

**VESTEL BEYAZ EŞYA
NOTE ON GOVERNANCE, ENVIRONMENTAL AND
SOCIAL TOPICS
2026**

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1. GOVERNANCE TOPICS

1.1. Performance Management of Executives & C-Levels

Vestel Beyaz Eşya implements performance targets for its C-level executives and affiliated departments, tracking these targets using SMART objectives and KPIs. These targets and performance indicators are defined in four categories with performance outcomes reflected as financial incentives;

1. Financial targets
2. Strategic targets
3. Functional targets
4. Organizational targets

Organizational targets are directly assigned by HR Management and stated targets are mandatorily assigned to all C-level executives at Vestel Beyaz Eşya to ensure financial, strategy, and functional KPIs.

1.2. CEO Compensation Success Metrics

Vestel Beyaz Eşya has established pre-defined financial returns and relative financial metrics for the CEO's variable compensation. These metrics are crucial tools used in assessing the CEO's performance and determining the variable compensation strategies.

- **Performance Scorecards:** Performance scorecards set by the Board of Directors are used in the CEO's annual performance evaluation. These scorecards include various criteria such as financial returns, operational achievements, and the attainment of strategic goals. The CEO's success in meeting these scorecard criteria is a significant factor in determining their variable compensation.
- **Pre-defined Financial Returns:** Vestel Beyaz Eşya utilizes pre-defined financial indicators (EBITDA, Indebtness, Revenue) when determining the CEO's variable compensation. These indicators are established to measure the company's financial performance and ensure the achievement of strategic objectives.
- **Relative Financial Metrics:** In addition, Vestel Beyaz Eşya has set relative financial metrics (Stock Value Increase) to evaluate the CEO's performance. These metrics are designed to assess the company's performance and competitiveness within the industry. By comparing with other similar companies, relative financial metrics help gauge the CEO's success level and play a critical role in variable compensation decisions. Public reporting on these metrics is available in our annual reports, providing transparency on our performance evaluation processes and variable compensation strategies.

1.3. CEO-to-Employee Pay Ratio at Vestel Beyaz Eşya

Vestel Beyaz Eşya embraces the principle of fair compensation for all employees, prioritizing equity and fairness and recognizing high performance. Its approach to remuneration is rooted in the principle of "Equal pay for equal work," ensuring no discrimination based on gender, age, language, or race. Compensation and benefits strategies are designed to be fair and competitive, while also rewarding high performance. These strategies are shaped by industry standards, the practices of Zorlu Holding, and both national and global macroeconomic factors.

High performance is recognized and rewarded through the implementation of a fair compensation system that enhances employee motivation. Vestel Beyaz Eşya rewards employee performance through a remuneration strategy shaped by individual performance assessments, salary surveys, and both national and international economic trends. Each year, salary increases for all employees are determined based on these evaluations. For managerial positions and above, an annual bonus is provided, which is based on both company-wide and individual performance metrics.

1.4. Critical Supplier Management

As of 2025, 151 suppliers that have an impact on Vestel Beyaz Eşya's critical business processes have been identified. In 2025, suppliers with critical impact accounted for 80% of the total purchasing volume. These suppliers are high-volume purchasers that provide products and services that are difficult to substitute.

	2022	2023	2024	2025
Number of Critical Suppliers at Vestel Beyaz Eşya	108	110	116	151
Total Number of Vestel Beyaz Eşya Suppliers	2,004	1,449	2,372	1,952

Supplier Assessment KPIs	2025
Number of unique critical suppliers supported with development measures	10
Number of unique critical suppliers assessed via desk assessments/on-site assessments	10
Number of unique critical suppliers assessed with substantial actual/potential negative impacts	3
Number of unique critical suppliers with substantial actual/potential negative impacts with agreed corrective action/improvement plan	3
Number of unique critical suppliers with substantial actual/potential negative impacts that were terminated	0

1.5. Quality and Product Safety

Products and production processes are regularly tested to maintain product safety and quality. Risks and opportunities that may affect product quality are identified and necessary precautions are taken and monitored. Products are checked in accordance with international standards and tested within the factory using appropriate test equipment. Electrical safety tests are performed according to defined sampling rates and mass production is continuously audited. There have been no products recalled or collected due to quality and safety reasons within the last three years.

AI-supported quality and image processing solutions are integrated into quality control processes. High-resolution camera systems, machine learning algorithms and data-driven analysis methods are used to make product quality controls automatic, fast and consistent, minimizing human-induced errors and improving quality standards.

