Response	Within the scope of water efficiency projects, efforts such as capacity increase, establishment of water recycling facilities, replacement of cooling towers, use of cooling tower wastewater in the production process and establishment of recycling systems in the dyeing facility are being carried out.

Risk Identification: CBAM Risk

Explanation	The Carbon Border Adjustment Mechanism (CBAM) under the European Green Deal forces importers of certain carbon-intensive goods to report the embedded emissions of imported products and obtain certificates reflecting these emissions. Initially, the EU CBAM will cover sectors such as iron and steel, aluminum, cement, fertilizer, electricity and hydrogen. In the first years of implementation, the European Commission will evaluate CBAM and may propose to extend it to cover indirect emissions and other products and services at risk of carbon leakage.
	This mechanism is expected to increase costs for importers, as the price of CBAM certificates will be aligned with EU ETS allocation prices, leading to imported steel and other raw materials becoming more expensive.
	The average annual usage of steel, one of Vestel's main raw materials, is approximately 220,000 tons, and a direct cost increase risk is foreseen in the Company's operations.
Effect on Financial Position	The entry into force of the CBAM may create a significant cost increase risk on Vestel Beyaz Eşya's financial position, financial performance and cash flows.
Expected Financial Impact	TL 390,500,000
Financial Impact Statement	Vestel Beyaz Eşya purchased a total of 220 thousand tons of steel raw materials. The iron and steel sector is a product group under CBAM. Therefore, a calculation of 2 tCO <sub>2</sub> /tons was made for steel under CBAM taxation. Prices in the European carbon market are estimated in the range of 50-60 €/tCO <sub>2</sub> . In this context, Vestel's CBAM tax liability was calculated by multiplying all relevant values and converted to TL, which is the reporting currency.
Cost of Response to Risk	TL 124,227,000
Description of Cost Calculation	Vestel carried out 19 improvement works to reduce Scope 1 and 2 emissions. The total investment in these 26 separate projects is calculated as TL 124,227,000.
Description of Response	Vestel carried out these improvement efforts to enhance its environmental performance and comply with its sustainability targets.

Risk Identification: UK – CBAM Risk

Explanation	The UK government has published its own CBAM proposal, which is scheduled to enter into force on January 1, 2027. This mechanism will cover imports into the UK and will include sectors such as aluminum, cement, ceramics, fertilizers, glass, hydrogen, iron and steel.
	In particular, unlike the EU, the UK CBAM will also cover ceramic and glass product groups. Importers will have to pay a CBAM levy to the UK government, which will increase the cost of raw materials and intermediate products.
Effect on Financial Position	For Vestel, raw materials such as steel (34.4%), aluminum (2.7%), concrete (6.2%) and glass (3.6%) are among the elements at risk of direct cost increases due to CBAM.
Expected Financial Impact	TL 3,673,043
Financial Impact Statement	The direct cost increase caused by the glass tax on glass shelves used especially in refrigerators is calculated as follows: <ul style="list-style-type: none"><li>• Total number of refrigerators sold in the UK per year,</li><li>• Average weight of glass shelves in each refrigerator,</li><li>• Average CO<sub>2</sub> emissions associated with glass production,</li><li>• Approximate cost of carbon allowance used in trading</li></ul> As a result of these calculations, the annual additional cost for Vestel is estimated at approximately EUR 103,466, which corresponds to an annual cost increase of TL 3,673,043.
	Cost of Response to Risk
Description of Cost Calculation	TL 12,035,565
	The direct cost increase caused by the tax on glass used in refrigerator shelves can be calculated as follows:
	First, the total number of refrigerators sold in the UK per year is determined and multiplied by the average weight of the glass shelves in each refrigerator to estimate the total amount of glass used. The average CO <sub>2</sub> emissions caused by this amount of glass are then included in the calculation. Finally, this total value is multiplied by the approximate cost of the tradable carbon allowance to calculate an annual cost increase of EUR 103,466.
	The annual direct cost increase due to the glass used in refrigerator shelves is calculated as follows:  (Number of refrigerators sold in the UK per year) × (Average weight of glass shelves in each refrigerator) × (Average CO <sub>2</sub> emissions for glass) × (Commercial carbon allowance cost) = 103,466 EUR/year. As a result of this calculation, the total annual additional cost is estimated at TL 3,673,043.
Description of Response	The measure against the glass tax risk involves replacing traditional glass shelves used in refrigerators with alternative materials such as wire shelves or transparent plastic shelves (GPPS). This strategic decision aims to minimize the financial burden of the glass tax by reducing reliance on glass.
	The use of wire or plastic shelving can provide additional advantages, such as being lighter, offering increased durability and potentially lower production costs in the long run.



Risk Identification: Single Use Plastic Risk

Explanation	<p>In Australia, there are different state-based practices regarding single-use plastics. Plastic packaging bans in Western Australia are regulated under the Environmental Protection Regulations 2018, which prohibit cut or shaped packaging made from expanded plastic packaging from 1 July 2025.</p> <p>In this context, all extended packaging such as EPE, EPP, EPS would fall under the ban. However, packaging of products over 45 kg is exempted from this ban. Therefore, there is no risk for heavy product models (e.g. French Ban). However, there is still a risk for spare parts sourced from external suppliers.</p>
Effect on Financial Position	There is a potential risk of lost revenue due to spare parts purchased from external suppliers.
Expected Financial Impact	TL 1,655,578
Financial Impact Statement	The potential revenue loss in Australia is calculated as follows: 155,454 EUR (revenue from spare parts sales in Western Australia) × 30% (spare parts with EPS packaging) = 46,636 EUR/year
Cost of Response to Risk	TL 1,453,973
Description of Cost Calculation	<p>The spare parts cost increase in Western Australia is calculated as follows:</p> <p>3 EUR (average cost increase per spare part) × 45,508 (annual number of spare parts sold in Western Australia) × 30% (spare parts with EPS packaging) = 40,957 EUR/year</p>
Description of Response	Vestel's procurement department has informed its spare parts suppliers about the ban. The costs of certain spare parts may increase due to the replacement of packaging items.

Opportunity Identity: Low Carbon Products

Explanation	<p>The Company develops low-carbon products and monitors the ratio of revenue from low-carbon products to total turnover in line with its goal of realizing its target. Low carbon products are defined as follows:</p> <ul style="list-style-type: none"><li>Based on GfK data for Türkiye and Europe, TV products that are below the average energy class (EEI) of the total products sold, chargers and batteries that use electricity instead of fossil fuels, and LED lighting products that save electricity are considered sustainable and low-carbon products.</li><li>In addition, products that consume less energy and water than the industry average, including products sold in countries outside Europe, are also included in this category based on the average consumption of products sold in Europe.</li></ul>
Effect on Financial Position	Low-carbon products make a positive contribution to total income.
Expected Financial Impact	TL 24,308,072,273
Financial Impact Statement	Revenue from low-carbon products accounts for 32.27% of total revenue. Amount of financial impact: TL 24,308,072,273 (75,327,153.000 × 0.3227).
Cost of Response to Risk	TL 341,300,000
Description of Cost Calculation	Vestel allocates R&D and Innovation budget for the development of low-carbon products and services. In 2024, this budget was set at TL 341,300,000.
Description of Response	Vestel aims to provide social benefit by reducing its environmental impact, to meet the needs of consumers in the best way possible and to make life easier with smart, high quality and safe products and services.

Opportunity Identity: Renewable Energy

Explanation	Vestel contributes to the transition to a zero carbon economy through renewable energy generation and energy efficiency investments.
Effect on Financial Position	Solar panel investments will reduce the cost of purchased electricity.
Expected Financial Impact	TL 35,646,000
Financial Impact Statement	11,882 MWh of electricity is planned to be generated with solar panels to be installed in 2025. Electricity bill cost estimation: TL 35,646,000
Cost of Response to Risk	TL 228,265,000
Description of Cost Calculation	Solar panels will be installed on the roofs of the Vestel Beyaz Eşya tumble dryer factory. Solar panel installation cost: TL 228.265.000 (6.430.000 EUR).
Description of Response	Vestel aims to reduce energy costs and carbon emissions by expanding the use of solar energy to additional facilities.

Opportunity Identity: Spare Parts Recovery

Explanation	<p>Vestel Beyaz Eşya ensures the repair and reuse of defective materials and products through the Material Inspection and Recovery Project. While authorized services are in charge of collecting defective parts that are replaced in the field, the Recovery Unit plays a role in repairing the collected defective parts, reusing them as spare parts and bringing them into the system. In 2024, 26,971 spare parts were recovered, saving TL 10.8 million. Unrepairable parts are separated according to their scrap class and recycled. Scrapping process is equivalent to the number of products included in the recycling process. The net income generated by the project in 2024 amounted to TL 2 million. This practice provides economic gains by recovering parts that are of financial value to the company, while at the same time reducing environmental impacts by minimizing the amount of electronic waste.</p> <p>The products replaced under warranty are delivered to the Returned Products Evaluation Center (DÜDEM) within Vestel City, those available for repair are refurbished at Refurbishing Centers and sold at Vestel Outlet stores and some dealers. In 2024, 53,018 major household appliances were refurbished and brought back into the economy. Non-refurbishable products are recycled through a licensed recycling company.</p>
Effect on Financial Position	Vestel achieves additional savings by repairing the defective parts collected, reusing them as spare parts and bringing them back into the system.
Expected Financial Impact	TL 10,800,000
Financial Impact Statement	In 2024, 26,971 spare parts were recovered at DÜDEM. The total cost of all renewed spare parts is TL 10.8 million.
Cost of Response to Risk	TL 4,000,000
Description of Cost Calculation	A separate area has been allocated for the renovation operation. The cost of this process, including personnel and equipment, amounted to TL 4 million for Vestel.
Description of Response	In the after-sales process, Vestel carries out repair, reuse and renewal activities in order to extend the lifespan of products, facilitate their repairability and make them ready for reuse. The aim is to contribute to the circular economy by reducing costs through R&D activities. Accordingly, all parts are designed to be accessible to facilitate product repair. The repair and reuse of products is encouraged and work in this area is ongoing.

ANNEX 15: GRI INDEX

GRI Content Index			
Statement of use		Vestel Beyaz Eşya has reported in accordance with the GRI Standards for the January–December 2024 period.	
GRI 1 used		GRI 1: Foundation 2021	

GRI Standard	Disclosure	Location/ Page No, Source and/or Direct Answers	Additional information and reasons for omission
General disclosures			
GRI 2: General Disclosures 2021	2-1 Organizational details	12-13, 18-19	
	2-2 Entities included in the organization’s sustainability reporting	170	
	2-3 Reporting period, frequency and contact point	170	
	2-4 Restatements of information	There are no restatements of information.	
	2-5 External assurance	196	
	2-6 Activities, value chain and other business relationships	12-13, 18-19, 32-35, 136-137	
	2-7 Employees	86-97, 182-183	
	2-8 Workers who are not employees	183	
	2-9 Governance structure and composition	24-25, 28-29, 133-136, 153-155, 159-169	
	2-10 Nomination and selection of the highest governance body	159-161	
	2-11 Chair of the highest governance body	159-161	
	2-12 Role of the highest governance body in overseeing the management of impacts	46-47	
	2-13 Delegation of responsibility for managing impacts	46-47	
	2-14 Role of the highest governance body in sustainability reporting	46-47	
	2-15 Conflicts of interest	149	
	2-16 Communication of critical concerns	145-148	
	2-17 Collective knowledge of the highest governance body	24-25, 134-136	
	2-18 Evaluation of the performance of the highest governance body	153-155	
	2-19 Remuneration policies	88, 168-169 <a href="https://vestelinternational.com/sustainability/policies">https://vestelinternational.com/sustainability/policies</a>	
	2-20 Process to determine remuneration	151-152	
	2-21 Annual total compensation ratio	-	It is not disclosed due to confidentiality.
	2-22 Statement on sustainable development strategy	22-23, 26-27, 46-47	

GRI Standard	Disclosure	Location/ Page No, Source and/or Direct Answers	Additional information and reasons for omission
GRI 2: General Disclosures 2021	2-23 Policy commitments	<a href="https://vestelinternational.com/sustainability/policies">https://vestelinternational.com/sustainability/policies</a>	
	2-24 Embedding policy commitments	<a href="https://vestelinternational.com/sustainability/policies">https://vestelinternational.com/sustainability/policies</a>	
	2-25 Processes to remediate negative impacts	46-47, 52-65	
	2-26 Mechanisms for seeking advice and raising concerns	86-90, 128	
	2-27 Compliance with laws and regulations	50-53, 146-148	
	2-28 Membership associations	176	
	2-29 Approach to stakeholder engagement	171-175	
	2-30 Collective bargaining agreements	89	
Material topics			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	38-39	
	3-2 List of material topics	39-41	
	3-3 Management of material topics	38-43	
Procurement practices			
GRI 3: Material Topics 2021	3-3 Management of material topics	38-43, 102-105	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	102	
Anti-corruption			
GRI 3: Material Topics 2021	3-3 Management of material topics	50-51	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	50-51	
	205-2 Communication and training about anti-corruption policies and procedures	50-51	
	205-3 Confirmed incidents of corruption and actions taken	51	
Anti-competitive behavior			
GRI 3: Material Topics 2021	3-3 Management of material topics	50-51	
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	50-51	



GRI Standard	Disclosure	Location/ Page No, Source and/or Direct Answers	Additional information and reasons for omission
Tax			
GRI 3: Material Topics 2021	3-3 Management of material topics	142-143	
GRI 207: Tax 2019	207-1 Approach to tax	142-143	
	207-2 Tax governance, control, and risk management	142-143	
Materials			
GRI 3: Material Topics 2021	3-3 Management of material topics	112-113	
GRI 301: Materials 2016	301-2 Recycled input materials used	112-114	
	301-3 Reclaimed products and their packaging materials	112-114	
Energy			
GRI 3: Material Topics 2021	3-3 Management of material topics	107-109, 119-121	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	109, 184	
	302-2 Energy consumption outside of the organization	109, 184	
	302-4 Reduction of energy consumption	107-109	
	302-5 Reductions in energy requirements of products and services	120-121	
Water and effluents			
GRI 3: Material Topics 2021	3-3 Management of material topics	115	
GRI 303: Water and Effluents 2018	303-2 Management of water discharge-related impacts	115, 178	
	303-3 Water withdrawal	185	
	303-4 Water discharge	178, 185	
	303-5 Water consumption	115, 185	
Emissions			
GRI 3: Material Topics 2021	3-3 Management of material topics	40-43, 107-110	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	184	
	305-2 Energy indirect (Scope 2) GHG emissions	184	
	305-3 Other indirect (Scope 3) GHG emissions	184	
	305-4 GHG emissions intensity	109	
	305-5 Reduction of GHG emissions	107-110, 184	
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	178	

GRI Standard	Disclosure	Location/ Page No, Source and/or Direct Answers	Additional information and reasons for omission
Waste			
GRI 3: Material Topics 2021	3-3 Management of material topics	40-43, 112-114	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	112-114	
	306-2 Management of significant waste-related impacts	112-114	
	306-3 Waste generated	185	
	306-4 Waste diverted from disposal	185	
	306-5 Waste directed to disposal	185	
Supplier environmental assessment			
GRI 3: Material Topics 2021	3-3 Management of material topics	40-43, 102-105	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	103-105	
	308-2 Negative environmental impacts in the supply chain and actions taken	103-105	
Employment			
GRI 3: Material Topics 2021	3-3 Management of material topics	38-43, 86-88	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	181-183	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	97	
	401-3 Parental leave	97, 183	
Occupational health and safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	98-99	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	98-99	
	403-2 Hazard identification, risk assessment, and incident investigation	99	
	403-3 Occupational health services	98-99	
	403-4 Worker participation, consultation, and communication on occupational health and safety	98-99	
	403-5 Worker training on occupational health and safety	98-99, 183	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	98-99	
	403-8 Workers covered by an occupational health and safety management system	98-99	
	403-9 Work-related injuries	98-99	
	403-10 Work-related ill health	99	

GRI Standard	Disclosure	Location/ Page No, Source and/or Direct Answers	Additional information and reasons for omission
Training and education			
GRI 3: Material Topics 2021	3-3 Management of material topics	90-91	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	91	
	404-2 Programs for upgrading employee skills and transition assistance programs	91-96	
	404-3 Percentage of employees receiving regular performance and career development reviews	90-91	
Diversity and equal opportunity			
			"Ethical Principles"
GRI 3: Material Topics 2021	3-3 Management of material topics	86	<a href="https://vestelinternational.com/Content/files/uploads/42/zorlu-holding-ih-en-280622.pdf">https://vestelinternational.com/Content/files/uploads/42/zorlu-holding-ih-en-280622.pdf</a>
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	86-87	
	405-2 Ratio of basic salary and remuneration of women to men	88	
Non-discrimination			
GRI 3: Material Topics 2021	3-3 Management of material topics	86, 89, 90	
			"Ethical Principles"
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	86, 89, 90	<a href="https://vestelinternational.com/Content/files/uploads/42/zorlu-holding-ih-en-280622.pdf">https://vestelinternational.com/Content/files/uploads/42/zorlu-holding-ih-en-280622.pdf</a>

GRI Standard	Disclosure	Location/ Page No, Source and/or Direct Answers	Additional information and reasons for omission
Supplier social assessment			
GRI 3: Material Topics 2021	3-3 Management of material topics	38-43, 102	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	102-105	
	414-2 Negative social impacts in the supply chain and actions taken	102-105	
Public policy			
GRI 415: Public Policy 2016	415-1 Political contributions		Vestel does not support any political organizations.
Customer Health and Safety			
GRI 416: Customer health and safety	"416-2 Incidents of non-compliance concerning the health and safety impacts of products and services"		No non-compliance incidents related to the health and safety impacts of products and services occurred during the reporting period.
Marketing and labeling			
GRI 417: Marketing and Labeling 2016	"417-1 Requirements for product and service information and labeling"	78, 116, 117, 177	
	"417-2 Incidents of non-compliance concerning product and service information and labeling"		No non-compliance incidents related to product and service information and labeling occurred during the reporting period.
	"417-3 Incidents of non-compliance concerning marketing communications"		No incidents of non-compliance with marketing communications occurred during the reporting period.
Customer privacy			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data		During the reporting period, there were no confirmed complaints regarding the violation of customer privacy and loss of customer data.

