

Haier Europe
Sustainability

Sustainability Report 2025

Jan 1 – Dec 31, 2025

Letter to Stakeholders



Dear Stakeholders,

As CEO of Haier Europe, I am proud to present our **2025 Sustainability Report,** reflecting another year of progress in our journey to become the **first consumer choice for smart home solutions.** Sustainability continues to be a key driver of our strategy, guiding the way we innovate, operate, and create value for consumers, employees, business partners, and society. In 2025, we further strengthened our commitment to designing the **new era of living through increasingly connected, energy-efficient, and resource-conscious solutions.**

The operating environment continued to evolve rapidly. Regulatory requirements across Europe, including the implementation of the Corporate Sustainability Reporting Directive (CSRD), European Sustainability Reporting Standards (ESRS), evolving Ecodesign requirements and increasing expectations regarding supply chain transparency, data protection and cybersecurity, have accelerated the transformation of our industry. At the same time, climate change, resource availability, and geopolitical uncertainty continue to challenge businesses across global value chains. We view these developments not only as challenges, but also as opportunities to innovate, improve, and create long-term value.

At Haier Europe, innovation and sustainability go hand in hand. Through our "Zero Distance to Consumer" philosophy, we continue to develop products and digital ecosystems that help consumers live smarter, more efficient, and more sustainable lives. Our connected hOn ecosystem enables users to monitor consumption, optimize appliance performance and access innovative services designed to reduce energy and resource use. During the year, we expanded partnerships with energy providers and digital service platforms, creating new opportunities for consumers to integrate appliances into intelligent energy management systems and make more informed choices about their environmental footprint.

Letter to Stakeholders

2025 was also a landmark year in our climate journey. Through a combination of renewable electricity procurement, on-site solar generation and operational efficiency initiatives, we increased the share of renewable electricity used across our operations to more than 80%, compared with 45% in 2024. This achievement reflects significant progress toward our long-term decarbonization ambition and the Science Based Targets initiative (SBTi) commitments that guide our climate strategy. We also continued investing in renewable energy projects across our manufacturing footprint, including facilities in Turkey, Italy and China, strengthening our ability to reduce operational emissions while increasing resilience to energy market volatility.

People remain at the heart of everything we do. In 2025, Haier Europe employed more than five thousand people across over 20 countries, bringing together diverse perspectives, skills and experiences that fuel our innovation and success. We continued investing in learning and development, while advancing initiatives to strengthen inclusion, employee well-being and engagement. We are particularly proud that Haier UK & Ireland achieved Bronze Accreditation from Inclusive Employers, recognizing the progress we have made in embedding diversity, inclusion and well-being throughout our workplace culture.

Workplace safety remains a fundamental priority. Through certified management systems, continuous training and proactive risk management, we further improved our health and safety performance in 2025. These results demonstrate the effectiveness of our safety culture and our ongoing commitment to providing a safe and healthy working environment for all employees.

Looking ahead, we remain focused on accelerating the transition toward smarter, more sustainable and more efficient living. Climate action, circular economy principles, responsible business conduct, digital trust and people development will continue to shape our strategy and decision-making. By combining innovation, sustainability and our unwavering commitment to consumers, we will continue building connected ecosystems that create value for society while supporting long-term business growth.

I would like to **thank our employees, customers, suppliers, partners and all stakeholders** for their continued **trust, commitment and collaboration.** Together, we are creating a more sustainable future and shaping the next generation of smart living.

Neil Tunstall
CEO, Haier Europe

Index

CEO Message to Stakeholders .2

About This Report .5
Reporting Approach .6
ESRS and CSRD Alignment .7

1 Our group .9
1.1. Haier Smart Home at a Glance .10
1.2. Haier Europe in 2025 .13
1.3. Business Model & Value Chain .16
1.4. Governance & ESG Governance .19
1.5. Double Materiality Assessment .24

2 Smartability .28
2.1. Product Leadership at Zero Distance .32
2.2. Energy-Efficient Products .36
2.3. Circular Product Design .49
2.4. Consumers and End Users .53
2.5. Innovation Highlights .58

3 Operations .63
3.1. Climate Change .69
3.2. Resource Use & Circular Operations .75
3.3. Water Management .80
3.4. Manufacturing Sites .82
3.5. Sustainable Supply Chain .85

4 People .89
4.1. Our Workforce .94
4.2. Development & Engagement .99
4.3. Inclusion & Well-being .104
4.4. Health & Safety .108
4.5. Community Support Initiatives .113

5 Responsible business .117
5.1. Business Conduct .118
5.2. Responsible Data & Cybersecurity .123
5.3. Supplier Governance .128
5.4. Targets & Progress .130

6 Sustainability performance .133

Appendices .139
Methodology .140
Materiality Matrix .146
KPI Tables .148
ESRS Cross-Reference Table .152

About This Report

Reporting Our **Sustainability Journey**

This Sustainability Report presents **Haier Europe's environmental, social and governance (ESG)** performance, commitments and progress for the 2025 reporting year. It provides stakeholders with a concise overview of the sustainability topics that are most relevant to the Company's business, value chain and long-term strategy.