Activities under the Integrated Management System are conducted in accordance with TS EN ISO 9001 Quality Management System. ISO 9001 certificate coverage is reported as 100%. All procedures, instructions and quality plans required for the effectiveness of the Quality Management System are monitored through an online documentation system. Monthly statistical reports, evaluations against targets, internal audit results and corrective actions are regularly monitored through this system.

Employees are regularly informed about product quality and safety, and their awareness is enhanced through training activities. Quality Day events are organized to increase employee awareness. Quality training is provided to all newly hired employees to support the adoption and continuous improvement of quality standards throughout the organization. In 2025, 1,666 person-hours of quality and product safety training were provided to 1,610 people.

Customers can submit product and service complaints through multiple accessible channels, including phone, website contact forms, e-mail, live support and WhatsApp. All product and service notifications received from customer touchpoints are systematically recorded as Customer Complaint Records and evaluated in accordance with established procedures. Complaint management processes are conducted in accordance with ISO 10002. Customers are informed about the status and resolution stages of their complaints, and unresolved issues are actively followed until customer satisfaction is ensured. Product-related complaints are evaluated against applicable service standards and technical bulletins, and necessary corrective actions are implemented. Recurring complaints are regularly reported to relevant teams and used as input for continuous improvement.

Vestel Beyaz Eşya requires its suppliers to comply with defined product quality, product safety and conformity requirements. Supplier performance is periodically assessed against defined criteria, including quality, and performance results are regularly communicated to suppliers. Supplier compliance is further monitored through supplier quality audits and product-specific conformity requirements. Depending on the supplied product group, suppliers are required to comply fully with Vestel's Restricted Materials List and provide applicable conformity evidence, including RoHS, REACH and SVHC declarations and accredited test reports.

1.6. Integration of Risk Criteria into Product and Service Development Processes

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 tables. For the identified high-risk elements, actions are taken in line with the relevant risk management strategies, and effective management of the processes is ensured. In product and service development processes, risks in projects specific to product groups are analyzed using different methods (FMEA, DFM, DFT, etc.), and necessary measures are defined. In this context, periodic monitoring and control mechanisms are implemented to increase the effectiveness of risk management processes. In order to minimize the identified risks, necessary tests are carried out in

accredited internal laboratories or appropriate external laboratories, and compliance with relevant standards and regulations is verified.

1.7. Online Strategies & Customers Online

	2022	2023	2024	2025
Percentage of total customers using company's online services solutions/sales platform	18	9	12	5.1
Percentage of revenues generated online (e.g. through direct sales, advertising, etc.)	5.5	5.6	5.5	5.7

2. SOCIAL TOPICS

2.1. Labor Practices Programs

Vestel Beyaz Eşya implements comprehensive programs to manage labor practices in order to support employees' access to fair working conditions, adequate remuneration, employee well-being, and equal opportunities. These practices are carried out within the scope of social compliance and human resources management processes and are supported through regular monitoring, employee engagement, internal control mechanisms, and continuous improvement activities.

- **Living Wage:** Employee remuneration is determined by taking into consideration applicable legislation, relevant employment agreements, cost-of-living estimates, and relevant benchmarks. Vestel aims to maintain wage levels that enable employees to meet their basic needs and sustain a decent standard of living.
- **Working Hours and Overtime Management:** Working hours, including overtime practices, are regularly monitored with the objective of preventing and reducing excessive working hours and overtime. Overtime work is based on voluntary participation, and employees are compensated in accordance with their legal entitlements for overtime work.
- **Overtime Compensation:** Payments for regular working hours and overtime are made in accordance with applicable legislation and the conditions specified in employment agreements.
- **Engagement with Employee Representatives:** Employees' rights to join or refrain from joining worker associations are respected, and regular communication with employee representatives is facilitated regarding working conditions and workplace practices.
- **Equal Pay and Monitoring of the Gender Pay Gap:** Wage discrimination based on gender is not tolerated. Pay differences between female and male employees are regularly monitored and assessed to support the principle of equal pay for equal work.
- **Social Security and Social Protection:** In addition to legally required social security provisions, initiatives are supported to strengthen social protection coverage and enhance employee benefits.
- **Paid Annual Leave:** Employees' entitlement to paid annual leave under applicable legislation is safeguarded, and compliance with relevant legal requirements is monitored.
- **Training, Upskilling and Reskilling:** Employees are provided with professional, ethical, environmental, and technical training opportunities, as well as upskilling and reskilling programs, to support their development, employability, and adaptation to evolving business needs and the transition to a sustainable economy.