# STATEMENT OF RESPONSIBILITY FOR THE FINANCIAL STATEMENTS AND ANNUAL REPORT

**STATEMENT OF RESPONSIBILITY PURSUANT TO THE ARTICLE 9 OF THE SECOND PART OF THE CAPITAL MARKETS BOARD'S COMMUNIQUÉ ON PRINCIPLES OF FINANCIAL REPORTING IN CAPITAL MARKETS NUMBERED (II-14.1)**

**BOARD OF DIRECTORS' RESOLUTION ON THE APPROVAL OF FINANCIAL STATEMENTS AND ANNUAL REPORT**

**RESOLUTION DATE: 03.03.2025**  
**RESOLUTION NUMBER: 2025/9**

We hereby declare that the financial statements and the annual report for the accounting period from January 1, 2024, to December 31, 2024, prepared by our company, **Vestel Beyaz Eşya Sanayi ve Ticaret AŞ**, in accordance with the provisions of the Capital Markets Board ("CMB") Communiqué II-14.1 on "Principles of Financial Reporting in the Capital Markets" (the Communiqué) and the Decision on Inflation Accounting dated December 28, 2023, and in compliance with the Türkiye Accounting Standards/Türkiye Financial Reporting Standards published by the Public Oversight, Accounting and Auditing Standards Authority, as well as the formats set by the CMB, and audited by PWC Independent Auditing and SMMM Inc., in accordance with CMB regulations,

- a) have been reviewed by us,
- b) based on the information we have within our scope of duties and responsibilities at the company, we hereby declare that the financial statements and annual report do not contain any omissions that could lead to a misleading statement or misrepresentation as of the date the statement was made, with respect to material matters,
- c) based on the information we have within our scope of duties and responsibilities at the company, we hereby declare that the financial statements prepared in accordance with the Communiqué fairly and accurately reflect the company's assets, liabilities, financial position, and profit or loss, and that the annual report honestly reflects the development and performance of the business, as well as the company's financial condition, together with the significant risks and uncertainties it faces.

**Adnan YILDIRIM**  
Chairman of the Audit Committee

**Emin ATAÇ**  
Member of the Audit Committee

**Bülent Kiracıoğlu**  
Chief Financial Officer

# INDEPENDENT AUDITOR'S REPORT ON THE ANNUAL REPORT



To the General Assembly of Vestel Beyaz Eşya Sanayi ve Ticaret A.Ş.

**1. Opinion**

We have audited the annual report of Vestel Beyaz Eşya Sanayi ve Ticaret A.Ş. (the "Company") for the 1 January - 31 December 2024 period.

In our opinion, the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements regarding the Company's position in the Board of Directors' Annual Report are consistent and presented fairly, in all material respects, with the audited full set financial statements and with the information obtained in the course of independent audit.

**2. Basis for Opinion**

Our independent audit was conducted in accordance with the Independent Standards on Auditing that are part of the Turkish Standards on Auditing (the "TSA") adopted within the framework of the regulations of the Capital Markets Board and issued by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities in the Audit of the Board of Directors' Annual Report section of our report. We hereby declare that we are independent of the Company in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the "Ethical Rules") and the ethical requirements regarding independent audit in regulations issued by POA and the regulations of the Capital Markets Board and other relevant legislation that are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

**3. Our Audit Opinion on the Full Set Financial Statements**

We expressed an unqualified opinion in the auditor's report dated 3 March 2025 on the full set financial statements for the 1 January - 31 December 2024 period.

**4. Board of Director's Responsibility for the Annual Report**

Company management's responsibilities related to the annual report according to Articles 514 and 516 of Turkish Commercial Code ("TCC") No. 6102 and Capital Markets Board's ("CMB") Communiqué Serial II, No:14.1, "Principles of Financial Reporting in Capital Markets" (the "Communiqué") are as follows:

- a) to prepare the annual report within the first three months following the balance sheet date and present it to the General Assembly;
- b) to prepare the annual report to reflect the Company's operations in that year and the financial position in a true, complete, straightforward, fair and proper manner in all respects. In this report financial position is assessed in accordance with the financial statements. Also in the report, developments and possible risks which the Company may encounter are clearly indicated. The assessments of the Board of Directors in regards to these matters are also included in the report.
- c) to include the matters below in the annual report:
  - events of particular importance that occurred in the Company after the operating year,
  - the Company's research and development activities,
  - financial benefits such as salaries, bonuses, premiums and allowances, travel, accommodation and representation expenses, benefits in cash and in kind, insurance and similar guarantees paid to members of the Board of Directors and senior management.

When preparing the annual report, the Board of Directors considers secondary legislation arrangements enacted by the Ministry of Trade and other relevant institutions.



# INDEPENDENT AUDITOR'S REPORT ON THE ANNUAL REPORT



## 5. Independent Auditor's Responsibility in the Audit of the Annual Report

Our aim is to express an opinion and issue a report comprising our opinion within the framework of TCC and Communiqué provisions regarding whether or not the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements in the annual report are consistent and presented fairly with the audited financial statements of the Company and with the information we obtained in the course of independent audit.

Our audit was conducted in accordance with the TSAs. These standards require that ethical requirements are complied with and that the independent audit is planned and performed in a way to obtain reasonable assurance of whether or not the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements in the annual report are consistent and presented fairly with the audited financial statements and with the information obtained in the course of audit.

PwC Bağımsız Denetim ve  
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Serdar İnanc, SMMM  
Independent Auditor

Istanbul, 3 March 2025

**VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ**

## **CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS AT 1 JANUARY – 31 DECEMBER 2024 TOGETHER WITH INDEPENDENT AUDITOR'S REPORT**

(ORIGINALLY ISSUED IN TURKISH)



**CONVENIENCE TRANSLATION INTO ENGLISH OF  
INDEPENDENT AUDITOR’S REPORT  
ORIGINALLY ISSUED IN TURKISH**

**INDEPENDENT AUDITOR’S REPORT**

To the General Assembly of Vestel Beyaz Eşya Sanayi ve Ticaret A.Ş.

**A. Audit of the financial statements**

**1. Our opinion**

We have audited the accompanying financial statements of Vestel Beyaz Eşya Sanayi ve Ticaret A.Ş. (the “Company”) which comprise the statement of financial position as at 31 December 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended and notes to the financial statements comprising a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Turkish Financial Reporting Standards (“TFRS”).

**2. Basis for opinion**

Our audit was conducted in accordance with the Standards on Independent Auditing (the “SIA”) that are part of Turkish Standards on Auditing adopted within the framework of the regulations of the Capital Markets Board and issued by the Public Oversight Accounting and Auditing Standards Authority (the “POA”). Our responsibilities under these standards are further described in the “Auditor’s Responsibilities for the Audit of the Financial Statements” section of our report. We hereby declare that we are independent of the Company in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the “Ethical Rules”) the ethical requirements regarding independent audit in regulations issued by the POA; the regulations of the Capital Markets Board; and other relevant legislation are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

**3. Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. Key audit matters were addressed in the context of our independent audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How the key audit matter was addressed in the audit
<b>Fair value measurements of lands, land improvements and buildings (Refer to Notes 2 and 11)</b>	
<p>As explained in Note 2 of the accompanying financial statements, in accordance with the relevant provisions of TAS 16 “Tangible Fixed Assets”, the Company measures its lands, land improvements and buildings at their fair values.</p> <p>As explained in Note 11 of the accompanying financial statements, as a result of the valuations made by the independent professional valuation firm appointed by the Company management as of 31 December 2024, the total fair value increase in the carrying values of lands, land improvements and buildings was TL4.274.991 thousands before deferred income tax and the total amount of the carrying value of those assets was TL26.077.270 thousands as of 31 December 2024.</p> <p>The aforementioned fair value increase was accounted for in the “Revaluation of Property, Plant and Equipment” reserve under shareholders’ equity in the accompanying statement of financial position by deducting the deferred income tax effect.</p> <p>We considered the fair value determination of lands, land improvements and buildings as a key audit matter, since the amount of those assets has a significant share in the Company’s assets as of 31 December 2024 and the valuations techniques applied include significant judgements and assumptions, such as determination of benchmark prices and construction costs per m².</p>	<p>The following audit procedures were addressed in which our audit work for the fair value measurements of lands, land improvements and buildings:</p> <ul style="list-style-type: none"><li>• The competency, capability and objectivity of the independent professional valuation company that was appointed by the Company management were assessed.</li><li>• The consistency of the data used by the independent professional valuation company appointed by the Company management was checked with the Company ’s records on a sample basis.</li><li>• We involved our auditor expert who holds the CMB accreditation and valuation licence, on a sample basis to evaluate the assumptions and methods used by the Company management and the independent professional valuation company. The following audit procedures were performed based on the sampling method with the support of the auditor’s expert:<ul style="list-style-type: none"><li>• Comparison of the location, ownership and square meter information for the lands included in reports with the land registers.</li><li>• Evaluation of the qualifications of the lands, land improvements and buildings.</li><li>• Evaluation of the appropriateness of the valuation methods and estimates used.</li></ul></li><li>• We assessed the adequacy and appropriateness of the disclosures related to revaluation of lands, land improvements and buildings in the financial statements in accordance with TFRS.</li></ul>

Key Audit Matters	How the key audit matter was addressed in the audit
<b>Recoverability of trade receivables (Refer to Notes 2,6 and 7)</b>	
<p>Trade receivables amounting to TL 14.549.844 thousands as of 31 December 2024, constitute a significant portion of the financial statements of the Company.</p> <p>The assessment of the recoverability of these receivables made by the Company management includes considerations of the amount of guarantees received from the customers, past collection performance, analysis of agings of receivables and litigations regarding receivables. As a result of all of these assessments, determination of doubtful receivables and setting of impairment provision for these receivables also include management judgements and estimates.</p> <p>Therefore, recoverability of trade receivables is a key matter for our audit.</p>	<p>We performed the following procedures in relation to the audit of recoverability of trade receivables:</p> <ul style="list-style-type: none"><li>• We understood and assessed the Company’s credit risk management and receivables monitoring policies including credit limits.</li><li>• We tested receivables by obtaining confirmation letters on a sample basis.</li><li>• We analyzed the agings of receivables on a sample basis.</li><li>• We tested, on a sample basis, collections in the subsequent period.</li><li>• We tested, on a sample basis, guarantees held from customers.</li><li>• We performed inquiries with management in relation to any disputes or litigation for trade receivables and obtained formal assessment of legal counsels on outstanding litigations and disputes.</li><li>• We performed inquiries with the Company management to assess the main assumptions and other judgments that form the basis of impairment calculations.</li><li>• We assessed the appropriateness and adequacy of disclosures in the notes to the financial statements related to recoverability of trade receivables in accordance with TFRS.</li></ul>





**4. Responsibilities of management and those charged with governance for the financial statements**

The Company management is responsible for the preparation and fair presentation of the financial statements in accordance with TFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company’s financial reporting process.

**5. Auditor’s responsibilities for the audit of the financial statements**

Responsibilities of independent auditors in an independent audit are as follows:

Our aim is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditor’s report that includes our opinion. Reasonable assurance expressed as a result of an independent audit conducted in accordance with SIA is a high level of assurance but does not guarantee that a material misstatement will always be detected. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an independent audit conducted in accordance with SIA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Assess the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence. We also communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



B. Other responsibilities arising from regulatory requirements

1. No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code (“TCC”) No. 6102 and that causes us to believe that the Company’s bookkeeping activities concerning the period from 1 January to 31 December 2024 period are not in compliance with the TCC and provisions of the Company’s articles of association related to financial reporting.
2. In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.
3. In accordance with subparagraph 4 of Article 398 of the TCC, the auditor’s report on the early risk identification system and committee was submitted to the Company’s Board of Directors on 3 March 2025.

PwC Bağımsız Denetim ve  
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Serdar İnanc, SMMM  
Independent Auditor

Istanbul, 3 March 2025

CONTENTS		PAGE
STATEMENT OF FINANCIAL POSITION (BALANCE SHEET).....		242-245
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME.....		246-247
STATEMENTS OF CHANGES IN EQUITY .....		248
STATEMENTS OF CASH FLOWS .....		249-251
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2024		
NOTE 1	COMPANY’S ORGANISATION AND NATURE OF OPERATIONS .....	252
NOTE 2	BASIS OF PRESENTATION OF FINANCIAL STATEMENTS.....	253-273
NOTE 3	SEGMENT REPORTING .....	274
NOTE 4	CASH AND CASH EQUIVALENTS .....	275
NOTE 5	FINANCIAL LIABILITIES.....	276-278
NOTE 6	RELATED PARTY DISCLOSURES .....	279-283
NOTE 7	TRADE RECEIVABLES AND PAYABLES .....	283-284
NOTE 8	OTHER RECEIVABLES AND PAYABLES .....	284-285
NOTE 9	INVENTORIES.....	285-286
NOTE 10	PREPAID EXPENSES .....	286
NOTE 11	PROPERTY, PLANT AND EQUIPMENT .....	287-289
NOTE 12	RIGHT OF USE ASSETS .....	290
NOTE 13	INTANGIBLE ASSETS .....	291-292
NOTE 14	GOVERNMENT GRANTS.....	292
NOTE 15	PROVISIONS, CONTINGENT ASSETS AND LIABILITIES .....	292-295
NOTE 16	COMMITMENTS .....	296
NOTE 17	EMPLOYEE BENEFITS .....	296-298
NOTE 18	OTHER ASSETS AND LIABILITIES .....	298
NOTE 19	CAPITAL, RESERVES AND OTHER EQUITY ITEMS .....	299-301
NOTE 20	SALES .....	301
NOTE 21	EXPENSES BY NATURE .....	301-302
NOTE 22	GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES.....	302-303
NOTE 23	OTHER INCOME AND EXPENSE FROM OPERATING ACTIVITIES.....	303
NOTE 24	FINANCIAL INCOME AND FINANCIAL EXPENSE .....	304
NOTE 25	MONETARY GAIN/LOSS.....	305
NOTE 26	TAXES ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) .....	305-310
NOTE 27	EARNINGS PER SHARE .....	311
NOTE 28	DERIVATIVE INSTRUMENTS.....	311
NOTE 29	FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT .....	311-321
NOTE 30	FINANCIAL INSTRUMENTS (FAIR VALUE AND HEDGE ACCOUNTING DISCLOSURES) .....	321-323
NOTE 31	OTHER FINANCIAL LIABILITIES .....	324
NOTE 32	SUBSEQUENT EVENTS .....	324

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Statement of Financial Position (Balance Sheet)

as of 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

	Notes	Audited 31 December 2024	Audited 31 December 2023
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	4	1.092.139	1.053.301
Financial Assets		24.331	12.948
Trade Receivables		14.549.844	20.056.940
Trade Receivables Due from Related Parties	6	14.026.210	19.316.900
Trade Receivables Due from Third Parties	7	523.634	740.040
Other Receivables		4.824.579	5.218.817
Other Receivables Due from Related Parties	6	3.810.582	3.788.884
Other Receivables Due from Third Parties	8	1.013.997	1.429.933
Derivative Financial Instruments	28	343.466	50.643
Inventories	9	9.854.564	10.446.340
Prepaid Expenses		617.167	1.268.314
Prepayments to Related Parties	6	359.151	490.351
Prepayments to Third Parties	10	258.016	777.963
Current Tax Assets	26	10.214	23.815
Other Current Assets		96.591	122.544
Other Current Assets Due from Third Parties	18	96.591	122.544
TOTAL CURRENT ASSETS		31.412.895	38.253.662
NON-CURRENT ASSETS			
Other Receivables		12.801	8.673
Other Receivables Due from Third Parties		12.801	8.673
Property, Plant and Equipment	11	36.159.328	31.158.164
Right of Use Assets	12	720.648	969.020
Intangible Assets	13	2.415.521	1.992.043
Prepaid Expenses		850.427	1.127.484
Prepaid Expenses to Related Parties	6	459.845	814.045
Prepayments to Third Parties	10	390.582	313.439
TOTAL NON-CURRENT ASSETS		40.158.725	35.255.384
TOTAL ASSETS		71.571.620	73.509.046

The accompanying notes are an integral part of these financial statements.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Statement of Financial Position (Balance Sheet)

as of 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

	Notes	Audited 31 December 2024	Audited 31 December 2023
LIABILITIES			
CURRENT LIABILITIES			
Short Term Borrowings		9.852.346	3.122.133
Short Term Borrowings from Related Parties		4.248	5.133
Lease Liabilities	5,6	4.248	5.133
Short Term Borrowings from Third Parties		9.848.098	3.117.000
Bank Loans	5	7.450.830	3.107.545
Lease Liabilities	5	4.294	9.455
Issued Debt Instruments	5	2.392.974	-
Current Portion of Long Term Borrowings		414.486	1.562.003
Current Portion of Long Term Borrowings from Third Parties		414.486	1.562.003
Bank Loans	5	414.486	451.863
Issued Debt Instruments	5	-	1.110.140
Other Financial Liabilities		64.488	83.582
Trade Payables		20.952.377	24.722.686
Trade Payables to Related Parties	6	1.789.681	1.952.886
Trade Payables to Third Parties	7	19.162.696	22.769.800
Payables Related to Employee Benefits	17	394.063	418.693
Other Payables		94.172	4.930.434
Other Payables to Related Parties	6	94.172	4.930.434
Derivative Financial Liabilities	28	30.186	557.489
Deferred Revenue		80.596	689.797
Deferred Revenues from Related Parties	6	78.710	689.289
Deferred Revenue from Third Parties	8	1.886	508
Current Tax Liabilities	26	-	14.683
Current Provisions		26.967	20.853
Other Current Provisions	15	26.967	20.853
Other Current Liabilities		190.712	277.753
Other Current Liabilities to Third Parties	18	190.712	277.753
TOTAL CURRENT LIABILITIES		32.100.393	36.400.106

The accompanying notes are an integral part of these financial statements.



VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Statement of Financial Position (Balance Sheet)

as of 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

	Notes	Audited 31 December 2024	Audited 31 December 2023
NON-CURRENT LIABILITIES			
Long Term Borrowings		1.225.638	1.941.608
Long Term Borrowings from Related Parties		136.797	192.476
Lease Liabilities	5,6	136.797	192.476
Long Term Borrowings from Third Parties		1.088.841	1.749.132
Bank Loans	5	1.082.808	1.739.808
Lease Liabilities	5	6.033	9.324
Other Financial Liabilities		204.973	371.075
Trade Payables		122.946	257.246
Trade Payables to Third Parties	7	122.946	257.246
Non-current Provisions		925.984	976.926
Non-current Provisions for Employee Benefits	17	925.984	976.926
Deferred Tax Liabilities	26	3.136.760	2.374.690
Other Non-current Liabilities		10.288	16.336
Other Non-current Liabilities to Third Parties		10.288	16.336
TOTAL NON-CURRENT LIABILITIES		5.626.589	5.937.881
TOTAL LIABILITIES		37.726.982	42.337.987

The accompanying notes are an integral part of these financial statements.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Statement of Financial Position (Balance Sheet)

as of 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

	Notes	Audited 31 December 2024	Audited 31 December 2023
EQUITY			
Equity Attributable to Owners of Parent		33.844.638	31.171.059
Issued Capital	19	1.600.000	1.600.000
Adjustments on Capital	19	9.706.424	9.706.424
Other Accumulated Comprehensive Income (Loss) that will not be Reclassified to Profit or Loss		8.281.178	4.998.051
Gains (Losses) on Revaluation and Remeasurement		8.281.178	4.998.051
Increases on Revaluation of			
Property, Plant and Equipment		9.247.536	5.834.796
Losses on Remeasurement of Defined Benefit Plans		(966.358)	(836.745)
Other Accumulated Comprehensive Income (Loss) that will be Reclassified to Profit or Loss		156.416	(269.096)
Losses on Hedge		156.416	(269.096)
Losses on Cash Flow Hedges		156.416	(269.096)
Restricted Reserves		2.047.715	1.730.116
Legal Reserves	19	2.047.715	1.730.116
Prior Years' Profits		11.787.077	6.584.455
Current Period Net Profit		265.828	6.821.109
TOTAL EQUITY		33.844.638	31.171.059
TOTAL LIABILITIES AND EQUITY		71.571.620	73.509.046

Financial statements for the period 1 January – 31 December 2024 were approved by the Board of Directors of Vestel Beyaz Eşya Sanayi ve Ticaret A.Ş. on 3 March 2025. General Assembly and specified regulatory bodies have the right to make amendments to statutory financial statements after issue.