The report has been developed to communicate how sustainability is integrated into Haier Europe's operations, products, governance and decision-making processes. It highlights **key achievements, performance indicators and strategic priorities across climate change, circular economy, people, consumer responsibility and business conduct.**

The report is intended for a **broad range of stakeholders,** including **employees, customers, business partners, suppliers, investors, regulators and local communities.** Through transparent reporting, Haier Europe seeks to strengthen dialogue with stakeholders and demonstrate progress towards its sustainability ambitions.







Reporting Approach

The **2025 Sustainability Report** adopts a streamlined and stakeholder-focused approach. Unlike detailed regulatory disclosure documents, this report is designed to provide a clear and accessible overview of the **Company's sustainability strategy,** performance and priorities.

The content has been developed based on the results of **Haier Europe's Double Materiality Assessment,** which identified the sustainability topics that are most significant from both an impact and financial perspective. These material topics form the basis of the report structure and guide the selection of disclosures, performance indicators and case studies included throughout the document.

The report covers the Company's operations as well as material impacts, risks and opportunities occurring throughout the value chain, including suppliers, business partners, customers and end-users.

Report Structure

Section	Focus Area
Our Group	Business model, governance and materiality
Smartability	Innovation, connected products and consumers
Operations	Climate, resources, circularity and supply chain
People	Workforce, development, inclusion and safety
Responsible Business	Ethics, compliance, data protection and governance
Performance Summary	Key ESG indicators and results

This structure reflects the **Company's strategic sustainability priorities** while providing a concise and reader-friendly overview of ESG performance.

ESRS and CSRD Alignment

The report has been prepared with reference to the European Sustainability Reporting Standards (ESRS) and supports compliance with the Corporate Sustainability Reporting Directive (CSRD) requirements applicable to the Company.

The sustainability topics included in this report were identified through the Double Materiality Assessment conducted in accordance with ESRS requirements. **This assessment evaluated both:**

- The **Company's impacts** on people and the environment.
- Sustainability-related **risks and opportunities** that may affect business performance and long-term value creation.

The assessment **confirmed** the following material topics:

Environmental	Climate Change • Circular Economy	
Social	Own Workforce • Workers in the Value Chain • Consumers & End-users	
Governance	Business Conduct	

While this Sustainability Report focuses on strategic priorities, key achievements and performance highlights, detailed ESRS disclosures, methodologies and technical reporting requirements are presented separately within the **Company's ESRS Disclosure documentation.**





Reporting **Principles**

The preparation of this report is guided by the following principles:

- **Materiality –** focusing on the sustainability topics most relevant to stakeholders and the business.
- **Transparency –** providing clear and balanced information on performance and challenges.
- **Accuracy –** using internally validated data and reporting processes.
- **Consistency –** enabling comparison of sustainability performance over time.
- **Accountability –** supporting effective governance and stakeholder engagement.

By combining strategic sustainability narratives with key performance indicators and ESRS-aligned reporting, this report aims to **provide a clear overview of how Haier Europe is creating long-term value** while advancing its **environmental, social and governance commitments.**



Our Group

Haier Europe
Sustainability

1. Our Group

1.1. Haier Smart Home **at a Glance**

Global Leadership Driving the Smart Living Transition

Founded in **Qingdao, China in 1984,** Haier Smart Home has grown into one of the world's leading smart home and home appliance companies. Listed on the Shanghai, Frankfurt and Hong Kong stock exchanges, the Group operates a globally integrated ecosystem focused on smart living, connected appliances and sustainable innovation. Through its portfolio of brands—including **Haier, Casarte, Leader, GE Appliances, Candy, Hoover, Fisher & Paykel, AQUA and Kwikot—**the Company delivers products and services that enhance everyday life for consumers worldwide.