2.2. Human Rights Mitigation & Remediation

Vestel Beyaz Eşya treats respect for human rights as one of the fundamental elements of its corporate governance approach and, in this context, carries out human rights due diligence processes in a systematic manner. Key risk areas such as forced labor, child labor, discrimination, harassment and abuse, working hours, remuneration, freedom of association, and occupational health and safety are regularly assessed across the company's operations and supply chain; in these processes, special importance is given to the protection of vulnerable groups such as female employees, young employees, immigrant and foreign national employees, and temporary and subcontracted employees. Risk assessments are conducted through internal audits, site visits, supplier audits, and stakeholder feedback; corrective and preventive action plans are created for the identified non-conformities and areas open to improvement in the relevant facilities, and the implementations are periodically monitored by the responsible units. Practices regarding working conditions are followed up with internal audits and regular assessments; they are also periodically reviewed within the scope of independent external audit mechanisms such as Sedex, BSCI, and similar, and are developed in line with a continuous improvement approach.

The Sedex Members Ethical Trade Audit evaluates four key areas: working conditions, labor rights, environmental management, and business ethics. BSCI (Business Social Compliance Initiative) audits

evaluate the compliance of businesses with social responsibility criteria based on ILO standards. ICS (Initiative for Compliance and Sustainability) audits evaluate the social compliance of businesses in line with ILO conventions and international human rights principles. In 2025, third-party audits were conducted at all facilities.

In addition to this, additional ethical and social compliance audits are also conducted at Vestel depending on customer demands. In these processes, critical issues such as employee rights, occupational health and safety, working conditions, anti-discrimination practices, and environmental sustainability were evaluated. As a result of these audits, a total of 28 nonconformities were identified at Vestel Beyaz Eşya facilities, of which:

- 18 have been resolved,
- 10 are in the process of improvement,
- There are no open (ongoing) non-conformities.

The areas highlighted in the audits and the actions taken are presented in the table below.

Audit Category	Identified Non-conformities	Resolved	In Improvement Process	Actions Taken
Social Management System	Annual leave usage, living wage calculation	2	4	Studies are being conducted regarding annual leave and living wage calculation.
Employee Engagement and Protection	Training deficiencies	3	1	Missing trainings have been completed.
Decent Working Hours	Overtime periods	2	4	A warning system for overtime has been established and is being monitored by production and planning teams.
Occupational Health and Safety	Periodic measurements	11	1	Missing measurements have been completed.

The non-conformities identified in all social compliance audits conducted during the year and their current statuses are stated. In case of similar non-conformities in different audits, each nonconformity has been handled separately and included in the list. Audit results have been evaluated by the Human Rights Committee, and corrective and preventive action plans have been created by the relevant departments. Vestel Beyaz Eşya continues its efforts to observe employee rights and improve its ethical operational processes.

The Human Rights Committee at Vestel Beyaz Eşya, where employee complaints and suggestions are evaluated, meets every three months to evaluate the complaints and suggestions submitted by employees within the framework of human rights and works on the actions that need to be taken.

The practices implemented to mitigate human rights risks cover 100% of Vestel's relevant operational facilities. Human rights risks are regularly monitored, assessed, and managed through social compliance audits, internal control processes, employee grievance and feedback mechanisms, and corrective action plans implemented where necessary.

2.3. Occupational Health & Safety (OHS) Objectives and Programs

Vestel Beyaz Eşya establishes annual Occupational Health & Safety (OHS) objectives and programs in line with its ISO 45001-certified management system. The 2025 OHS program includes measurable targets covering employee training, risk assessment, incident prevention, emergency preparedness, fire safety, contractor safety management, PPE compliance and employee participation. Progress against targets is monitored through management reviews, training management systems, risk assessment action tracking and regular OHS committee meetings. These programs support the company's proactive approach to achieving its long-term goal of preventing occupational injuries and work-related ill health.