The accompanying notes are an integral part of these financial statements.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Statement of Profit or Loss and Other Comprehensive Income

for the Period 1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

	Notes	Audited 1 January - 31 December 2024	Audited 1 January - 31 December 2023
PROFIT OR LOSS			
Revenue	20	75.327.153	88.171.978
Cost of Sales	20	(67.419.256)	(73.770.279)
GROSS PROFIT		7.907.897	14.401.699
General Administrative Expenses	22	(839.585)	(759.167)
Marketing Expenses	22	(3.385.051)	(4.260.374)
Research and Development Expense	22	(948.732)	(805.477)
Other Income from Operating Activities	23	2.912.819	7.300.838
Other Expenses from Operating Activities	23	(4.224.040)	(11.991.132)
PROFIT/(LOSS) FROM OPERATING ACTIVITIES		1.423.308	3.886.387
PROFIT/(LOSS) BEFORE FINANCING INCOME		1.423.308	3.886.387
Finance Income	24	1.497.753	4.318.604
Finance Expense	24	(6.594.592)	(6.895.495)
Monetary Gain	25	3.806.116	6.632.324
PROFIT FROM CONTINUING OPERATIONS, BEFORE TAX		132.585	7.941.820
Tax (Expense) Income, Continuing Operations		133.243	(1.120.711)
Current Tax Expense	26	-	(263.234)
Deferred Tax Income	26	133.243	(857.477)
PROFIT FOR THE PERIOD		265.828	6.821.109
Earnings per 100 share with a Kr 1 of Par Value (TL)	27	0,17	4,26

The accompanying notes are an integral part of these financial statements.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Statement of Profit or Loss and Other Comprehensive Income

for the Period 1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

	Audited 1 January - 31 December 2024	Audited 1 January - 31 December 2023
PROFIT FOR THE PERIOD OTHER COMPREHENSIVE INCOME	265.828	6.821.109
Other Comprehensive Income that will not be Reclassified to Profit or Loss	3.348.698	5.571.959
Gains (Losses) on Revaluation of Property, Plant and Equipment	4.274.991	6.524.033
Gains (Losses) on Remeasurements of Defined Benefit Plans	(172.817)	(272.157)
Taxes Relating to Components of Other Comprehensive Income	(753.476)	(679.917)
Taxes Relating to Gains (Losses) on Revaluation of Property, Plant and Equipment	(796.680)	(747.956)
Taxes Relating to Remeasurements of Defined Benefit Plans	43.204	68.039
Other Comprehensive Income that will be Reclassified to Profit or Loss	425.512	(7.159)
Other Comprehensive Income (Loss) Related with Cash Flow Hedges	567.349	(9.546)
Taxes Relating to Components of Other Comprehensive Income	(141.837)	2.387
Taxes Relating to Cash Flow Hedges	(141.837)	2.387
OTHER COMPREHENSIVE INCOME	3.774.210	5.564.800
TOTAL COMPREHENSIVE INCOME	4.040.038	12.385.909

The accompanying notes are an integral part of these financial statements.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Statement of Changes in Shareholders’ Equity

for the Period 1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

	Issued Capital	Inflation Adjustments on Capital	Increases (Decreases) on Revaluation of Property, Plant and Equipment	Gains (Losses) on Remeasurement of Defined Benefit Plans	Gains (Losses) Revaluations and Remeasurements	Other Accumulated Comprehensive Income That Will Not Be Reclassified To Profit Or Loss	Reserve Of Gains or Losses on Hedge	Accumulated Comprehensive Income That Will Be Reclassified To Profit Or Loss	Restricted Reserves Appropriated From Profits	Prior Years' Profits or Losses	Net Profit or Loss	Retained Earnings	Equity attributable to owners of parent
1 January - 31 December 2023													
Beginning of Period	1.600.000	9.706.424	59.616	(632.627)	(573.011)	(261.937)	(261.937)	(261.937)	1.789.345	7.003.134	305.777	7.308.911	19.569.732
Transfers	-	-	(897)	-	(897)	-	-	-	-	306.674	(305.777)	897	-
Total Comprehensive Income (Loss)	-	-	5.776.077	(204.118)	5.571.959	(7.159)	(7.159)	(7.159)	-	-	6.821.109	6.821.109	12.385.909
Profit for the period (Losses)	-	-	-	-	-	-	-	-	-	-	6.821.109	6.821.109	6.821.109
Other Comprehensive Income (Loss)	-	-	5.776.077	(204.118)	5.571.959	(7.159)	(7.159)	(7.159)	-	-	-	-	5.564.800
Dividends Paid	-	-	-	-	-	-	-	-	(59.229)	(725.353)	-	(725.353)	(784.582)
End of Period	1.600.000	9.706.424	5.834.796	(836.745)	4.998.051	(269.096)	(269.096)	(269.096)	1.730.116	6.584.455	6.821.109	13.405.564	31.171.059
Current Period 1 January - 31 December 2024													
Beginning of Period	1.600.000	9.706.424	5.834.796	(836.745)	4.998.051	(269.096)	(269.096)	(269.096)	1.730.116	6.584.455	6.821.109	13.405.564	31.171.059
Transfers	-	-	(65.571)	-	(65.571)	-	-	-	-	6.886.680	(6.821.109)	65.571	-
Total Comprehensive Income (Loss)	-	-	3.478.311	(129.613)	3.348.698	425.512	425.512	425.512	-	-	265.828	265.828	4.040.038
Profit for the period (Losses)	-	-	-	-	-	-	-	-	-	-	265.828	265.828	265.828
Other Comprehensive Income (Loss)	-	-	3.478.311	(129.613)	3.348.698	425.512	425.512	425.512	-	-	-	-	3.774.210
Dividends Paid	-	-	-	-	-	-	-	-	317.599	(1.684.058)	-	(1.684.058)	(1.366.459)
End of Period	1.600.000	9.706.424	9.247.536	(966.358)	8.281.178	156.416	156.416	156.416	2.047.715	11.787.077	265.828	12.052.905	33.844.638

The accompanying notes are an integral part of these financial statements.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Statement of Cash Flow for the Period 1 January- 31 December 2024

Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

	Notes	Audited 1 January - 31 December 2024	Audited 1 January - 31 December 2023
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		7.741.435	5.641.269
Profit (Loss) for the Period		265.828	6.821.109
Profit (Loss) from Continuing Operations		265.828	6.821.109
Adjustments to Reconcile Profit		3.721.108	(2.970.314)
Adjustments for Depreciation and Amortisation Expense	11,12,13	3.049.148	2.823.377
Adjustments for Impairment Loss (Reversal of Impairment Loss)		58.873	(51.383)
Adjustments for Impairment Loss (Reversal of Impairment Loss) of Receivables		45.954	949
Adjustments for Impairment Loss (Reversal of Impairment Loss) of Inventories	9	12.919	(52.332)
Adjustments for Provisions		313.187	207.050
Adjustments for (Reversal of) Provisions Related with Employee Benefits		307.073	213.266
Adjustments for (Reversal of) Lawsuit and/or Penalty Provisions	14	6.114	(6.216)
Adjustments for Interest (Income) Expenses		4.062.668	3.076.323
Adjustments for Interest Income	24	(282.454)	(446.626)
Adjustments for Interest Expense	24	4.345.122	3.522.949
Adjustments for Unrealised Foreign Exchange Losses (Gains)		(459.020)	(1.619.417)
Adjustments for Fair Value Losses (Gains)		(252.777)	(335.812)
Adjustments for Fair Value (Gains) Losses on Derivative Financial Instruments		(252.777)	(335.812)
Adjustments for Tax (Income) Expenses	26	(133.243)	1.120.711
Adjustments for Losses (Gains) on Disposal of Non-Current Assets		(14.748)	(18.340)
Adjustments for Losses (Gains) Arised from Sale of Tangible Assets		(14.748)	(18.340)
Other Adjustments to Reconcile Profit (Loss)	4	10	20
Monetary Loss/Gain		(2.902.990)	(8.172.843)

The accompanying notes are an integral part of these financial statements.



VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Statement of Cash Flow for The Period 1 January- 31 December 2024

Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

	Notes	Audited 1 January - 31 December 2024	Audited 1 January - 31 December 2023
Changes in Working Capital		3.974.863	2.323.917
Adjustments for Decrease (Increase) in Trade Accounts Receivable		(800.765)	(9.700.929)
Decrease (Increase) in Trade Accounts Receivables from Related Parties	6	(742.116)	(9.141.081)
Decrease (Increase) in Trade Accounts Receivables from Third Parties	7	(58.649)	(559.848)
Adjustments for Decrease (Increase) in Other Receivables Related with Operations		(34.860)	(399.868)
Decrease (Increase) in Other Third Party Receivables Related with Operations	8	(34.860)	(399.868)
Adjustments for Decrease (Increase) in Inventories	9	578.857	584.315
Decrease (Increase) in Prepaid Expenses	10	299.761	(1.369.506)
Adjustments for Increase (Decrease) in Trade Accounts Payable		4.277.042	12.550.429
Increase (Decrease) in Trade Accounts Payables to Related Parties	6	501.409	1.334.414
Increase (Decrease) in Trade Accounts Payables to Third Parties		3.775.633	11.216.015
Increase (Decrease) in Employee Benefit Liabilities	17	119.387	221.255
Increase (Decrease) in Deferred Revenues		(455.238)	436.928
Other Adjustments for Other Increase (Decrease) in Working Capital		(9.321)	1.293
Decrease (Increase) in Other Assets Related with Operations	18	(6.234)	(115.021)
Increase (Decrease) in Other Payables Related with Operations	18	(3.087)	116.314
Cash Flows from (used in) Operations		7.961.799	6.174.712
Payments Related with Provisions for Employee Benefits	17	(219.282)	(337.654)
Income Taxes Refund (Paid)	26	(1.082)	(195.789)

The accompanying notes are an integral part of these financial statements.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Statement of Cash Flow for the Period 1 January- 31 December 2024

Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

	Notes	Audited 1 January - 31 December 2024	Audited 1 January - 31 December 2023
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		(4.495.005)	(2.732.824)
Proceeds from Sales of Property, Plant, Equipment and Intangible Assets		28.125	28.705
Proceeds from Sales of Property, Plant and Equipment		28.125	28.705
Purchase of Property, Plant, Equipment and Intangible Assets		(3.961.539)	(5.855.608)
Purchase of Property, Plant and Equipment	11	(3.194.163)	(5.187.049)
Purchase of Intangible Assets	13	(767.376)	(668.559)
Cash Advances and Loans Made to Other Parties		(550.208)	3.011.637
Cash Advances and Loans Made to Related Parties		(351.182)	1.850.399
Cash Advances and Loans Made to Third Parties		(199.026)	1.161.238
Other Cash Inflows (Outflows)		(11.383)	82.442
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		(2.883.821)	(2.744.153)
Proceeds from Borrowings	5	12.903.163	10.143.295
Proceeds from Loans		9.603.163	8.224.244
Proceeds from Other Financial Borrowings		3.300.000	1.919.051
Repayments of Borrowings	5	(6.250.275)	(13.560.678)
Loan Repayments		(4.445.275)	(11.587.479)
Issued bonds repayments		(1.805.000)	(1.973.199)
Increase in Other Payables to Related Parties		(3.809.605)	4.049.158
Payments of Lease Liabilities		(65.016)	8.544
Dividends Paid	6	(1.366.459)	(784.582)
Interest Paid		(4.296.480)	(2.629.469)
Interest Received		851	29.579
INFLATION EFFECT ON CASH AND CASH EQUIVALENTS		(322.033)	(541.260)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES		40.576	(376.968)
Effect of Exchange Rate Changes on Cash and Cash Equivalents		(1.728)	53.401
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		38.848	(323.567)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	4	1.053.269	1.376.836
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		1.092.117	1.053.269

The accompanying notes are an integral part of these financial statements.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 1 – COMPANY’S ORGANISATION AND NATURE OF OPERATIONS

Vestel Beyaz Eşya Sanayi ve Ticaret A.Ş. (the “Company” or “Vestel Beyaz Eşya”) was incorporated in 1997 under the Turkish Commercial Code and its head office is located at Levent 199, Büyükdere Caddesi No: 199, 34394 Şişli / İstanbul.

The Company started its operations in 1999 and produces refrigerators, room air conditioning units, washing machines, cookers, dishwashers and water heaters. The Company’s production facilities occupy 641 square meters of enclosed area located in Manisa Organized Industrial Zone on total area of 763 square meters.

The Company is a member of Vestel Group of Companies which are under the control of Zorlu Family. The Company performs its export sales and domestic sales via Vestel Ticaret A.Ş. which is also a member of Vestel Group of Companies.

The Company is registered to Capital Market Board and its shares have been quoted to Borsa Istanbul (“BİST”) since 21 April 2006.

As of 31 December 2024, the number of personnel employed was 9.628 (31 December 2023: 9.171).

As of balance sheet dates, the shareholders of the Company and their percentage shareholdings were as follows:

	Shareholding %
Vestel Elektronik Sanayi ve Ticaret A.Ş.	77,33
Other shareholders	22,67
	100,00

As of 31 December 2024 Company have been quoted at the Borsa Istanbul 31,47% of its share capital (31 December 2023: 31,47%).

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of presentation

2.1.1 Statement of compliance

The accompanying financial statements are prepared in accordance with the Communiqué Serial II, No: 14.1, "Principals of Financial Reporting in Capital Markets" published in the Official Gazette numbered 28676 on 13 June 2013. According to the article 5 of the Communiqué, financial statements are prepared in accordance with Turkish Accounting Standards / Turkish Financial Reporting Standards ("TAS" / "TFRS") and its addendum and interpretations ("IFRIC") issued by the Public Oversight Accounting and Auditing Standards Authority (“POAASA”) Turkish Accounting Standards Board.

Financial statements are presented in accordance with the formats determined in the “Announcement on TFRS Taxonomy” published by the POA on 3 July 2024 and in the Financial Statement Samples and User Guide published by the CMB.

The Company bases its accounting records and preparation of its legal financial statements on the Turkish Commercial Code ("TCC"), tax legislation and the Uniform Chart of Accounts issued by the Ministry of Finance of the Republic of Türkiye. The financial statements have been prepared in Turkish Lira on the basis of historical cost, except for land, buildings and land improvements from the tangible assets group shown at their fair value, and financial assets and liabilities shown at their fair value.

Financial statements have been prepared by reflecting the necessary corrections and classifications in order to ensure accurate presentation in accordance with TFRS, on the legal records prepared on the historical cost basis except for derivative instruments shown at their fair value and revaluations arising from fixed assets.

Financial reporting in high-inflation economies

The Company has prepared its financial statements for the year dated 31 December 2023 and ending on the same date, by applying TAS 29 “Financial Reporting in High Inflation Economies” Standard, based on the announcement made by the POA on 23 November 2023 and the “Implementation Guide on Financial Reporting in High Inflation Economies” published. In accordance with the said standard, financial statements prepared based on the currency of a hyperinflationary economy are prepared in the purchasing power of this currency at the balance sheet date, and comparative information is expressed in terms of the current measurement unit at the end of the reporting period for the purpose of comparison in the financial statements of the previous period.For this reason, the company has presented its financial statements as of 31 December 2023 on the basis of purchasing power as of 31 December 2024.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)

2.1 Basis of presentation (Cont'd)

2.1.1 Statement of compliance (Cont'd)

Financial reporting in high-inflation economies (Cont'd)

In accordance with the CMB’s decision dated 28 December 2023 and numbered 81/1820, issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards shall comply with the provisions of TAS 29, starting from their annual financial reports for the accounting periods ending as of 31 December 2024. It was decided to apply inflation accounting by applying.

Rearrangements made in accordance with TAS 29 were made using the correction coefficient obtained from the Consumer Price Index in Türkiye ("CPI") published by the Turkish Statistical Institute ("TURKSTAT"). As of 31 December 2024, the indices and correction coefficients used in the correction of financial statements are as follows:

Date	Index	Correction Coeffection	Three-Year Compound Inflation Rate
31 December 2024	2.684,55	1	291%
31 December 2023	1.859,38	1,4438	268%
31 December 2022	1.128,45	2,3790	156%

The main elements of the Company’s adjustment for financial reporting purposes in high-inflation economies are as follows:

- Current period financial statements prepared in TL are expressed in purchasing power at the balance sheet date, and amounts from previous reporting periods are also expressed by adjusting according to the purchasing power at the end of the reporting period.
- Monetary assets and liabilities are not adjusted as they are currently expressed in current purchasing power at the balance sheet date. In cases where the inflation-adjusted values of non-monetary items exceed the recoverable amount or net realizable value, the provisions of TAS 36 and TAS 2 were applied, respectively.
- Non-monetary assets and liabilities and equity items that are not expressed in current purchasing power at the balance sheet date have been adjusted using the relevant adjustment coefficients.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)

2.1 Basis of presentation (Cont'd)

2.1.1 Statement of compliance (Cont'd)

Financial reporting in high-inflation economies (Cont'd)

- All items included in the statement of comprehensive income, except for non-monetary items in the balance sheet that have an impact on the statement of comprehensive income, are indexed with coefficients calculated over the periods in which the income and expense accounts are first reflected in the financial statements.
- The effect of inflation on the Company’s net monetary asset position in the current period is recorded in the net monetary position gains/ (losses) account in the income statement (Note 25).

2.2 Comparative information and restatement of prior period financial statements

Financial statements of the Company have been prepared comparatively with the preceding financial period, in order to enable determination of trends in financial position and performance. Comparative figures are reclassified, where necessary, to conform to changes in presentation in the financial statements.

Comparative figures for the previous reporting period are restated by applying the general price index so that the comparative financial statements are presented in the currency in effect at the end of the reporting period. Information disclosed for previous periods is also expressed in the currency valid at the end of the reporting period.

Except for the changes mentioned in the paragraph below, consistent accounting policies have been applied in the financial statements for the periods presented and there are no significant changes in accounting policies and estimates in the current period.