According to Euromonitor International, Haier has maintained its position as the **world's No. 1 major home appliance brand** by retail volume for **17 consecutive years.** The Group operates across more than **50 countries and regions,** supported by a global network of research centers, manufacturing facilities, innovation hubs, suppliers and commercial operations.

A Purpose-Led Ecosystem

Haier Smart Home's ESG vision, "Smart Sustainable Living," reflects its commitment to combining smart technology with a human-centered approach to create greener, healthier and more efficient lifestyles. Guided by its distinctive RenDanHeYi management model, the Company integrates sustainability into strategy, operations and product development while creating value for users, employees, partners and society.

The Group's sustainability strategy is built around:

- Smart and connected appliances and ecosystems
- AI-enabled and digital services
- Climate and energy-efficient solutions
- Circular economy and product lifecycle management
- Responsible supply chain practices
- User-centric innovation through the "Zero Distance to Consumer" philosophy

1.1. Haier Smart Home **at a Glance**

Product Portfolio and Market Presence

Haier Smart Home provides a broad range of products and solutions, including:

- **Refrigerators and freezers**
- **Washing machines and fabric care solutions**
- **Home and commercial air conditioning systems**
- **Heat pumps and water solutions**
- **Water heaters and water purification systems**
- **Kitchen and built-in appliances**
- **Small domestic appliances**
- **Smart home ecosystems and digital services**
- **Smart HVAC and energy management solutions**

2025 Key Figures

Indicator	2025
Headquarters	Qingdao, China
Founded	1984
Global Employees	~135,000
Overseas Employees	~54,000
Countries & Regions Represented	50+
Global Home Appliance Ranking	No. 1 by retail volume (17 consecutive years)
R&D Investment	RMB 10.72 billion
Global HVAC Revenue	RMB 72.36 billion
Lighthouse Factories	13
National-Level Green Factories	27
Zero-Carbon Factories	5
Appliances Recycled in 2025	>8 million
Cumulative Appliances Recycled	Nearly 30 million
ESG Rating	MSCI AA
Carbon Neutrality Commitment[1]	By 2050
Renewable Energy Target	100% renewable electricity by 2050
2030 Renewable Energy Target	15% of operational energy use
Haier Europe Renewable Electricity	60% of Scope 2 electricity from renewable sources
SBTi Validation	Haier Europe and Qingdao Haier Special Freezer

[1]Haier smart home in the Carbon Neutrality White Paper commits to carbon-neutral global operations by 2050 and 100% renewable energy across global operations.



1.1. Haier Smart Home **at a Glance**

Sustainability at the Core

Sustainability is deeply embedded in Haier Smart Home's long-term growth strategy. In 2025, the Company strengthened its climate governance by establishing a dedicated **Climate Change Committee** and publishing the Haier Smart Home Carbon Neutrality White Paper, outlining its pathway to carbon neutrality by 2050.

Key priorities include:

- Decarbonizing operations and value chains
- Expanding renewable energy use
- Improving product energy and water efficiency
- Advancing circular economy practices through the "6-Green" lifecycle strategy
- Increasing use of recycled and low-carbon materials
- Strengthening responsible sourcing and supplier engagement
- Leveraging artificial intelligence and digital technologies to improve sustainability performance

Through **continuous innovation, global collaboration and responsible business practices,** Haier Smart Home is helping accelerate the transition toward more smarter and efficient living worldwide.

1.2. Haier Europe **in 2025**

Designing the New Era of Living

Haier Europe is the **European hub of Haier Smart Home** and operates one of the most comprehensive appliance portfolios in the region. The Company **designs, manufactures, distributes** and **services household appliances and smart home solutions,** combining global innovation capabilities with strong local market presence. **Sustainability, digitalization** and **customer proximity** remain at the **core of its business model,** supporting long-term value creation and the transition towards more resource-efficient lifestyles.

In 2025, Haier Europe continued to strengthen its position across European markets through a multi-brand strategy, serving consumers through retail partners, e-commerce platforms, direct-to-consumer channels and connected digital services. The Company's product offering spans all major household appliance categories, enabling it to meet a wide range of consumer needs while supporting growing demand for energy-efficient and connected solutions.

A Diversified Portfolio Serving European Consumers

Haier Europe operates across **five major business segments:**

- Washing
- Cooking and Built-in
- Cooling
- Small Domestic Appliances
- Brown Goods and Electronics.