Strategic OHS Objective	2025 Target	Key Programs and Actions	Progress Monitoring
Enhance employee OHS awareness and prevent unsafe behaviors	100% OHS training coverage for new hires and periodic refresher training for employees	OHS induction training, job-specific risk training, refresher training, employee representative training, OHS awareness activities	Training completion rates monitored through the Training Management System

Strategic OHS Objective	2025 Target	Key Programs and Actions	Progress Monitoring
Reduce workplace injuries and occupational health risks	Support the target of zero occupational accidents through proactive risk management	Incident investigations and root cause analyses, machine risk assessments, chemical approval procedures, workplace risk assessments and corrective actions	Action closure rates and implementation of corrective actions are regularly tracked
Strengthen emergency preparedness and response capability	Maintain trained emergency teams and conduct regular emergency drills	Emergency team training, emergency lighting and signage improvements, company-wide emergency drills	Performance evaluated through drills and preparedness reviews
Improve fire safety and asset protection	Reduce fire risks across facilities and storage areas	Fire protection projects, sprinkler system improvements, explosion protection documentation, fire risk reduction measures	Progress monitored through project implementation and facility inspections
Increase employee participation in OHS management	Ensure active workforce involvement in safety processes	Employee representative participation, safety committees, periodic OHS coordination meetings, employee feedback mechanisms	Participation rates and meeting outcomes are reviewed regularly
Improve contractor safety management	Achieve safe contractor operations with zero accidents	Risk assessments for contractor activities and implementation of permit-to-work procedures	Compliance monitored before and during contractor activities
Promote proper use of personal protective equipment (PPE)	Maximize PPE compliance rates	Daily PPE inspections by supervisors and employee involvement in PPE selection processes	PPE compliance monitored through routine field inspections
Strengthening fire prevention systems in critical infrastructure	Improve protection of oil-filled transformers and high-risk equipment	Installation of automatic fire suppression systems and related engineering controls	Project progress monitored through implementation milestones

2.4. Nationality-based Workforce Breakdown for Vestel Beyaz Eşya

	Share in Total Workforce (as % of total workforce)	Share in All Management Positions (as % of total workforce)
Türkiye	100%	100%

3. ENVIRONMENTAL TOPICS

3.1. Water Stewardship

Water stress occurs when water consumption is restricted and available water resources are insufficient to meet demand, either due to excessive water withdrawals over a certain period or deterioration in water quality. Türkiye is among the countries experiencing water stress. According to the World Resources Institute (WRI), Manisa, where Vestel Beyaz Eşya's manufacturing facilities are located, is classified as a high water-risk region. Therefore, effective water management is of critical importance for ensuring operational resilience and sustainable resource use.

Vestel Beyaz Eşya meets the water used in its production processes through mains water supplied by the Manisa Organized Industrial Zone as well as groundwater wells. Recognizing the increasing pressure on water resources, Vestel Beyaz Eşya continuously develops and implements water efficiency and water recovery initiatives across its operations.

Industrial water management at Vestel Beyaz Eşya is considered a strategic process that not only reduces costs but also supports regulatory compliance and ensures production continuity. Consistent with the principle of "Measure, Reduce, Reuse, and Treat," a comprehensive water management approach has been implemented to identify water efficiency opportunities and improve overall water performance.

As a first step, Vestel Beyaz Eşya conducted a detailed baseline assessment and water footprint mapping exercise. Water meters were installed at the inlet points of all major water-consuming processes and facilities. Consumption and potential leakages were mapped and monitored across

production areas, including cooling towers, boilers, paint shop washing lines, water treatment and preparation facilities, and employee sanitary areas. In addition, separate meters were installed in major factory departments and utility facilities, enabling real-time monitoring and analysis of water consumption patterns across different operational units.

To reduce water consumption at source, numerous efficiency improvement projects have been implemented throughout the factories and utility systems. Unnecessary water use in production processes and cooling towers has been minimized, while cooling water basin water has been treated and recovered for reuse. Paint shop washing systems were upgraded through nozzle improvements, replacing conventional nozzles with high-pressure, low-flow alternatives. Furthermore, water used in washing baths is recovered through treatment systems and reused within operations. Cooling water and process water streams are treated and recirculated through closed-loop systems, reducing freshwater demand.

Vestel Beyaz Eşya places significant emphasis on water recycling and circular water management practices. Rather than directly discharging wastewater, wastewater streams are categorized according to quality and assessed for recovery opportunities. Within the scope of greywater management, cooling tower blowdown water is filtered, treated, and reused in operational processes. Likewise, slightly contaminated water generated from water softening and reverse osmosis systems is treated and reused for landscape irrigation.