In accordance with the “Implementation Guidance on Financial Reporting in Hyperinflationary Economies” published by POA, monetary position gains and losses on cash and cash equivalents are presented in the statement of cash flows, and in accordance with the 3rd approach in the implementation guidance, the effect of inflation on cash flows from operating, investing and financing activities is attributed to the relevant class of activity and the inflation effect on cash and cash equivalents is presented separately. In the 31 December 2023 Statement of Cash Flows, TL 2.038.710 has been reclassified between “Changes in Working Capital” and “Adjustments Related to Reconciliation of Net Profit for the Period” and the related reclassifications have been brought to 2024 purchasing power. There has been no change in “Cash Flows from Operating Activities”.



NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)

2.3 Restatement and errors in the accounting estimates

Major changes in accounting policies are applied retrospectively and any major accounting errors that have been detected are corrected and the financial statements of the previous period are restated. Changes in accounting policies resulting from the initial implementation of a new standard, if any, are implemented retrospectively or prospectively in accordance with the transition provisions. If changes in accounting estimates are related to only one period, they are recognized in the period when changes are applied; if changes in estimates are related to future periods, they are recognized both in the period where the change is applied and future periods prospectively.

2.4 Amendments in Türkiye Financial Reporting Standards

The accounting policies used in the preparation of financial statements for the accounting period ending 31 December 2024 are consistent with those used in the previous year, except for the new and amended Turkish Accounting Standards ("TAS")/IFRS and TAS/IFRS interpretations valid as of 1 January 2024, summarized below, has been implemented. The effects of these standards and interpretations on the financial position and performance of the Company are explained in the relevant paragraphs.

a) Standards, amendments, and interpretations applicable as of 31 December 2024:

**Amendment to IAS 1 – Non-current liabilities with covenants;** effective from annual periods beginning on or after 1 January 2024.

These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.

**Amendment to IFRS 16 – Leases on sale and leaseback;** effective from annual periods beginning on or after 1 January 2024. These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

**Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements;** effective from annual periods beginning on or after 1 January 2024. These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)

2.4 Amendments in Türkiye Financial Reporting Standards (Cont'd)

a) Standards, amendments, and interpretations applicable as of 31 December 2024:

**IFRS S1, 'General requirements for disclosure of sustainability-related financial information;** effective from annual periods beginning on or after 1 January 2024. This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain.

**IFRS S2, 'Climate-related disclosures';** effective from annual periods beginning on or after 1 January 2024. This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.

b) Standards, amendments, and interpretations that are issued but not effective as of 31 December 2024:

**Amendments to IAS 21 - Lack of Exchangeability;** effective from annual periods beginning on or after 1 January 2025. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

**Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments;** effective from annual reporting periods beginning on or after 1 January 2026 (early adoption is available). These amendments:

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)

2.4 Amendments in Türkiye Financial Reporting Standards (Cont'd)

b) Standards, amendments, and interpretations that are issued but not effective as of 31 December 2024:

**Annual improvements to IFRS – Volume 11;** Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash Flows.

**IFRS 18 Presentation and Disclosure in Financial Statements;** effective from annual periods beginning on or after 1 January 2027. This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity’s financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

**IFRS 19 Subsidiaries without Public Accountability: Disclosures;** effective from annual periods beginning on or after 1 January 2027. Earlier application is permitted. This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19’s reduced disclosure requirements balance the information needs of the users of eligible subsidiaries’ financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries.

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)

2.4 Amendments in Türkiye Financial Reporting Standards (Cont'd)

b) Standards, amendments, and interpretations that are issued but not effective as of 31 December 2024:

**IFRS 19 Subsidiaries without Public Accountability: Disclosures;** A subsidiary is eligible if:

- it does not have public accountability; and
- it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

2.5 Summary of significant accounting policies

2.5.1 Revenue

The Company recognizes revenue in accordance with TFRS 15 “Revenue from contracts with customers” standard by applying the following five step model:

- Identification of customer contracts
- Identification of performance obligations
- Determination of transaction price in the contract
- Allocation of price to performance obligations
- Recognition of revenue when the performance obligations are fulfilled.

Revenue from sale of goods is recognized when all of the following conditions are satisfied:

- (a) The parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations,
- (b) Company can identify each party’s rights regarding the goods or services to be transferred,
- (c) Company can identify the payment terms for the goods or services to be transferred,
- (d) The contract has commercial substance,
- (e) It is probable that Company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, an entity shall consider only the customer’s ability and intention to pay that amount of consideration when it is due.

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)

2.5 Summary of significant accounting policies (Cont'd)

2.5.1 Revenue (Cont'd)

Revenue is generated when control of the products is handed over to the customer and the customers have full authority over the product. Delivery takes place when the products are shipped to the customer's location, the risk of obsolescence and damage is transferred to the customers and the customers accept the products in accordance with the sales contract, the acceptance conditions have expired or the Company has objective evidence that all acceptance criteria have been met. If the Company is entitled to collect a fee from its customers that directly corresponds to the value of the completed performance for the customer (on delivery of the products), it recognizes the revenue in the financial statements as much as the amount it has the right to invoice.

The company has switched to the "intermediary export" model for its international sales through with its related party namely Vestel Ticaret A.Ş., which carries out marketing and sales activities, effective from 1 January 2022. In the intermediary export model, the Company is the main exporter and Vestel Ticaret is the agent. Trade receivables from Vestel Ticaret, which acts as an agent, arise from sales made through Vestel Ticaret, including to Vestel Group companies abroad.

If the company expects to refund some or all of the price collected from a customer to that customer, it reflects a refund liability in the financial statements. The refund liability is calculated based on the portion of the consideration that the business has collected (or will collect) for which it does not expect to be entitled. Previous experience is used to predict such returns at the portfolio level at the time of sale, and it is possible that a significant amount of revenue cancellation will not occur. The return obligation is updated at the end of each reporting period, taking into account changes in circumstances.

Previous experience is used to estimate sales discounts using the expected value method, with revenue recognized only to the extent that it is probable that a significant return will not occur. Sales discounts are recognized in sales discounts expected to be paid to customers in respect of sales made until the end of the period specified under other short-term provisions. There is no significant financing element as sales are made within an acceptable period of time consistent with market practice.

2.5.2 Inventories

Inventories are stated at the lower of cost and net realizable value. Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventories held by the method most appropriate to the particular class of inventory. Company uses moving weighted average method for costing.

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)

2.5 Summary of significant accounting policies (Cont'd)

2.5.2 Inventories (Cont'd)

Net realizable value represents the estimated selling price less all estimated costs of completion and costs necessary to make a sale. When the net realizable value of inventory is less than cost, the inventory is written down to the net realizable value and the expense is included in statement of income in the period the write-down or loss occurred.

When the net realizable value of inventories falls below their cost, the inventories are reduced to their net realizable value and reflected as an expense in the income statement in the year in which the impairment occurs.

When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realizable value because of changed economic circumstances, the amount of the write-down is reversed. The reversal amount is limited to the amount of the original write-down.

2.5.3 Property, plant and equipment

Land, land improvements and buildings are stated at fair value, based on valuations performed as at 31 December 2024.

Tangible assets other than land, land improvements and buildings are shown at cost on a TL purchasing power basis as of 31 December 2024, after deducting accumulated depreciation and impairment losses, if any.

Any revaluation increase arising on the revaluation of such land, land improvements and buildings is credited in equity to the revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognized in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged.

A decrease in carrying amount arising on the revaluation of such land, land improvements and buildings is charged to profit or loss to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to a previous revaluation of that asset.

Depreciation on revalued land improvements and buildings is charged to profit or loss. Each period, the difference between depreciation based on the revalued carrying amount of the asset (the depreciation charged to the statements of comprehensive income) and the depreciation based on the asset's original cost is transferred from revaluation reserves to the retained earnings.



(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)

2.5 Summary of significant accounting policies (Cont'd)

2.5.3 Property, plant and equipment (Cont'd)

Land is not depreciated. Machinery and equipment are carried at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to write off the cost or valuation of assets, other than land and properties under construction, over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Useful lives of property, plant and equipment is as follows:

	Useful life
Land improvements	5-35 years
Buildings	20-50 years
Leasehold improvements	5 years
Plants, machinery and equipment	3-20 years
Vehicles	5 years
Furniture, fixtures and equipments	5-25 years

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Gains and losses on disposals of property, plant and equipment are included in other operating income and expenses. On disposal of revalued property, plant and equipment, the revaluation reserve related to the property, plant and equipment disposed of is transferred to retained earnings.

Expenses incurred in replacing any part of an item of property, plant and equipment, together with the costs of repair and maintenance, may be capitalized if they are likely to increase the future economic benefits of the asset. All other costs are recognized as an expense in the income statement as incurred.

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)

2.5 Summary of significant accounting policies (Cont'd)

2.5.4 Leases

The Company – as a lessee

At inception of a contract, the Company assesses whether a contract is, or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset. The Company assess whether:

- a) The contract involved the use of an identified asset – this may be specified explicitly or implicitly.
- b) The asset should be physically distinct or represent substantially all of the capacity of a physically distinct asset, if the supplier has a substantive substitution right, the asset is not identified.
- c) The Company has the right to obtain substantially all of the economic benefits from the use of an asset throughout the period of use; and
- d) The Company has the right to direct use of the asset, The Company concludes to have the right of use, when it is predetermined how and for what purpose the Company will use the asset. The Company has the right to direct use of asset if either:
  - i. The Company has the right to operate (or to have the right to direct others to operate) the asset over its useful life and the lessor does not have the rights to change the terms to operate or;
  - ii. The Company designed the asset (or the specific features) in a way that predetermines how and for what purpose it is used.

Lease Liability

At the actual commencement date of the contract, the Company reflects a right-of-use asset and a lease liability in its financial statements.

The Company rents various buildings, warehouses, forklifts and machinery. The duration of the leasing contracts for machine and equipment is usually 4 years; for building and warehouses is usually fixed from 1 to 20 years.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. Lease liabilities are discounted to present value by using the interest rate implicit in the lease if readily determined or with the Vestel Group Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- a) Fixed payments, including in-substance fixed payments;

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)

2.5 Summary of significant accounting policies (Cont'd)

2.5.4 Leases (Cont'd)

- b) Variable lease payments that depend on an index or a rate, initially measured using the index or rate as the commencement date.
- c) The exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewable period if the Company is reasonably certain to exercise an extension option and penalties for early termination of a lease unless the Company is reasonably certain to terminate early.

After initial recognition, the lease liability is measured:

- a) Increasing the carrying amount to reflect interest on lease liability,
- b) Reducing the carrying amount to reflect the lease payments made and
- c) Remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The duration of the contracts, which constitute the lease obligation of the company, varies between 1 – 14 years.

The Company – as a lessor

The Company’s activities as a lessor are not material.

Right of use assets:

Right of use is recognized with cost method at first and includes items below:

- a) the amount of the initial measurement of the lease liability,
- b) any lease payments made at or before the commencement date, less any lease incentives received,
- c) any initial direct costs incurred by the Company

To apply the cost model, the Company measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability. The Company applies the depreciation requirements in TAS 16 Property, Plant and Equipment in depreciating the right-of-use asset.

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)

2.5 Summary of significant accounting policies (Cont'd)

2.5.5 Intangible assets

a) Research and development costs

Research costs are recognized as expense in the period in which they are incurred. An intangible asset arising from development (or from the development phase of an internal project) if and only if an entity can demonstrate all of the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Its intention to complete the intangible asset and use or sell it;
- Its ability to use or sell the intangible asset;
- How the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset, and
- Its ability to measure reliably the expenditure attributable to the intangible asset during its development

Other development costs are recognized as expense as incurred. If it is not possible to distinguish the research phase from the development phase of an internal project, the entity treats the expenditure on that project as if it were incurred in the research phase only.

b) Rights and other intangible fixed assets

Rights and other intangible assets consist acquired computer software, computer software development costs and other identifiable rights. Rights and other intangible assets are recognized at their acquisition costs and are amortized on a straight line basis over their expected useful lives which are less than fifteen years.

Useful lives of intangible assets are as follows:

	Useful life
Rights	3-15 Years
Development Costs	2-15 Years
Other	2-15 Years

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)

2.5 Summary of significant accounting policies (Cont'd)

2.5.6 Financial instruments

a) Financial assets

The Company classifies its financial assets into three categories: financial assets measured at amortized cost, fair value through profit or loss and fair value through other comprehensive income. The classification depends on the basis of the business model determined according to utilization purposes and expected cash outflows. The Company classifies its financial assets at the time of initial recognition.

Financial assets carried at amortized cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, whose payments are fixed or predetermined, which are not actively traded and which are not derivative instruments are measured at amortized cost.

The Company's financial assets carried at amortized cost comprise "trade receivables" and "cash and cash equivalents" in the statement of financial position.

Financial assets carried at fair value

Assets that are held by the management for collection of contractual cash flows and for selling the financial assets are measured at their fair value.

Derivative financial instruments are first recorded at their fair value as of the date of entry into force of the relevant derivative contract, and are valued at their fair value in the following periods.

Impairment of financial assets

Impairment of the financial and contractual assets measured by using "Expected credit loss model". The impairment model applies for amortized financial and contractual assets.

The Company has preferred to apply "simplified approach" for the recognition of impairment losses on trade receivables, carried at amortised cost and that do not comprise of any significant finance component (those with maturity less than 1 year). In accordance with the simplified approach, Company measures the loss allowances regarding its trade receivables at an amount equal to "lifetime expected credit losses" except incurred credit losses in which trade receivables are already impaired for a specific reason.

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)

2.5 Summary of significant accounting policies (Cont'd)

2.5.6 Financial instruments (Cont'd)

b) Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

c) Derivative financial instruments and hedge accounting

The derivative instruments of the Company mainly consist of foreign exchange forward contracts. These derivative transactions, even though providing effective economic hedges under risk accounting, do not generally qualify for hedge accounting under the specific rules and are therefore treated as derivatives held for trading in the financial statements. The fair value changes for these derivatives are recognised in the profit or loss statement.

The hedging transactions of the Company that qualify for hedge accounting are accounted in accordance with TFRS 9. TFRS 9 does not create any changes in hedge accounting principles. It is considered TFRS 9 has significant effect on financial statements.

Cash flow hedges:

As long as a cash flow hedge meets the qualifying criteria, the hedging relationship shall be accounted for as follows:

- (a) the separate component of equity associated with the hedged item (cash flow hedge reserve) is adjusted to the lower of the following (in absolute amounts):
  - (i) the cumulative gain or loss on the hedging instrument from inception of the hedge; and
  - (ii) the cumulative change in fair value (present value) of the hedged item (i.e. the present value of the cumulative change in the hedged expected future cash flows) from inception of the hedge.
- (b) the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge shall be recognised in other comprehensive income.



NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)

2.5 Summary of significant accounting policies (Cont'd)

2.5.6 Financial instruments (Cont'd)

c) Derivative financial instruments and hedge accounting (Cont'd)

(c) any remaining gain or loss on the hedging instrument is hedge ineffectiveness that shall be recognised in profit or loss.

2.5.7 Foreign currency transactions

Transactions in foreign currencies during the period are recorded at the rates of exchange prevailing on the dates of the transactions. Monetary items denominated in foreign currencies are translated to TL at the rates prevailing on the balance sheet date. Exchange differences on foreign currency denominated monetary assets and liabilities are recognized in profit or loss in the period in which they arise except for the effective portion of the foreign currency hedge of net investments in foreign operations. On monetary items which are denominated in foreign currency and measured with historical costs are translated using the exchange rates at the dates of initial transactions.

2.5.8 Provisions, contingent assets and liabilities

Provisions are recognized when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

Possible assets or obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the company are not included in the financial statements and treated as contingent assets or liabilities.

2.5.9 Related parties

Subsidiaries, key management personnel and board members, close family members and companies controlled by or affiliated with them, affiliates and subsidiaries, and companies within the Zorlu Holding Group and their affiliates, subsidiaries and partnerships are considered as related parties.

2.5.10 Taxation on income

Tax expense for the period comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items directly recognized in equity. In that case, tax is recognized in shareholders' equity.

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)

2.5 Summary of significant accounting policies (Cont'd)

2.5.10 Taxation on income (Cont'd)

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases which is used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Investment incentives that are conducive to payment of corporate taxes at reduced rates are subject to deferred tax calculation when there is reasonable assurance that the Company will benefit from the related incentive.

Deferred tax liabilities are recognized for taxable temporary differences except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Company to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

2.5.11 Employee benefits

Employment termination benefits, as required by the Turkish Labor Law, represent the estimated present value of the total reserve of the future probable obligation of the Company arising in case of the retirement of the employees.

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)

2.5 Summary of significant accounting policies (Cont'd)

2.5.11 Employee benefits (Cont'd)

According to Turkish Labor Law and other laws applicable in Türkiye, the Company is obliged to pay employment termination benefits to all personnel in cases of termination of employment without due cause, call for military service, be retired or death upon the completion of a minimum one year service. Provision for employment termination benefits as of 31 December 2024 is calculated in accordance with the assumptions used by the independent actuarial firm and is recorded in the financial statements at its net present value. Employment termination benefits are considered as being part of defined retirement benefit plan as per TAS 19. All actuarial gains and losses are recognized in statements of income.

2.5.12 Government grants

Government grants, including non-monetary grants at fair value, are recognized in financial statements when there is reasonable assurance that the entity will comply with the conditions attaching to them, and the grants will be received.

Incentives for research and development activities are recognized in financial statements when they are authorized by the related institutions.

2.5.13 Earnings per share

Earnings per share disclosed in the statement of income is determined by dividing net income attributable to equity holder of the parent by the weighted average number of such shares outstanding during the year concerned.

In Türkiye, companies can increase their capital by distributing shares to existing shareholders in proportion to their shares from retained earnings or inflation adjustment differences ("free shares"). In calculating earnings per share, the weighted average number of shares in existence during the period is obtained by applying the free issuance of shares retroactively.

2.5.14 Statement of cash flows

In the statement of cash flows, cash flows are classified into three categories as operating, investment and financing activities. Cash flows from operating activities are those resulting from the Company's production and sales activities. Cash flows from investment activities indicate cash inflows and outflows resulting from property, plant and equipments and financial investments.

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)

2.5 Summary of significant accounting policies (Cont'd)

2.5.14 Statement of cash flows (Cont'd)

Cash flows from financing activities indicate the resources used in financing activities and the repayment of these resources. Cash and cash equivalents comprise of cash in hand accounts, bank deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash with maturities equal or less than three months.

2.5.15 Offsetting

All items with significant amounts and nature, even with similar characteristics, are presented separately in the financial statements. Insignificant amounts are grouped and presented by means of items having similar substance and function. When the nature of transactions and events necessitate offsetting, presentation of these transactions and events over their net amounts or recognition of the assets after deducting the related impairment are not considered as a violation of the rule of non-offsetting.

As a result of the transactions in the normal course of business, revenue other than sales are presented as net if the nature of the transaction or the event qualify for offsetting.

2.5.16 Events after the balance sheet date

Events after the balance sheet date, announcements related to net profit or even declared after other selective financial information has been publicly announced; include all events that take place between the balance sheet date and the date when balance sheet was authorized for issue.

In the case that events require a correction to be made on the balance sheet date, the Company makes the necessary corrections to the financial statements. Moreover, the events that occur subsequent to the balance sheet date and that do not require a correction to be made are disclosed in accompanying notes, where the decisions of the users of financial statements are affected.

2.5.17 Borrowing costs and loans taken

Loans received are recorded at their net value after deducting transaction costs from their fair value at the date of receipt. Loans received are subsequently shown at discounted cost using the effective interest method. The difference between the remaining amount after deducting transaction costs and the discounted cost value is reflected in the consolidated statement of profit or loss and other comprehensive income as financing cost during the loan period, using the effective interest method. When financing costs arise from loans received, they are reflected in the consolidated statement of profit or loss and other comprehensive income.

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)

2.5 Summary of significant accounting policies (Cont'd)

2.5.17 Borrowing costs and loans taken (Cont'd)

If the maturities of the loans received are less than 12 months from the date of the statement of financial position (balance sheet), they are shown in short-term liabilities, and if they are more than 12 months, they are shown in long-term liabilities.

Assets that necessarily require a long period of time (one year or more) to be ready for intended use or sale are defined as special assets. General or specific borrowing costs related to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset until the asset is brought to the necessary formation and location to operate in line with management's objectives.

In non-monetary items where borrowing costs are adjusted for the effect of inflation and capitalized, the part of borrowing costs that falls on the effect of inflation is separated and expensed.

2.5.18 Going concern

The Company prepared financial statements in accordance with the going concern assumption.

2.6 Critical accounting estimates and judgments

Preparation of financial statements requires the use of estimates and assumptions that may affect the amount of assets and liabilities recognized as of the balance sheet date, disclosures of contingent assets and liabilities and the amount of revenue and expenses reported. Although these estimates and assumptions rely on the Company management's best knowledge about current events and transactions, actual outcomes may differ from those estimates and assumptions.

Significant estimates of the Company management are as follows:

i. Revaluation of lands, buildings and land improvements

Land, land improvements and buildings are stated at fair value, based on valuations performed at 31 December 2024 by professional independent valuer firm (Note 11).

As there were no recent similar buying/selling transactions nearby, revaluations of land were based on the method of market approach whereas revaluations of buildings and land improvements and machinery and equipment were based on the method of cost approach and based on the following valuation techniques and assumptions:

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Cont'd)

2.6 Critical accounting estimates and judgments (Cont'd)

- Revaluations of land were based on the method of reference comparison whereas revaluations of buildings and land improvements were based on the method of cost approach, considering existing utilization of the aforementioned property, plant and equipments are consistent to the highest and best use approach.
- In the market reference comparison method, current market information was utilized, taking into consideration the comparable property in the market in recent past in the region, price adjustment was made within the framework of criteria that could affect market conditions, and accordingly an average m2 sale value was determined for the lands subject to the valuation. The similar pieces of land found were compared in terms of location, size, settlement status, physical conditions, real estate marketing firms were consulted for up-to-date valuation of the estate market, also, current information and experience of the professional valuation company was utilized.
- In the cost approach method, fair value of the buildings and land improvements was calculated by considering depreciation on the re-construction costs. In the cost approach method, above explained market reference comparison method was used in calculation of the land value, one of the components.
- The values that may occur during the purchase/sale transactions may differ from these values.
- The values determined by the cost approach method were evaluated as of the date they were first reflected in the financial statements and the relevant period ends, in accordance with the provisions of the TAS 36 "Impairment of Assets" standard, whether there were impairment indicators and it was concluded that there was no impairment.



VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 3 - SEGMENT REPORTING

Operating segments are identified on the same basis as financial information is reported internally to the Company’s chief operating decision maker. The Company’s Board of Directors has been identified as the Company’s chief operating decision maker who is responsible for allocating resources between segments and assessing their performance. The Company management determines operating segments by reference to the reports reviewed by the Board of Directors to make strategic decisions.

The Management believes that the Company operates in a single industry sector as the risks and returns for the activities do not show any material difference because the scope of activity covers only the production of white goods and the production processes and classes of customers are similar. As a result, all information related to the industrial segment has been fully presented in the attached financial statements.

The Management has decided to use geographical segments for segment reporting considering the fact that risks and returns are affected by the differences in geographical regions.

Geographical segments

	1 January - 31 December 2024	1 January - 31 December 2023
Segment revenue		
Türkiye	24.090.362	26.339.001
Europe	35.533.462	43.304.362
Other	15.981.939	18.934.142
Gross segment sales	75.605.763	88.577.505
Discounts (-)	(278.610)	(405.527)
Net sales	75.327.153	88.171.978

The amount of exports is TL 51.515.401 for the period ended 31 December 2024 (1 January-31 December 2023: TL 62.238.504).

84,8% of the export amount was realized in EUR, 11.1% in USD and 4,1% in other foreign currencies. Segment assets are not shown separately because a significant portion of the segment assets and the significant portion of the costs incurred to acquire the segment assets are incurred in Türkiye. (As of 31 December 2023, 88,3% of the export amount was realized in EUR, 9,0% in USD and 2,7% in other foreign currencies.)

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 4 – CASH AND CASH EQUIVALENTS

	31 December 2024	31 December 2023
Cash	2.253	1.786
Bank deposits		
- Demand deposits	841.559	969.289
- Time deposits	248.305	82.194
	1.092.117	1.053.269
Blocked deposits	22	32
Cash and cash equivalents	1.092.139	1.053.301

The effective interest rates for time deposits are as below:

	31 December 2024	31 December 2023
TL	45,00%	34,74%

As of 31 December 2024 and 31 December 2023, the average maturity of the Group’s time deposits is less than 3 months.

Based on the independent data with respect to the credit risk assessment of the banks, at which the Company has deposits, the credit quality of the banks is sufficient. The market values of cash and cash equivalents approximate carrying values, including accrued income at the respective balance sheet date.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 5 – FINANCIAL LIABILITIES

	31 December 2024	31 December 2023
Short term financial liabilities		
Short term bank loans	7.450.830	3.107.545
Short term portion of long term bank loans	414.486	451.863
Short term lease liabilities	8.542	14.588
Short term issued bonds	2.392.974	1.110.140
	10.266.832	4.684.136
Long term financial liabilities		
Long term bank loans	1.082.808	1.739.808
Long term lease liabilities	142.830	201.800
	1.225.638	1.941.608

\* The maturity date of the bond with the ISIN code TRFVEST22513, amounting to TL 200.000.000, with a maturity of 175 days, a single coupon payment, issued to qualified investors on 21 August 2024 is 12 February 2025 and the annual simple interest rate of the coupon has been determined as 52%.

\* The maturity date of the bond with the ISIN code TRFVSTL22521, amounting to TL 800.000.000, with a maturity of 147 days, a single coupon payment, issued to qualified investors on 18 September 2024 is 12 February 2025 and the annual simple interest rate of the coupon has been determined as 52,5%.

\* The maturity date of the bond with the ISIN code TRFVEST42511, amounting to TL 395.000.000, with a maturity of 175 days, a single coupon payment, issued to qualified investors on 1 November 2024 is 25 April 2025 and the annual simple interest rate of the coupon has been determined as 51%.

\* The maturity date of the bond with the ISIN code TRFVEST62519, amounting to TL 800.000.000, with a maturity of 181 days, a single coupon payment, issued to qualified investors on 27 December 2024 is 26 June 2025 and the annual simple interest rate of the coupon has been determined as 51%.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 5 – FINANCIAL LIABILITIES (Cont'd)

Details of the Company's short term bank loans are given below:

	31 December 2024			31 December 2023		
	Weighted average of effective interest rates	Original currency	TL Equivalent	Weighted average of effective interest rates	Original currency	TL Equivalent
Currency						
- USD	8,59%	22.239	786.011	10,65%	31.573	1.344.364
- EUR	8,47%	16.303	599.990	11,09%	10.683	503.345
- TL	34,28%	6.064.829	6.064.829	38,97%	1.259.836	1.259.836
		7.450.830				3.107.545

Details of the Company's long term bank loans are given below:

	31 December 2024			31 December 2023		
	Weighted average of effective interest rates	Original currency	TL Equivalent	Weighted average of effective interest rates	Original currency	TL Equivalent
Currency						
- TL	20,65%	414.486	414.486	23,14%	451.863	451.863
Short term portion			414.486			451.863
- TL	20,65%	1.082.808	1.082.808	20,65%	1.739.808	1.739.808
Long term portion			1.082.808			1.739.808
			1.497.294			2.191.671

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 5 – FINANCIAL LIABILITIES (Cont’d)

A significant portion of long-term loans consists of loans used within the approval of the Investment Committed Advance Loan (YTAK) with a fixed interest rate of 1.5 billion TL, originating from the Central Bank, with a total maturity of 10 years, including a grace period of 2 years for principal repayment.

The redemption schedule of the Company’s long term bank loans are given below:

	31 December 2024	31 December 2023
One to two years	321.152	465.874
Two to three years	233.229	366.901
Three to four years	171.039	270.647
Over five years	357.388	636.386
	1.082.808	1.739.808

Fair value of short term bank borrowings are considered to approximate their carrying values due to immateriality of discounting. Fair values are determined using average effective annual interest rates.

It has fulfilled its financial commitments arising from its borrowings as of 31 December 2024 and 2023.

Guarantees given for the bank loans obtained are disclosed in note 15.

As of 31 December 2024 and 31 December 2023, reconciliation of net financial debt is as below:

	31 December 2024	31 December 2023
Net financial debt as of 1 January	5.572.475	13.095.822
Cash inflows from loans and issued bonds	12.903.163	10.143.295
Cash outflows from loan and bonds payments	(6.250.275)	(13.560.678)
Payments of lease liabilities	(65.016)	8.544
Unrealized exchange	116.460	533.651
Accrued interest	132.487	107.135
Change in cash and cash equivalents	(38.848)	(323.567)
Monetary gain / (loss)	(1.970.093)	(4.431.727)
Net financial debt at the end of the period	10.400.353	5.572.475

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 6 – RELATED PARTY DISCLOSURES

a) Short term trade receivables from related parties

	31 December 2024	31 December 2023
Vestel Ticaret A.Ş. <sup>(1)</sup>	14.025.980	19.316.659
Other related parties	230	241
	14.026.210	19.316.900

The receivables result from the Company’s foreign and domestic sales performed via Vestel Ticaret A.Ş which is also a member of Vestel Group Companies.

b) Short term trade payables to related parties

	31 December 2024	31 December 2023
Vestel Elektronik Sanayi ve Ticaret A.Ş. <sup>(2)</sup>	1.343.370	671.507
Vestel Ticaret A.Ş. <sup>(1)</sup>	422.531	628.449
Vestel Holland B.V. <sup>(1)</sup>	3.620	595.357
Other related parties	32.032	61.282
	1.801.553	1.956.595
Deferred finance income (-)	(11.872)	(3.709)
	1.789.681	1.952.886

The short term payables to related parties consist of goods and service purchases.

c) Other short term receivables from related parties

	31 December 2024	31 December 2023
Vestel Elektronik Sanayi ve Ticaret A.Ş. <sup>(2)</sup>	3.810.582	3.788.884
	3.810.582	3.788.884

As of 31 December 2024, the Company’s interest rate of other short-term receivables in USD 9% and in EUR 7,5% ( As of 31 December 2023 the Company’s interest rate of other short-term receivables in USD 8% and in EUR 7% ).

<sup>(1)</sup> Vestel Elektronik Sanayi ve Ticaret A.Ş. Group Company, <sup>(2)</sup> Parent, <sup>(3)</sup> Zorlu Holding Group Company



VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 6 – RELATED PARTY DISCLOSURES (Cont'd)

d) Other short term liabilities to related parties

	31 December 2024	31 December 2023
Vestel Elektronik Sanayi ve Ticaret A.Ş. <sup>(2)</sup>	94.172	4.930.434
	<b>94.172</b>	<b>4.930.434</b>

As of 31 December 2024, Company's interest rate of short-term other payables denominated in TL is 50% (31 December 2023: TL 50%).

e) Lease liabilities to related parties

	31 December 2024	31 December 2023
Vestel Elektronik Sanayi ve Ticaret A.Ş. <sup>(2)</sup>	141.045	197.609
	<b>141.045</b>	<b>197.609</b>

As of 31 December 2024, the Company’s short term lease liabilities to Vestel Elektronik Sanayi ve Ticaret A.Ş. are amounted to TL 4.248 and long-term lease liabilities are amounted to TL 136.797 (31 December 2023: short term TL 5.133 and long term TL 192.476)

f) Deferred income from related parties

	31 December 2024	31 December 2023
Vestel Ticaret A.Ş. <sup>(1)</sup>	78.710	683.484
Other related parties	-	5.805
	<b>78.710</b>	<b>689.289</b>

g) Long-term prepaid expenses to related parties

	31 December 2024	31 December 2023
Zorlu Enerji Elektrik Üretim A.Ş. <sup>(3)</sup>	-	814.045
Rotor Elektrik Üretim A.Ş. <sup>(3)</sup>	422.680	-
Other related parties	37.165	-
	<b>459.845</b>	<b>814.045</b>

<sup>(1)</sup> Vestel Elektronik Sanayi ve Ticaret A.Ş. Group Company, <sup>(2)</sup>Parent, <sup>(3)</sup>Zorlu Holding Group Company

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 6 – RELATED PARTY DISCLOSURES (Cont'd)

h) Short-term prepaid expenses to related parties

	31 December 2024	31 December 2023
Rotor Elektrik Üretim A.Ş. <sup>(3)</sup>	279.643	-
Vestel Holland B.V. <sup>(1)</sup>	75.611	484.485
Other related parties	3.897	5.866
	<b>359.151</b>	<b>490.351</b>

i) Transactions with related parties

	1 January - 31 December 2024	1 January - 31 December 2023
<b>Sales</b>		
Vestel Ticaret A.Ş. <sup>(1)</sup>	73.419.348	86.288.989
Vestel Elektronik Sanayi ve Ticaret A.Ş. <sup>(2)</sup>	503.195	670.381
Other related parties	266.491	66.777
	<b>74.189.034</b>	<b>87.026.147</b>
<b>Operating expenses</b>		
Vestel Holland B.V. <sup>(1)</sup>	3.948.287	4.314.013
Vestel Ticaret A.Ş. <sup>(1)</sup>	1.634.569	2.061.514
Vestel Elektronik Sanayi ve Ticaret A.Ş. <sup>(2)</sup>	3.600.083	4.339.720
Other related parties	324.977	334.048
	<b>9.507.916</b>	<b>11.049.295</b>

The Company’s transactions to related parties consist of goods and service purchases.

<sup>(1)</sup> Vestel Elektronik Sanayi ve Ticaret A.Ş. Group Company, <sup>(2)</sup>Parent, <sup>(3)</sup>Zorlu Holding Group Company

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 6 – RELATED PARTY DISCLOSURES (Cont'd)

i) Transactions with related parties (Cont'd)

	1 January - 31 December 2024	1 January - 31 December 2023
<b>Other income from operating activities</b>		
Vestel Ticaret A.Ş. <sup>(1)</sup>	2.165.016	6.292.399
Other related parties	420.787	832.237
	<b>2.585.803</b>	<b>7.124.636</b>
<b>Other expense from operating activities</b>		
Vestel Ticaret A.Ş. <sup>(1)</sup>	762.080	636.723
Vestel Holland B.V. <sup>(1)</sup>	150.887	172.878
Other related parties	104.518	257.479
	<b>1.017.485</b>	<b>1.067.080</b>
<b>Financial income</b>		
Vestel Elektronik Sanayi ve Ticaret A.Ş. <sup>(2)</sup>	872.161	3.137.440
	<b>872.161</b>	<b>3.137.440</b>
<b>Financial expense</b>		
Vestel Elektronik Sanayi ve Ticaret A.Ş. <sup>(2)</sup>	1.666.264	833.393
Vestel Ticaret A.Ş. <sup>(1)</sup>	-	513.756
	<b>1.666.264</b>	<b>1.347.149</b>
<b>Dividend payment to non-controlling interests</b>		
Vestel Elektronik Sanayi ve Ticaret A.Ş. <sup>(2)</sup>	1.056.683	606.717
Publicly avaible part	309.776	177.865
	<b>1.366.459</b>	<b>784.582</b>

<sup>(1)</sup> Vestel Elektronik Sanayi ve Ticaret A.Ş. Group Company, <sup>(2)</sup> Parent, <sup>(3)</sup> Zorlu Holding Group Company

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 6 – RELATED PARTY DISCLOSURES (Cont'd)

j) Compensation paid to key management including directors, the Chairman of Board of Directors, general managers and assistant general managers.

Compensation paid to key management for the twelve months period ended 31 December 2024 is TL 85.412 (1 January -31 December 2023: TL 65.422).

NOTE 7 – TRADE RECEIVABLES AND PAYABLES

	31 December 2024	31 December 2023
<b>Short term trade receivables</b>		
Trade receivables		
- Related parties (note 6)	14.026.210	19.316.900
- Other parties	573.204	743.656
	<b>14.599.414</b>	<b>20.060.556</b>
Allowance for doubtful receivables (-)	(49.570)	(3.616)
<b>Total short term trade receivables</b>	<b>14.549.844</b>	<b>20.056.940</b>

The Company has made a provision considering its past experience in collecting its trade receivables.

The Company has made a provision considering its past experience in collecting its trade receivables. Hence, the Company management made a provision assessment according to the expected credit losses model within the scope of TFRS 9 and as of 31 December 2024, no additional doubtful trade receivables risk was detected.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 7 – TRADE RECEIVABLES AND PAYABLES (Cont’d)

	31 December 2024	31 December 2023
<b>Short term trade payables</b>		
Trade payables		
- Related parties (note 6)	1.801.553	1.956.595
- Other parties	19.326.645	22.833.952
	<b>21.128.198</b>	<b>24.790.547</b>
Unearned interest income (-)		
- Related parties (note 6)	(11.872)	(3.709)
- Other parties	(163.949)	(64.152)
<b>Total short term trade payables</b>	<b>20.952.377</b>	<b>24.722.686</b>
	31 December 2024	31 December 2023
<b>Long term trade payables</b>		
- Other parties	122.946	257.246
<b>Total long term trade payables</b>	<b>122.946</b>	<b>257.246</b>

NOTE 8 – OTHER RECEIVABLES AND PAYABLES

	31 December 2024	31 December 2023
<b>Other short-term receivables from third parties</b>		
Receivables from public institutions	977.890	1.377.131
Deposits and guarantees given	19.493	39.396
Other	16.614	13.406
<b>Total short term other receivables</b>	<b>1.013.997</b>	<b>1.429.933</b>

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 8 – OTHER RECEIVABLES AND PAYABLES (Cont’d)

	31 December 2024	31 December 2023
<b>Long term other receivables</b>		
Deposits and guarantees given	12.801	8.673
	<b>12.801</b>	<b>8.673</b>
	31 December 2024	31 December 2023
<b>Short term other payables</b>		
Related parties (Note 6)	94.172	4.930.434
	<b>94.172</b>	<b>4.930.434</b>
	31 December 2024	31 December 2023
<b>Deferred revenue</b>		
Related parties (Note 6)	78.710	689.289
Other parties	1.886	508
	<b>80.596</b>	<b>689.797</b>

NOTE 9 – INVENTORIES

	31 December 2024	31 December 2023
Raw materials	6.378.314	6.553.929
Work in process	169.544	263.904
Finished goods	3.341.354	3.631.161
Merchandise	254	19.329
	<b>9.889.466</b>	<b>10.468.323</b>
Provision for impairment on inventories (-)	(34.902)	(21.983)
	<b>9.854.564</b>	<b>10.446.340</b>

As of 31 December 2024, the Company does not have inventories pledged as security for liabilities (31 December 2023: None).



VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 9 – INVENTORIES (Cont'd)

Cost of the inventory included in the cost of sales for the current period amounts to TL 57.488.019 (1 January – 31 December 2023: TL 63.664.286).

NOTE 10 – PREPAID EXPENSES

	31 December 2024	31 December 2023
Short-term prepaid expenses to third parties		
Order advances given	67.180	680.988
Prepaid expenses	190.836	96.975
	258.016	777.963
	31 December 2024	31 December 2023
Long-term prepaid expenses to third parties		
Advences given for purchase of fixed assets	385.612	312.189
Prepaid expenses	4.970	1.250
	390.582	313.439

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 11 – PROPERTY, PLANT AND EQUIPMENT

	1 January 2024	Additions	Disposals	Transfer	Fair value increase	31 December 2024
Cost or revaluation						
Land	10.232.491	239.948	-	-	4.353.127	14.825.566
Land improvements	229.517	-	-	4.293	44.143	277.953
Buildings	8.030.692	15.655	-	3.438.577	(511.173)	10.973.751
Leasehold improvements	3.692	1.059	-	-	-	4.751
Plants, machinery and equipment	30.543.125	913.542	(381.153)	547.948	-	31.623.462
Motor vehicles	10.520	-	-	-	-	10.520
Furniture and fixtures	1.393.978	57.433	(7.644)	115.527	-	1.559.294
Construction in progress (*)	2.522.855	1.966.526	-	(4.106.345)	-	383.036
	52.966.870	3.194.163	(388.797)	-	3.886.097	59.658.333
Accumulated depreciation						
Land improvements	-	8.979	-	-	(8.979)	-
Buildings	-	379.915	-	-	(379.915)	-
Leasehold improvements	3.342	248	-	-	-	3.590
Plants, machinery and equipment	20.745.093	1.964.590	(367.836)	-	-	22.341.847
Motor vehicles	6.630	1.240	-	-	-	7.870
Furniture and fixtures	1.053.641	99.641	(7.584)	-	-	1.145.698
	21.808.706	2.454.613	(375.420)	-	(388.894)	23.499.005
Net book value	31.158.164					36.159.328

(\*) A significant part of the investments being made are related to ongoing machinery investments.

There is no mortgage on property, plant and equipment as of 31 December 2024 (31 December 2023:None).

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 11 – PROPERTY, PLANT AND EQUIPMENT (Cont'd)

	1 January 2023	Additions	Disposals	Transfer	Fair value increase	31 December 2023
Cost or revaluation						
Land	4.282.980	-	-	-	5.949.511	10.232.491
Land improvements	227.109	1.421	-	362	625	229.517
Buildings	5.302.463	213.943	(56)	2.201.163	313.179	8.030.692
Leasehold improvements	3.363	329	-	-	-	3.692
Plants, machinery and equipment	26.932.809	1.514.321	(338.334)	2.434.329	-	30.543.125
Motor vehicles	8.257	2.771	(508)	-	-	10.520
Furniture and fixtures	1.267.716	61.617	(10.533)	75.178	-	1.393.978
Construction in progress	3.842.419	3.392.647	-	(4.712.211)	-	2.522.855
	41.867.116	5.187.049	(349.431)	(1.179)	6.263.315	52.966.870
Accumulated depreciation						
Land improvements	-	13.440	-	-	(13.440)	-
Buildings	-	247.278	-	-	(247.278)	-
Leasehold improvements	3.159	183	-	-	-	3.342
Plants, machinery and equipment	18.960.949	2.112.448	(328.304)	-	-	20.745.093
Motor vehicles	6.213	925	(508)	-	-	6.630
Furniture and fixtures	964.320	99.575	(10.254)	-	-	1.053.641
	19.934.641	2.473.849	(339.066)	-	(260.718)	21.808.706
Net book value	21.932.475					31.158.164

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 11 – PROPERTY, PLANT AND EQUIPMENT (Cont'd)

Allocation of period depreciation and amortization expenses is as follows:

	1 January - 31 December 2024	1 January - 31 December 2023
Cost of sales	2.344.115	2.376.502
Research and development expenses	607.328	413.660
Marketing, selling and distribution expenses	74.563	11.381
General administrative expenses	23.142	21.834
	3.049.148	2.823.377

Cost and accumulated depreciation of land, land improvements and buildings before revaluation are as follows:

	Land	Buildings and land improvements
31 December 2024		
Cost	2.071.756	8.738.613
Accumulated depreciation (-)	-	(1.314.428)
Net book value	2.071.756	7.424.185

	Land	Buildings and land improvements
31 December 2023		
Cost	1.831.808	5.280.088
Accumulated depreciation (-)	-	(1.119.969)
Net book value	1.831.808	4.160.119

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 12 – RIGHT OF USE ASSETS

	1 January 2024	Additions	Disposals	31 December 2024
<b>Cost</b>				
Land and buildings	1.397.966	30.724	(37.505)	1.391.185
Motor vehicles and machinery	308.130	2.877	-	311.007
	<b>1.706.096</b>	<b>33.601</b>	<b>(37.505)</b>	<b>1.702.192</b>
<b>Accumulated amortization</b>				
Land and buildings	512.873	244.992	(6.169)	751.696
Motor vehicles and machinery	224.203	5.645	-	229.848
	<b>737.076</b>	<b>250.637</b>	<b>(6.169)</b>	<b>981.544</b>
<b>Net book value</b>	<b>969.020</b>			<b>720.648</b>

	1 January 2023	Additions	Disposals	31 December 2023
<b>Cost</b>				
Land and buildings	851.526	562.606	(16.166)	1.397.966
Motor vehicles and machinery	304.551	3.579	-	308.130
	<b>1.156.077</b>	<b>566.185</b>	<b>(16.166)</b>	<b>1.706.096</b>
<b>Accumulated amortization</b>				
Land and buildings	377.865	145.786	(10.778)	512.873
Motor vehicles and machinery	207.573	16.630	-	224.203
	<b>585.438</b>	<b>162.416</b>	<b>(10.778)</b>	<b>737.076</b>
<b>Net book value</b>	<b>570.639</b>			<b>969.020</b>

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 13 – INTANGIBLE ASSETS

	1 January 2024	Additions	Transfer	31 December 2024
<b>Cost</b>				
Rights	151.131	-	-	151.131
Development cost	4.426.595	717.712	-	5.144.307
Other intangible assets	351.587	49.664	-	401.251
	<b>4.929.313</b>	<b>767.376</b>	<b>-</b>	<b>5.696.689</b>
<b>Accumulated amortization</b>				
Rights	150.379	152	-	150.531
Development cost	2.597.803	310.393	-	2.908.196
Other intangible assets	189.088	33.353	-	222.441
	<b>2.937.270</b>	<b>343.898</b>	<b>-</b>	<b>3.281.168</b>
<b>Net book value</b>	<b>1.992.043</b>			<b>2.415.521</b>

	1 January 2023	Additions	Transfer	31 December 2023
<b>Cost</b>				
Rights	151.131	-	-	151.131
Development cost	3.772.717	653.878	-	4.426.595
Other intangible assets	335.727	14.681	1.179	351.587
	<b>4.259.575</b>	<b>668.559</b>	<b>1.179</b>	<b>4.929.313</b>
<b>Accumulated amortization</b>				
Rights	150.225	154	-	150.379
Development cost	2.440.420	157.383	-	2.597.803
Other intangible assets	159.513	29.575	-	189.088
	<b>2.750.158</b>	<b>187.112</b>	<b>-</b>	<b>2.937.270</b>
<b>Net book value</b>	<b>1.509.417</b>			<b>1.992.043</b>



VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 13 – INTANGIBLE ASSETS (Cont’d)

Development costs, incurred by the Company on development projects relating to refrigerators, split air conditioners, washing machines, cookers and dish washers are capitalized as intangible assets since it is highly probable that it will derive economic benefit from these projects and the economic benefits and expenditures made during the development process can be reliably measured.

NOTE 14 – GOVERNMENT GRANTS

There are investment incentive certificates to which the Company has been entitled by the official authorities in connection with certain capital expenditures. The grants obtained by the Company in nature are as follows:

- i) Exemption from customs duty on machinery and equipment to be imported,
- ii) Value-added tax exemption with respect to purchases of investment goods both from domestic and export markets,
- iii) Incentives under jurisdiction of the research and development law
- iv) Inward processing permission certificates,
- v) Cash refund from Scientific and Technological Research Council of Türkiye(Tubitak)- Technology and Innovation Funding Programs Directorate (Teydeb) for research and development expenses,
- vi) Discounted corporate tax incentive,
- vii) Insurance premium employer share incentive,
- viii) Interest incentive.

NOTE 15 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

a) Provisions

	31 December 2024	31 December 2023
Short term provisions		
Provision for lawsuit risks	26.967	20.853
	26.967	20.853

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 15 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Cont’d)

b) Guarantees received by the Company

	31 December 2024	31 December 2023
Guarantee letters	412.306	300.703
Cheques and notes	650	23.464
Collaterals and pledges	45.287.280	58.495.110
	45.700.236	58.819.277

Vestel Elektronik Sanayi ve Ticaret A.Ş., Vestel Mobilite Sanayi ve Ticaret A.Ş. and Vestel Ticaret A.Ş. has given guarantees to various banks on behalf of the Company for its forward contracts and bank borrowings.

The table above has been prepared based on the lower of the limits used or the amounts of guarantees received regarding the guarantees received by the Company. The amount of guarantees received by the Company, including the total collaterals amount, is 83.117.959 TL.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 15 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Cont’d)

c) Collaterals, pledges and mortgages (“CPMB’s”) given by the Company are as follows:

CPMB’s given by the Group	USD (‘000)	EUR (‘000)	TL	TL Equivalent
31 December 2024				
A. CPMB’s given on behalf of its own legal entity	-	2.000	5.402.661	5.476.266
B. CPMB’s given on behalf of fully consolidated subsidiaries	-	-	-	-
C. CPMB’s given on behalf of third parties for ordinary course of business	-	-	-	-
D. Total amount of other CPMB’s given	500.742	-	277.439	17.975.564
i. Total amount of CPMB’s given on behalf of the parent company	380.820	-	155.076	13.614.702
ii. Total amount of CPMB’s given to on behalf of other group companies which are not in scope of B and C.	119.922	-	122.363	4.360.862
iii.Total amount of CPMB’s given on behalf of third parties which are not in scope of C.	-	-	-	-
Total	500.742	2.000	5.680.100	23.451.830

The Company has given guarantees to various banks on behalf of Vestel Elektronik Sanayi ve Ticaret A.Ş. and Vestel Ticaret A.Ş. for the purpose of carrying out its usual commercial activities.

The table above has been prepared based on the lower of the limits used or the amounts of guarantees received regarding the guarantees given by the Company. The total guarantee amount, as well as the guarantees, pledges, mortgages and guarantees given by the Company, are 930.300 thousand USD, 2.000 thousand EUR, 6.234.061 TL, equivalent to a total of 39.188.003 TL.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 15 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Cont’d)

CPMB’s given by the Group	USD (‘000)	EUR (‘000)	TL	TL Equivalent
31 December 2023				
A. CPMB’s given on behalf of its own legal entity	15.800	13.895	902.662	2.230.070
B. CPMB’s given on behalf of fully consolidated subsidiaries	-	-	-	-
C. CPMB’s given on behalf of third parties for ordinary course of business	-	-	-	-
D. Total amount of other CPMB’s given	501.042	-	724.388	22.058.343
i. Total amount of CPMB’s given on behalf of the parent company	380.820	-	543.390	16.758.392
ii. Total amount of CPMB’s given to on behalf of other group companies which are not in scope of B and C.	120.222	-	180.998	5.299.951
iii.Total amount of CPMB’s given on behalf of third parties which are not in scope of C.	-	-	-	-
Total	516.842	13.895	1.627.050	24.288.413

Proportion of other CPMB’s given by the Company to its equity 53% as of 31 December 2024 (31 December 2023: 71%).

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 16 – COMMITMENTS

As of the balance sheet date the Company has committed to realize exports amounting to USD 1.119.701 thousand (31 December 2023: USD 1.093.911 thousand) due to the export and investment incentive certificates obtained.

As of 31 December 2024 the Company has forward foreign currency purchase contract that amounts to EUR 95.197 thousand, PLN 11.401 thousand, GBP 2.272 thousand, USD 383.643 thousand, SEK 96.848 thousand and TL 1.940.500 and against forward foreign currency sales contract that amounts to EUR 351.173 thousand, GBP 10.584 thousand, PLN 17.853 thousand, USD 136.707 thousand and SEK 177.648 thousand (31 December 2023 : The Company has forward foreign currency purchase contract of EUR 23.517 thousand, PLN 6.895 thousand, GBP 10.794 thousand and USD 675.619 thousand against forward foreign currency sales contract that amounts to EUR 548.376 thousand, GBP 18.642 thousand, PLN 20.350 thousand, USD 12.352 thousand and TL 3.671.155).

NOTE 17 – EMPLOYEE BENEFITS

Liabilities for employee benefits:	31 December 2024	31 December 2023
Due to personnel	261.049	279.229
Social security payables	133.014	139.464
	394.063	418.693
Long term provisions for employee benefits:	31 December 2024	31 December 2023
Provision for employment termination benefits	925.984	976.926
	925.984	976.926

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 17 - EMPLOYEE BENEFITS (Cont'd)

Under Turkish law, the Company is required to pay employment termination benefits to each employee whose employment is terminated without due cause. In addition, under the existing Social Security Law No. 506, clause No. 60, amended by the Labor Laws dated 6 March 1981, No. 2422 and 25 August 1999, No. 4447, the Company is also required to pay termination benefits to each employee who has earned the right to retire by receiving termination indemnities.

The amount payable is the equivalent of one month’s gross salary for each year of service and is limited to a maximum of TL 41.828,42 / year as of 31 December 2024 (31 December 2023: TL 33.914,33/year - at 31 December 2024 purchasing power).

The provision for employee termination benefits is not funded.

The provision is calculated by estimating the present value of the future obligation of the company arising from retirement of employees. Turkish Accounting Standards No: 19 (“Employee Benefits”) requires actuarial valuation methods to be developed to estimate the enterprise’s obligation under defined employee plans. Accordingly actuarial assumptions were used in the calculation of the total liability which is described below:

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. An expected inflation rate and appropriate discount rate should both be determined, the net of these being real discount rate. Consequently, in the accompanying financial statements as of 31 December 2024 the provision is calculated by estimating the present value of the future obligation of the company arising from retirement of employees. As of 31 December 2024, provision is calculated based on real discount rate of 11,54% assuming 26,71% annual inflation rate and 2,47% discount rate. (31 December 2023: 23,60% inflation rate, 49,25% real discount rate, 3,72% discount rate)

The main assumption is that the seniority ceiling for each year of service increases in line with inflation. Thus, the discount rate applied represents the actual rate adjusted for the expected effects of inflation.

The maximum liability is revised every six months, the maximum amount of TL 46.655,43 (1 January 2024: TL 50.617,15 - at 31 December 2024 purchasing power) effective from 1 January 2025 has been taken into consideration in the calculation of provision for employment termination benefits of the Company.



VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 17 - EMPLOYEE BENEFITS (Cont'd)

The movements in the provision for employment termination benefit are as follows:

	1 January - 31 December 2024	1 January - 31 December 2023
Balance at 1 January	976.926	1.234.114
Increase during the year	139.959	213.266
Payments during the year	(219.282)	(337.654)
Actuarial (gain) /loss	172.817	272.157
Interest expense	167.114	114.849
Monetary gain/ (loss)	(311.550)	(519.806)
Balance at 31 December	925.984	976.926

NOTE 18 – OTHER ASSETS AND LIABILITIES

	31 December 2024	31 December 2023
Other current assets		
VAT carried forward	3.655	1.918
Revenue and discount accruals	92.936	120.626
	96.591	122.544
Other current liabilities		
Tax payables	179.331	265.790
Other	11.381	11.963
	190.712	277.753

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 19 – CAPITAL, RESERVES AND OTHER EQUITY ITEMS

a) Paid in capital

	31 December 2024	31 December 2023
Shares of par value Kr 1 each issued share capital	1.600.000	1.600.000

As of 31 December 2024 and 31 December 2023, the shareholding structure is as follows:

	Shareholding		Amount	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Vestel Elektronik Sanayi ve Ticaret AŞ	77,33%	77,33%	1.237.302	1.237.302
Stocks traded on BIST	22,67%	22,67%	362.698	362.698
	100%	100%	1.600.000	1.600.000

b) Adjustments to share capital

Adjustment to share capital is the difference between the share capital recalculated to adjust the effects of inflation and historical share capital.

	31 December 2024	31 December 2023
Adjustments to share capital	9.706.424	9.706.424

c) Restricted reserves (“Legal reserves”)

The legal reserves consist of first and second legal reserves appropriated in accordance with the Turkish Commercial Code (“TCC”). The first legal reserve is appropriated out of the statutory profits at the rate of 5%, until the total reserve reaches a maximum of 20% of the Company’s share capital. The second legal reserve is appropriated at the rate of 10% of all distributions in excess of 5% of the Company’s share capital. Under TCC, the legal reserves can only be used to offset losses and are not available for any other usage unless they exceed 50% of paid in share capital.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 19 – CAPITAL, RESERVES AND OTHER EQUITY ITEMS (Cont’d)

c) Restricted reserves (“Legal reserves”) (Cont’d)

	31 December 2024	31 December 2023
Legal reserves	2.047.715	1.730.116

The differences arising as a result of converting the following inflation-adjusted amounts in the company’s legal records into CPI-adjusted amounts within the scope of TAS 29 are accounted under the Retained Earnings item.