Rainwater harvesting constitutes another important component of Vestel Beyaz Eşya's water management strategy. Rainwater collected from utility facilities, factory rooftops, and open areas is stored, treated where necessary, and reused in production processes, irrigation activities, and cleaning operations. In cooperation with landscaping teams, sprinkler irrigation systems have been replaced with drip irrigation systems in various locations. Smart irrigation timers have also been implemented to optimize water use. Additionally, drought-resistant and climate-appropriate plant species are preferred in landscaping applications to minimize irrigation requirements.

Vestel Beyaz Eşya reports all water management activities to CDP and its water footprint is independently verified in accordance with the ISO 14046 Water Footprint Standard. Wastewater generated from operations is discharged to the treatment facilities of the Manisa Organized Industrial Zone.

Vestel Beyaz Eşya identified its most water-intensive processes and established four key focus areas for water efficiency projects. Projects commissioned in 2025 delivered annual water savings of:

- 906 m³ through the paint shop wastewater recovery system,
- 2,954 m³ through the cooling tower water recycling system,
- 22,262 m³ through recovery and reuse of wastewater from reverse osmosis units, and
- 4,159 m³ through rainwater harvesting initiatives.

In addition, approximately 25,000 tons of water are saved annually through the recovery of compressor waste heat using a high-capacity heat pump system.

The implementation of cooling tower recycling systems, reverse osmosis wastewater recovery projects, and paint shop wastewater recovery systems resulted in a total annual saving of 26,122 m³ of water and TRY 378,769 in cost savings.

Water management at Vestel Beyaz Eşya is carried out within the scope of "Sustainability, Environment and Energy Training" awareness, which includes topics such as water usage, water footprint, and the journey of water in Vestel factories. In this context, a total of 296 person-hours of training were provided to 316 employees in 2025.

Water-Efficient Products

Water-Efficient Products Vestel Beyaz Eşya focuses on water efficiency in addition to energy efficiency, and its products are among the least water-consuming products in the market. Vestel Beyaz Eşya produces dishwashers that save up to 45% more water and washing machines that save up to 35% more water compared to average products.

- The company's product portfolio includes dishwashers that consume 5.4 liters of water by saving 45% water per wash thanks to "Waterbox" technology.
- With "Aquazone" technology, up to 3 liters of water are saved per wash in dishwashers compared to traditional technologies.
- With "Rainfall" technology, washing machines save approximately 35% water, reducing water consumption to 32 liters per wash.

The water recovery system launched in 2022 saves 5.5 liters of water per household per run and a total of 1,210 liters of water per year by using the clean water accumulated in the tumble dryer in the washing machine.

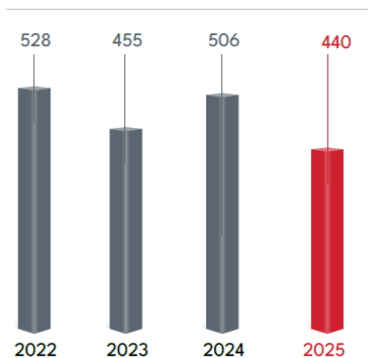
Wastewater Discharge

There is domestic and industrial wastewater generated at the facility. This wastewater is discharged into the sewage system of the Manisa Organized Industrial Zone to which it is connected. The facility has a Connection Permit Certificate and a Connection Quality Control Permit Certificate issued by Manisa OIZ in accordance with the Water Pollution Control Regulation. The pollution loads of the wastewater are measured by MOSB by taking samples every 15 days. It has been determined that the measurement values are below the limit values specified in the Water Pollution Control Regulation.

Wastewater Discharge Values (mg/l)	2022	2023	2024	2025
Chemical Oxygen Demand (COD)	783.6	726.4	717.9	629.1
Total Suspended Solids	160.2	166.5	166.9	176.3

Water Intensity

(m³/mEUR)



3.2. Revenues from Eco-Labeled Products (TL)

	2022	2023	2024	2025
Products certified with single/multi attribute eco-labels*	547,521,836	44,625,972,246	34,860,500,000	28,176,800,000
Other sustainable products or services**			11,454,100,000	8,558,700,000

*All VBE products have energy star certificate. Energy labels in accordance with Regulation (EU) 2017/1369 of the European Parliament and of the Council of 4 July 2017 setting a framework for energy labeling and repealing Directive 2010/30/EU

**Taxonomy-aligned turnover based on EU Taxonomy Classification.