	PPI-Indexed Legal Records	CPI Indexed Amounts	Differences Tracked in Past Years Profits/Losses
Capital Adjustment Gains/Losses	10.928.588	9.706.424	1.222.164
Appropriated Retained Earnings	2.783.055	2.047.715	735.340

d) Dividend distribution

For quoted companies dividends are distributed in accordance with the Communiqué Serial II -19.1 on “Principals Regarding Distribution of Interim Dividends” issued by the CMB effective from 1 February 2014. Companies distribute dividends in accordance with their dividend payment policies settled and dividend payment decision taken in general assembly and in conformity with relevant legislations. The communiqué does not state a minimum dividend rate.

Companies distribute dividends in accordance with the method defined in their dividend policy or articles of association. Additionally, dividend can be distributed in fixed or variable installments and dividend advances can be paid over the profit on financial statements.

Unless the general reserves that has to be appropriated in accordance with TCC or the dividend to shareholders as determined in the articles of association or dividend policy are set aside; no decision can be taken to set aside other reserves, to transfer reserves to the subsequent year or to distribute dividends to holders of redeemed shares right certificates, to board of directors members or to employees; and no dividend can be distributed to those unless the determined dividend to shareholders is paid in cash.

On the other hand, in accordance with the Articles of Association of the Company, up to 5% of retained earnings after dividend distribution could be allocated to the Board of Directors or used for certain reasons designated by the Board of Directors when necessary.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 19 – CAPITAL, RESERVES AND OTHER EQUITY ITEMS (Cont’d)

d) Dividend distribution (Cont’d)

- Based on the approval of the General Assembly, up to 3% of retained earnings after dividend distribution could be allocated to plant investments designated in accordance with article of 468 in TCC,
- Up to 5% of retained earnings after dividend distribution could be allocated to the Board of Directors as necessary, up to 5% of retained earnings after dividend distribution could be allocated to donations, bonuses etc.

NOTE 20 – SALES

	1 January - 31 December 2024	1 January - 31 December 2023
Domestic sales	24.090.362	26.339.001
Overseas sales	51.515.401	62.238.504
<b>Gross sales</b>	<b>75.605.763</b>	<b>88.577.505</b>
Sales discounts (-)	(278.610)	(405.527)
<b>Net sales</b>	<b>75.327.153</b>	<b>88.171.978</b>
Cost of sales	(67.419.256)	(73.770.279)
<b>Gross profit</b>	<b>7.907.897</b>	<b>14.401.699</b>

NOTE 21 – EXPENSES BY NATURE

	1 January - 31 December 2024	1 January - 31 December 2023
Raw materials, supplies and finished goods	57.488.019	63.664.286
Personnel expenses	7.067.841	6.363.191
Depreciation and amortization	3.049.148	2.823.377
Export, transportation, warehouse expenses	2.469.090	3.435.821
Other	2.518.526	3.308.622
	<b>72.592.624</b>	<b>79.595.297</b>

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 21 – EXPENSES BY NATURE (Cont'd)

Fees for Services Received from Independent Auditor/Independent Audit Firm

The Company’s explanation of the fees for the services received from the independent audit firm is as follows:

	1 January - 31 December 2024	1 January - 31 December 2023
Independent Audit Fees	4.344	4.896
	<b>4.344</b>	<b>4.896</b>

NOTE 22 – GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES

a) General Administrative Expenses:

	1 January - 31 December 2024	1 January - 31 December 2023
Personnel expenses	234.834	213.177
Depreciation and amortization	23.142	21.834
Other	581.609	524.156
	<b>839.585</b>	<b>759.167</b>

b) Marketing Expenses:

	1 January - 31 December 2024	1 January - 31 December 2023
Transportation,commission, distribution and warehouse expenses	2.372.890	3.354.461
Personnel expenses	332.687	315.225
Depreciation and amortization	74.563	11.381
Other	604.911	579.307
	<b>3.385.051</b>	<b>4.260.374</b>

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 22 – GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES (Cont'd)

c) Research and Development Expenses:

	1 January - 31 December 2024	1 January - 31 December 2023
Depreciation and amortization	607.328	413.660
Personnel expenses	203.767	232.450
Other	137.637	159.367
	<b>948.732</b>	<b>805.477</b>

NOTE 23 – OTHER INCOME AND EXPENSE FROM OPERATING ACTIVITIES

a) Other Operating Income:

	1 January - 31 December 2024	1 January - 31 December 2023
Credit finance gains arising from trading activities	482.923	270.824
Foreign exchange gains arising from trading activities	2.399.850	7.005.102
Other income	30.046	24.912
	<b>2.912.819</b>	<b>7.300.838</b>

b) Other Operating Expense:

Debit finance charges and interest income arising from trading activities	12.041	46.574
Foreign exchange expenses arising from trading activities	4.020.571	11.666.282
Other expenses	191.428	278.276
	<b>4.224.040</b>	<b>11.991.132</b>



VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 24 – FINANCIAL INCOME AND FINANCIAL EXPENSE

a) Financial income:

	1 January - 31 December 2024	1 January - 31 December 2023
Foreign exchange gains	623.721	2.798.925
Gains on derivative financial instruments	591.578	1.073.053
Interest income	282.454	446.626
	1.497.753	4.318.604

b) Financial expense:

	1 January - 31 December 2024	1 January - 31 December 2023
Foreign exchange losses	405.541	1.654.200
Losses on derivative financial instruments	1.186.053	1.770.808
Interest expense	4.345.122	2.666.674
Commission and other finance expenses	657.876	803.813
	6.594.592	6.895.495

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 25 – MONETARY LOSS/GAIN

Non-monetary items	31 December 2024
Balance sheet items	(327.066)
Inventories	833.971
Tangible and intangible assets	9.078.792
Right of use assets	54.115
Inflation adjustments on capital	(3.475.339)
Other comprehensive income (expenses) that will not be reclassified to profit or loss	(2.266.219)
Other comprehensive income (expenses) that will be reclassified to profit or loss	82.714
Restricted reserves	(579.440)
Prior years' profits or loss	(4.055.660)
Profit and loss items	4.133.182
Sales	(9.007.419)
Cost of sales	11.332.010
General administration expenses	114.132
Marketing expenses	448.467
Research and development expenses	423.397
Other income from operating activities	(412.168)
Other expenses from operating activities	689.007
Financial income	(166.220)
Financial expense	711.976
Net monetary position gains/(losses)	3.806.116

NOTE 26 – TAXES ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

	31 December 2024	31 December 2023
Corporation and income taxes	-	186.768
Prepaid taxes (-)	(10.214)	(195.900)
Current income tax liabilities - net	(10.214)	(9.132)
Deferred tax liabilities - net	(3.136.760)	(2.374.690)

**NOTE 26 – TAXES ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Cont'd)**

Pursuant to paragraph 1 of Article 6 of the Corporate Tax Law No. 5520, corporate tax is calculated on the net corporate income of the taxpayers for an accounting period. Pursuant to paragraph 2 of the same article, by taking into account the provisions of Income Tax Law No. 193 on commercial income, pure corporate income is calculated by adding legally unacceptable expenses to the commercial income and deducting the exempt earnings and discounts from the commercial income.

With the amendment made to Article 32 of the Corporate Tax Law No. 5520 with Article 21 of the Law No. 7456, corporate taxpayers other than banks, companies within the scope of the Law No. 6361, electronic payment and money institutions, authorized foreign exchange institutions, asset management companies, capital market institutions, insurance and reinsurance companies and pension companies are subject to corporate tax at the rate of 25% on their net corporate earnings in 2023 and the following taxation periods.

The above-mentioned amendment regarding the corporate tax rate will take effect starting from the declarations to be submitted on October 1, 2023. For the declarations submitted before this date, the corporate tax rate is 20%.

In addition to the corporate tax levied on corporate income, withholding income/corporate tax burden may arise if all or part of the profits of corporations are subject to profit distribution. By full taxpayer corporations;

- Full taxpayer real persons,
- For non-income and corporate taxpayers,
- For those exempt from income tax,
- Limited taxpayer real persons,
- Limited taxpayers exempt from income tax,
- Institutions exempt from corporate tax,
- To limited taxpayer corporations or limited taxpayers exempt from corporate tax, except for those who obtain dividends through a place of business or permanent representative in Türkiye,

**NOTE 26 – TAXES ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Cont'd)**

In Türkiye, the Domestic Minimum Corporate Tax has entered into force with the laws published in the Official Gazette dated 2 August 2024. The regulation will be applied to corporate earnings for the taxation period of 2025. Within this scope, a regulation has been made stating that the corporate tax calculated cannot be less than 10% of the corporate earnings before deductions and exemptions. Since the application will start on the earnings of the corporations as of 1 January 2025, it will not have an impact on the current period tax expense in the financials dated 31 December 2024. On the other hand, the effects of the International Tax Reform - Second Pillar Model Rules on the financial position and performance of the Company have been evaluated and it has been determined that it does not have a significant impact.

In case of dividend distribution, 10% withholding income/corporate tax is payable. According to the Turkish tax legislation, capitalization of profit is not considered as dividend distribution.

Corporations are required to calculate advance tax on their quarterly earnings for the first 9 months of their accounting periods in accordance with the principles set out in the Income Tax Law No. 193 and at the corporate tax rate and declare it until the 17th day of the second month following that period and pay it until the evening of the 17th day. Advance tax paid during the year belongs to that year and is deducted from the corporate tax to be calculatedon the corporate tax return to be submitted in the following year.

Corporations are exempt from corporate tax on 75% of the gains arising from the sale of participation shares included in their assets for at least two full years and 25% of the gains arising from the sale of immovables included in their assets on 15 July 2023 for the same period. As of 15 July 2023, corporate tax exemption is not applied to the gains arising from the sale of immovables taken into assets.

Under Turkish tax legislation, tax losses carried forward can be carried forward to offset against future taxable income for up to 5 years. However, tax losses cannot be offset against retained earnings.

In Türkiye, there is no such practice as reconciliation with the tax authority on taxes payable. Corporate tax returns are required to be filed with the tax office by the 30th of the fourth month following the close of the accounting period and corporate tax is payable within the same period.

However, tax authorities may examine the accounting records within five years and the amount of tax payable may change if incorrect transactions are detected.

Earnings from the Company’s investments subject to incentive certificates are subject to corporate tax at reduced rates from the accounting period in which the investment starts to be operated partially or completely until the investment contribution amount is reached.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 26 – TAXES ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Cont’d)

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which they can be utilized. Where it is probable that taxable income will be available, deferred tax assets are recognized in respect of deductible temporary differences, tax losses and tax advantages arising from investment incentives with indefinite useful lives that allow for the payment of reduced corporate income tax.

For the periods 31 December 2024 and 31 December 2023, tax expenses recognized in the statement of comprehensive income are as follows;

	1 January - 31 December 2024	1 January - 31 December 2023
Current period tax expense	-	(263.234)
Deferred tax benefit	133.243	(857.477)
<b>Total tax benefit</b>	<b>133.243</b>	<b>(1.120.711)</b>

Due to modernization, plant extension and investments incentive documents in Manisa Organized Industrial Zone, the Company has reduced rate of corporate tax advantage.

The reconciliation of the period tax expense with the calculated tax provision is as follows:

	1 January - 31 December 2024	1 January - 31 December 2023
<b>Profit before tax</b>	<b>132.585</b>	<b>7.941.820</b>
Local tax rate	%25	%25
Tax income calculated using local tax rate	(33.146)	(1.985.455)
Non-deductible expenses	(182.196)	(190.036)
Deduction and exemptions	217.750	267.756
Reduced taxation	460.216	1.492.430
Deferred tax amount calculated on the financial period loss	174.853	-
Deferred tax effect of change in legal tax rate	-	(80.982)
Monetary gain / loss	(677.409)	(1.079.976)
Other	173.175	455.552
<b>Total tax benefit</b>	<b>133.243</b>	<b>(1.120.711)</b>

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 26 – TAXES ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Cont’d)

Deferred tax assets and liabilities

The breakdown of cumulative temporary differences and the resulting deferred tax assets and liabilities provided using principal tax rate as of the balance sheet dates is as follows:

	Cumulative temporary differences		Deferred tax	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
<b>Deferred tax assets/(liabilities)</b>				
Employment termination benefits	(925.984)	(976.926)	231.496	244.232
investment incentive	-	-	1.201.998	1.070.975
Deferred tax calculated on financial period loss	-	-	174.853	-
Net difference between recorded values and tax bases of tangible and intangible assets	20.763.189	17.817.020	(4.264.199)	(3.807.031)
Net difference between registered values of stocks and tax bases	2.149.888	556.522	(537.472)	(139.131)
Derivative financial instruments	313.280	(506.846)	(78.320)	126.713
Other	(539.536)	(518.210)	134.884	129.552
			<b>(3.136.760)</b>	<b>(2.374.690)</b>

The Company’s earnings from investments subject to incentive certificates are subject to corporate tax at reduced rates from the accounting period in which the investment starts to be operated partially or fully until the investment contribution amount is reached.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which they can be utilized. Where it is probable that taxable income will be available, deferred tax assets are recognized for deductible temporary differences, tax losses and investment incentives with indefinite useful lives that allow for the payment of reduced corporate income tax.

Furthermore, financial statements consist of the deferred tax effect of the temporary differences accounted by the adjustments made regarding inflation accounting together with the notification of the Corporate Tax Law dated 30 December 2023 and numbered 32415.



VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 26 – TAXES ON INCOME (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (Cont’d)

Deferred tax assets and liabilities (Cont’d)

As of 31 December 2024, the most recent year of use of deductible tax losses over which deferred tax assets are calculated is as follows:

	31 December 2024	31 December 2023
2029	699.412	-
	699.412	-

As of 31 December 2024, the tax advantage amounting to TL 1.201.998 that the Company will benefit from in the foreseeable future is reflected in the financial statements as deferred tax asset. In line with the precautionary principle of accounting and in line with the budget made by the Company, the tax advantage arising from the investment incentives that the Company expects to benefit from in the coming years has been recognized as deferred tax asset in the financial statements.However, the tax advantage amounting to TL 4.244.964 that the Company is entitled to use has not been recognized in deferred tax assets in accordance with the precautionary principle of accounting.

The Company assesses the recoverability of deferred tax assets related to investment incentives based on business models that include estimates of taxable profit. These business models include forward-looking management estimates such as sales volumes, selling prices and exchange rate expectations. As a result of the sensitivity analyses on the forward-looking use of investment incentives, it has been concluded that a 10% increase/decrease in the related estimates has no an important impact on the recoverability of the related deferred tax assets.

The movement of net deferred tax assets and liabilities is as follows:

	1 January - 31 December 2024	1 January - 31 December 2023
Opening balance, 1 January	(2.374.690)	(839.683)
Tax benefit recognized in income statement	133.243	(857.477)
Recognized in shareholders’ equity	(895.313)	(677.530)
Deferred tax assets at the end of the period, net	(3.136.760)	(2.374.690)

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 27– LOSSES PER SHARE

	1 January - 31 December 2024	1 January - 31 December 2023
Net income / (loss) attributable to equity holders of the parent	265.828	6.821.109
Weighted number of ordinary shares with a Kr 1 of par value (hundred shares)	1.600.000.000	1.600.000.000
Losses per share	0,17	4,26

NOTE 28 – DERIVATIVE INSTRUMENTS

	31 December 2024		31 December 2023	
	Contract amount	Fair Value Assets / (Liabilities)	Contract amount	Fair Value Assets / (Liabilities)
<b>Derivative financial instruments:</b>				
<b>Held for trading</b>				
Forward foreign currency transactions	3.718.586	21.919	670.808	4.585
<b>Cash flow hedge</b>				
Forward foreign currency transactions	9.937.550	321.547	7.963.677	46.058
<b>Derivative financial liabilities:</b>				
<b>Held for trading</b>				
Forward foreign currency transactions	5.520.447	(26.568)	4.644.356	(81.848)
<b>Cash flow hedge</b>				
Forward foreign currency transactions	282.767	(3.618)	17.200.981	(475.641)
	19.459.350	313.280	30.479.822	(506.846)

NOTE 29 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

a) Capital risk management:

The Company manages its capital to ensure that it will maintain its status as a going concern while maximizing the return to stakeholders through optimization of the debt and equity balance.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 29 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont’d)

a) Capital risk management (Cont’d):

The management considers the cost of capital and the risks associated with each class of capital. The management aims to balance its overall capital structure through the payment of dividends, share issues and proceeds from or repayments of debt.

As of 31 December 2024 and 2023 the Company’s net debt / total equity ratios are as follows:

	31 December 2024	31 December 2023
Total financial liabilities (Note 5)	11.492.470	6.625.744
Cash and cash equivalents (Note 4)	(1.092.139)	(1.053.301)
Net debt	10.400.331	5.572.443
Total shareholders equity	33.844.638	31.171.059
Total capital invested	44.244.969	36.743.502
Net debt/capital invested	24%	15%

b) Financial risk factors:

The Company's activities expose it to a variety of financial risks including the foreign currency exchange rates risk, credit risk and liquidity risk. The Company's overall risk management program on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Company. The Company uses derivative financial instruments in order to protect itself from various financial risks.

b.1) Credit risk:

Credit risk arises from bank deposits, trade receivables and other trade receivables. Ownership of financial assets involves the risk that counterparties may be unable to meet the terms of these agreements.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 29 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont’d)

b.1) Credit risk (Cont’d):

The Company sells significant portion of its products to Vestel Ticaret A.Ş. which is a group company. Credit risk is evaluated by considering past experiences and current economic conditions and receivables is presented in the balance sheet after appropriate amount of provision for doubtful receivables is allocated. The company considers that the credit risk is managed effectively. The following statements show the analysis of credit risk as of 31 December 2024 and 31 December 2023:

31 December 2024	Receivables					
	Trade receivables		Other receivables		Bank deposits	Other
	Related party	Other party	Related party	Other party		
Maximum exposed credit risk as of 31 December 2024 (A+B+C+D)	14.026.210	523.634	3.810.582	1.026.798	1.089.864	2.275
- Secured portion of the maximum credit risk by guarantees, etc. <sup>(1)</sup>	(1.765.804)	(242.770)	-	-	-	-
A.Net book value of financial assets either are not due or not impaired	7.546.409	124.828	3.810.582	1.026.798	1.089.864	2.275
- Secured portion by guarantees etc.	(1.352.009)	-	-	-	-	-
B. Financial assets with renegotiated conditions	-	-	-	-	-	-
C.Net book value of the overdue but not impaired financial assets	6.479.801	398.806	-	-	-	-
- Secured portion by guarantees etc.	(413.795)	(242.770)	-	-	-	-
D.Net book value of the impaired financial assets	-	-	-	-	-	-
-Over due (gross book value)	-	49.570	-	-	-	-
-Impairment (-)	-	(49.570)	-	-	-	-
-Secured portion of the net value by guarantees etc.	-	-	-	-	-	-
E. Off-balance sheet elements involving credit risk	-	-	-	-	-	-

<sup>(1)</sup>The receivables in question are the balances arising from the Company's foreign sales through Vestel Ticaret A.Ş., which is a member of the Vestel group, and from domestic sales made directly to Vestel Ticaret A.Ş., and the relevant guarantees are mainly based on export receivables made through Vestel Ticaret A.Ş.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 29 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont’d)

31 December 2023	Receivables				Bank deposits	Other
	Trade receivables		Other receivables			
	Related party	Other party	Related party	Other party		
Maximum exposed credit risk as of 31 December 2023 (A+B+C+D)	19.316.900	740.040	3.788.884	1.438.606	1.051.483	1.818
- Secured portion of the maximum credit risk by guarantees, etc.	(1.421.985)	(92.401)	-	-	-	-
A.Net book value of financial assets either are not due or not impaired	17.705.405	170.749	3.788.884	1.438.606	1.051.483	1.818
- Secured portion by guarantees etc.	(1.269.291)	-	-	-	-	-
B. Financial assets with renegotiated conditions	-	-	-	-	-	-
C.Net book value of the overdue but not impaired financial assets	1.611.495	569.291	-	-	-	-
- Secured portion by guarantees etc.	(152.694)	(92.401)	-	-	-	-
D.Net book value of the impaired financial assets	-	-	-	-	-	-
-Over due (gross book value)	-	3.616	-	-	-	-
-Impairment (-)	-	(3.616)	-	-	-	-
-Secured portion of the net value by guarantees etc.	-	-	-	-	-	-
E. Off-balance sheet elements involving credit risk	-	-	-	-	-	-

Aging of financial assets which are overdue but not impaired is as follows:

	31 December 2024	31 December 2023
Overdue 1 - 30 days	3.709.173	906.118
Overdue 1 - 3 months	2.229.049	341.791
Overdue 3 - 12 months	940.385	932.877
Total overdue receivables	6.878.607	2.180.786

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 29 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont’d)

2.2) Price risk:

Due to the fact that the Company’s operating profit and cash flows from operating activities has been affected by competition in the sector and changes in raw material prices, the prices are monitored by the Company management and cost-cutting measures has been taken in order to mitigate cost pressure effect on price level. In addition, the Company reviews market prices for active financial and operational risk management regularly.

Existing risks has been monitored on Audit Committee and Board of Directors meetings and raw material prices in market is reviewed closely.

2.3) Liquidity risk:

Prudent liquidity risk management means holding sufficient cash and securities, availability of sufficient credit transactions and funding sources, and the ability to close market positions.

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company’s remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of non-derivative financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows. Derivative financial liabilities are presented by undiscounted net inflows and outflows.

The analysis of the Company’s financial liabilities with respect to their maturities as of 31 December 2024:

Contractual maturities	Carrying value	Contractual cash flows	Up to 3 months	3 - 12 months	1 - 5 years	More than 5 years
Non-derivative financial liabilities						
Financial and lease liabilities	11.492.470	14.085.260	4.871.753	6.516.683	1.535.634	1.161.190
Trade payables	21.075.323	21.274.724	17.060.792	3.584.319	552.689	76.924
Other payables and liabilities	94.172	94.172	94.172	-	-	-
	32.661.965	35.454.156	22.026.717	10.101.002	2.088.323	1.238.114
Derivative financial instruments						
Derivative cash inflows		(19.459.350)	(12.434.954)	(7.024.396)	-	-
Derivative cash outflows		18.907.470	12.255.672	6.651.798	-	-
	(313.280)	(551.880)	(179.282)	(372.598)	-	-



VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 29 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont’d)

The analysis of the Company’s financial liabilities with respect to their maturities as of 31 December 2023:

	Carrying value	Contractual cash flows	Up to 3 months	3 - 12 months	1 - 5 years	More than 5 years
<b>Contractual maturities</b>						
<b>Non-derivative financial liabilities</b>						
Financial and lease liabilities	6.625.744	8.724.751	2.251.071	2.177.581	2.071.869	2.224.230
Trade payables	24.979.932	25.072.247	22.139.704	2.147.719	619.773	165.051
Other payables and liabilities	4.930.434	4.930.434	4.930.434	-	-	-
	<b>36.536.110</b>	<b>38.727.432</b>	<b>29.321.209</b>	<b>4.325.300</b>	<b>2.691.642</b>	<b>2.389.281</b>
<b>Derivative financial instruments</b>						
Derivative cash inflows		(30.479.823)	(13.505.651)	(16.974.172)	-	-
Derivative cash outflows		31.214.823	13.950.847	17.263.976	-	-
	<b>505.612</b>	<b>735.000</b>	<b>445.196</b>	<b>289.804</b>	<b>-</b>	<b>-</b>

2.4) Foreign currency risk:

The Company is exposed to exchange rate risk due to its foreign currency denominated transactions. The main principle of foreign currency risk management is to maintain foreign exchange position at the level that minimizes the impact of foreign exchange fluctuations.

Derivative instruments are used in foreign currency risk management where necessary. In this respect the Company mainly prefers using foreign exchange forward contracts.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 29 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont’d)

	USD (Thousand)	EUR (Thousand)	Other (TL Equivalent)	TL Equivalent
<b>31 December 2024</b>				
1. Trade receivables	43.277	214.998	377.588	9.802.623
2a. Monetary financial assets (including cash and cash equivalents)	11.204	11.313	1.325	812.202
2b. Non-monetary financial assets	-	-	-	-
3. Other	70.925	1.330	-	2.551.114
<b>4. Current assets (1+2+3)</b>	<b>125.406</b>	<b>227.641</b>	<b>378.913</b>	<b>13.165.939</b>
5. Trade receivables	-	-	-	-
6a. Monetary financial assets	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-
7. Other	14.113	8.875	-	823.945
<b>8. Non-current assets (5+6+7)</b>	<b>14.113</b>	<b>8.875</b>	<b>-</b>	<b>823.945</b>
<b>9. Total assets (4+8)</b>	<b>139.519</b>	<b>236.516</b>	<b>378.913</b>	<b>13.989.884</b>
10. Trade payables	259.615	208.998	34.926	16.902.335
11. Financial liabilities	22.239	18.055	-	1.450.478
12a. Other monetary liabilities	-	-	20	20
12b. Other non-monetary liabilities	-	-	-	-
<b>13. Current liabilities (10+11+12)</b>	<b>281.854</b>	<b>227.053</b>	<b>34.946</b>	<b>18.352.833</b>
14. Trade payables	-	3.341	-	122.957
15. Financial liabilities	-	5.570	-	204.973
16a. Other monetary liabilities	-	-	-	-
16b. Other non-monetary liabilities	-	-	-	-
<b>17. Non-current liabilities (14+15+16)</b>	<b>-</b>	<b>8.911</b>	<b>-</b>	<b>327.930</b>
<b>18. Total liabilities (13+17)</b>	<b>281.854</b>	<b>235.964</b>	<b>34.946</b>	<b>18.680.763</b>
<b>19. Off-balance sheet derivative instruments net asset / (liability) position (19a+19b)(*)</b>	<b>246.936</b>	<b>(255.976)</b>	<b>(681.221)</b>	<b>(1.388.618)</b>
19a. Hedged total assets	383.643	95.197	507.874	17.518.851
19b. Hedged total liabilities	(136.707)	(351.173)	(1.189.095)	(18.907.469)
<b>20. Net foreign currency asset/ (liability) position (9-18+19)</b>	<b>104.601</b>	<b>(255.424)</b>	<b>(337.254)</b>	<b>(6.079.497)</b>
<b>21. Net foreign currency monetary asset/ (liability) position (=1+2a+3+5+6a+7-10-11-12a-14-15-16a)</b>	<b>(142.335)</b>	<b>552</b>	<b>343.967</b>	<b>(4.690.879)</b>
<b>22. Fair value of financial instruments used in foreign currency hedging</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>313.280</b>
23. Export	152.583	1.091.070	1.411.440	51.515.401
24. Import	514.039	152.022	44.418	22.210.095

(\*) Consists of net asset/(liability) positions of off-balance sheet derivative instruments denominated in foreign currencies.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 29 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont’d)

	USD (Thousand)	EUR (Thousand)	Other (TL Equivalent)	TL Equivalent
31 December 2023				
1. Trade receivables	16.067	182.605	198.433	9.557.260
2a. Monetary financial assets (including cash and cash equivalents)	18.739	2.341	590	907.403
2b. Non-monetary financial assets	-	-	-	-
3. Other	52.992	47.760	2	4.498.440
4. Current assets (1+2+3)	87.798	232.706	199.025	14.963.103
5. Trade receivables	-	-	-	-
6a. Monetary financial assets	-	-	-	-
6b. Non-monetary financial assets	6.636	2.017	-	376.906
7. Other	-	-	-	-
8. Non-current assets (5+6+7)	6.636	2.017	-	376.906
9. Total assets (4+8)	94.434	234.723	199.025	15.340.008
10. Trade payables	245.638	193.029	87.968	19.680.545
11. Financial liabilities	31.573	12.461	-	1.931.447
12a. Other monetary liabilities	-	-	19.675	28.407
12b. Other non-monetary liabilities	-	-	-	-
13. Current liabilities (10+11+12)	277.211	205.490	107.643	21.640.399
14. Trade payables	-	5.460	-	257.245
15. Financial liabilities	-	7.890	-	371.733
16a. Other monetary liabilities	-	-	-	-
16b. Other non-monetary liabilities	-	-	-	-
17. Non-current liabilities (14+15+16)	-	13.350	-	628.979
18. Total liabilities (13+17)	277.211	218.840	107.643	22.269.378
19. Off-balance sheet derivative instruments net asset / (liability) position (19a+19b)	663.267	(524.859)	(398.637)	2.883.499
19a. Hedged total assets	675.619	23.517	455.990	30.479.823
19b. Hedged total liabilities	(12.352)	(548.376)	(854.627)	(27.596.324)
20. Net foreign currency asset/ (liability) position (9-18+19)	480.490	(508.976)	(307.255)	(4.045.871)
21. Net foreign currency monetary asset/ (liability) position (=1+2a+5+6a-10-11-12a-14-15-16a)	(189.413)	13.866	91.382	(7.306.276)
22. Fair value of financial instruments used in foreign currency hedging	-	-	-	(506.846)
23. Export	132.539	1.231.812	753.533	62.238.504
24. Import	526.414	192.062	28.675	24.710.941

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 29 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont’d)

As of 31 December 2024 and 31 December 2023, sensitivity analysis of foreign exchange rate tables is presented below, secured portions include impact of derivative instruments.

	Gain / Loss		Equity	
	Foreign exchange appreciation	Foreign exchange depreciation	Foreign exchange appreciation	Foreign exchange depreciation
31 December 2024				
+/- 10% fluctuation of USD rate:				
USD net asset / liability	(504.747)	504.747	(504.747)	504.747
Secured portion from USD risk (-)	(105.963)	105.963	875.611	(875.611)
USD net effect	(610.710)	610.710	370.864	(370.864)
+/- 10% fluctuation of EUR rate:				
EUR net asset / liability	(898)	898	(898)	898
Secured portion from EUR risk (-)	(5.845)	5.845	(983.346)	983.346
EUR net effect	(6.743)	6.743	(984.244)	984.244
+/- 10% fluctuation of other currency rates:				
Other currencies net asset / liability	34.397	(34.397)	34.397	(34.397)
Secured portion from other currency risk (-)	(45.934)	45.934	(17.462)	17.462
Other currency net effect	(11.537)	11.537	16.935	(16.935)
Total	(628.990)	628.990	(596.445)	596.445

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 29 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont’d)

	Gain / Loss		Equity	
	Foreign exchange appreciation	Foreign exchange depreciation	Foreign exchange appreciation	Foreign exchange depreciation
31 December 2023				
+/- 10% fluctuation of USD rate:				
USD net asset / liability	(778.974)	778.974	(778.974)	778.974
Secured portion from USD risk (-)	582.922	(582.922)	2.775.178	(2.775.178)
USD net effect	(196.052)	196.052	1.996.204	(1.996.204)
+/- 10% fluctuation of EUR rate:				
EUR net asset / liability	72.843	(72.843)	72.843	(72.843)
Secured portion from EUR risk (-)	(248.567)	248.567	(2.547.816)	2.547.816
EUR net effect	(175.724)	175.724	(2.474.973)	2.474.973
+/- 10% fluctuation of other currency rates:				
Other currencies net asset / liability	13.193	(13.193)	13.193	(13.193)
Secured portion from other currency risk (-)	8.188	(8.188)	62.790	(62.790)
Other currency net effect	21.381	(21.381)	75.983	(75.983)
Total	(350.395)	350.395	(402.786)	402.786

2.5) Interest rate risk:

The Company is exposed to interest rate risk as the Company borrow funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings, by the use of interest rate hedge contracts and forward interest rate contracts.

VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

Notes to the Financial Statements for the Period

1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 29 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Cont’d)

b.5) Interest rate risk (Cont’d):

Analysis of financial instruments of the Company which are sensitive to interest rate changes is as follows:

	31 December 2024	31 December 2023
Financial instruments with fixed interst rates		
Bank deposits	248.305	82.194
Financial liabilities	9.092.764	5.215.598
Financial instruments with floating interest rates		
Financial liabilities	2.399.706	1.410.146

On 31 December 2024, if interest rates of all currency denominated financial assets and liabilities with variable interest rates has strengthened / weakened by 100 basis points with all other variables held constant, income before taxes would have been TL 13.367 (2023: TL 67.704) lower / higher as a result of interest expenses.

NOTE 30– FINANCIAL INSTRUMENTS (FAIR VALUE AND HEDGE ACCOUNTING DISCLOSURES)

Categories of financial instruments

The Company classifies its financial assets into three categories: financial assets measured at amortized cost, fair value through profit or loss and fair value through other comprehensive income. Among Company’s financial assets, cash and cash equivalents (note 4), trade receivables (notes 6 and 7) and other receivables (notes 6 and 8), are classified as loans and receivables and are measured at amortized cost using the effective interest method.

Company’s financial liabilities consist of financial liabilities (note 5) and trade payables (note 7) are measured at amortized cost using the effective interest method.



(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 30 – FINANCIAL INSTRUMENTS (FAIR VALUE AND HEDGE ACCOUNTING DISCLOSURES) (Cont’d)

Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The estimated fair values of financial instruments have been determined by the Company, using available market information and appropriate valuation methodologies. However, judgement is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Company could realize in a current market exchange. Following methods and assumptions were used to estimate the fair value of the financial instruments for which is practicable to estimate fair value:

Monetary assets

The book value of foreign currency denominated balances which are translated to TL using exchange rates prevailing on the date of the balance sheet approximate their fair values. For financial assets measured at cost including cash and cash equivalents, the carrying amounts are the same with fair values due to their short-term nature. Carrying amounts of trade receivables net of impairments approximate their fair values.

Monetary liabilities

The fair values of short-term financial liabilities and other financial liabilities are estimated to be their fair values since they are short term. Fair value is calculated by discounting the cash out flows regarding due dates of financial liabilities considering the changing country risk premium and changes in the market interest rates.

Fair value hierachy

The Company classifies the fair value measurement of each class of financial instruments according to the source, using the three level hierarchy, as follows:

Level 1: Market price valuation techniques for the determined financial instruments traded in markets (unadjusted)

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

NOTE 30 – FINANCIAL INSTRUMENTS (FAIR VALUE AND HEDGE ACCOUNTING DISCLOSURES) (Cont’d)

Fair value hierarchy

Level 2: Other valuation techniques include direct or indirect observable inputs

Level 3: Valuation techniques do not contain observable market inputs

Fair value hierarchy tables as of 31 December 2024 and 31 December 2023 are as follows:

31 December 2024	Level 1	Level 2	Level 3	Total
Financial assets				
Derivative financial instruments	-	313.280	-	313.280
31 December 2023	Level 1	Level 2	Level 3	Total
Financial assets				
Derivative financial instruments	-	(506.846)	-	(506.846)

The Company’s non-financial assets, calculated at fair value as of 31 December 2024 and 31 December 2023 are as follows:

31 December 2024	Level 1	Level 2	Level 3	Total
Tangible Assets				
Lands	-	14.825.566	-	14.825.566
Buildings and land improvements	-	11.251.704	-	11.251.704
31 December 2023	Level 1	Level 2	Level 3	Total
Tangible Assets				
Lands	-	10.232.491	-	10.232.491
Buildings and land improvements	-	8.260.209	-	8.260.209

# VESTEL BEYAZ EŞYA SANAYİ VE TİCARET ANONİM ŞİRKETİ

## Notes to the Financial Statements for the Period

### 1 January – 31 December 2024

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as of 31 December 2024 unless otherwise stated.)

#### NOTE 31 - OTHER FINANCIAL LIABILITIES

The maturity of other financial liabilities is 30 July 2030 and the interest rate is EURIBOR+2.5.

#### NOTE 32- SUBSEQUENT EVENTS

None.

## INVESTOR INFORMATION

#### GENERAL INFORMATION

**Reporting Period:** 01.01.2024 - 31.12.2024

**Trade Name:** Vestel Beyaz Eşya Sanayi ve Ticaret AŞ

**Trade Registration No:** Istanbul Trade Registry Office, No: 380814

**Registered Capital Ceiling:** TL 2,000,000,000

**Paid-in/Issued Capital:** TL 1,600,000,000

#### CONTACT DETAILS

**Headquarters:** Levent 199 Büyükdere Cad. No: 199 34394 Şişli - İSTANBUL / TÜRKİYE

**Phone:** (0212) 456 22 00

#### Manisa Branch

Organize Sanayi Bölgesi, 45030 - Manisa / TÜRKİYE

**Phone:** (0236) 233 01 31

#### INDEPENDENT AUDITOR

#### PwC Bağımsız Denetim ve SMMM AŞ

Kılıçali Paşa Mah. Meclis-i Mebusan Cad. No: 8 Galataport Istanbul D Block Beyoglu/Istanbul

**Phone:** (212) 326 60 60

**Fax:** (212) 326 60 50

#### FINANCIAL DATA AND COMPANY ANNOUNCEMENTS

Financial statements, auditor reports, annual reports and material event disclosures of Vestel Beyaz Eşya Sanayi ve Ticaret AŞ are available on the Company's website at <https://vestelinternational.com/tr/yatirimci-iliskileri-vesbe>.

Additionally, requests for information can be submitted to the Investor Relations Directorate of the Vestel Group of Companies via e-mail.

#### INVESTOR RELATIONS

#### Gülşah Beşikcioğlu

**Deputy General Manager of Financial Affairs**

#### Murat Ali Aslanhan

**Investor Relations Manager**

**Phone:** (236) 233 01 31

**E-mail:** [yatirimci@vestel.com.tr](mailto:yatirimci@vestel.com.tr)

#### SUSTAINABILITY

#### Çağlayan Karataş

**Sustainability Manager**

**Phone:** (236) 233 01 31

**E-mail:** [surdurulebilirlik@vestel.com.tr](mailto:surdurulebilirlik@vestel.com.tr)

**VESTEL**