The **washing category** remains the **largest contributor to revenue,** accounting for **approximately 42% of total sales,** followed by Cooking & Built-in and Cooling products. Together, these three segments **represent the vast majority of the Company's business activities.** The company's total revenue for 2025 amounted to **€2.14 billion.**



1.2. Haier Europe **in 2025**

Operating Footprint

Haier Europe's business model combines global scale with regional manufacturing, R&D, commercial and service activities. The Company manages a network of production facilities, offices, logistics operations and commercial organizations that support customers across Europe and selected international markets. Its value chain encompasses **sourcing, manufacturing, product development, distribution, customer service and end-of-life management.**

The organization continues to invest in **product innovation, digital ecosystems and sustainability initiatives,** integrating climate action, circular economy principles and responsible supply chain management into its growth strategy. Particular focus remains on **reducing lifecycle emissions, improving product efficiency** and supporting **connected consumer experiences through smart technologies.**



1.2. Haier Europe **in 2025**

2025 Key Figures

Indicator	2025
Revenue	€2.14 billion
Employees	5,187
Countries with Employees and Operations	20+
Manufacturing Footprint	Production network across Europe and China
Main Markets	European consumer appliance market
Core Product Categories	Washing, Cooling, Cooking & Built-in, SDA
Sustainability Target	Operational carbon neutrality by 2050[2]
Scope 1 & 2 Emissions Target (SBTi)	-50% by 2030
Scope 3 Emissions Target (SBTi)	-42% by 2030

People and Markets

In 2025, Haier Europe **employed 5,187 people across its operations.** The workforce is distributed across key manufacturing, commercial and support locations, with **Türkiye** (1,606 employees), **Italy** (1,335 employees), **China** (846 employees), and the **United Kingdom** and **Ireland** (645 employees) representing the largest employee populations. Additional employees are located across **more than twenty countries including France, Germany, Spain, Poland, Romania, Portugal, Belgium, Switzerland, the Netherlands** and several other markets.

This broad geographic footprint enables the Company to remain close to consumers, strengthen local market responsiveness and support its **"Zero Distance to Consumer" philosophy,** while leveraging the resources and capabilities of the wider **Haier Smart Home ecosystem.**

Suppliers and Value Chain

Haier Europe's value chain relies on an extensive supplier network providing **raw materials, components, services and logistics support.** The Company continues to strengthen supplier engagement through **ESG requirements,** supplier due diligence processes and sustainability performance monitoring, reflecting increasing expectations under evolving **European sustainability regulations.** Supplier management plays a key role in addressing **climate impacts, circular economy objectives and responsible sourcing commitments across the value chain.**

As part of its **sustainability strategy,** Haier Europe is increasingly integrating environmental and social criteria into procurement activities, promoting greater transparency, resilience and responsibility throughout its **supplier ecosystem.**

[2] Target to achieve operational carbon neutrality (Scope 1 and Scope 2 emissions) by 2050, as outlined in Haier Smart Home Carbon Neutrality White Paper. Scope 3 emissions are addressed through a separate reduction target of-42% by 2030.

1.3. Business Model **& Value Chain**

Creating Value Through an Integrated Home Appliance Ecosystem

Haier Europe's business model is centred on the **design, manufacturing, distribution and servicing of household appliances,** increasingly enhanced by digital technologies, connectivity and circular economy principles. The Company creates value by combining product innovation, operational excellence and customer-centric services to deliver solutions that improve everyday life while supporting energy efficiency and responsible resource use.

Operating as part of the broader **Haier Smart Home ecosystem,** the Company connects global innovation capabilities with local market knowledge to serve consumers across Europe through multiple channels, including **retail networks, e-commerce platforms, direct-to-consumer models and connected digital services.**

Unlike a traditional appliance manufacturer, Haier Europe **increasingly extends its value proposition beyond the sale of products.** Through connected technologies, digital platforms and smart ecosystems, the Company supports consumers throughout the entire appliance lifecycle, from product selection and installation to usage optimization, maintenance and end-of-life management.

How We Create Value

The Company's business model is supported by **four key pillars:**

Innovation and Product Development

Investment in research, product engineering and digital technologies enables the development of increasingly energy-efficient, connected and user-centric appliances. Sustainability considerations such as energy performance, product durability, reparability and circularity are progressively integrated into product development processes.

Manufacturing and Operations

A network of manufacturing facilities and operational sites supports the production of household appliances across multiple product categories. The Company focuses on improving operational efficiency, reducing emissions, increasing renewable energy use and optimizing resource consumption throughout its operations.

Customer Experience and Connectivity

Digital platforms and connected appliances strengthen the relationship with consumers by enabling smarter product use, improved energy management, enhanced maintenance and personalized services. This approach reinforces Haier Europe's "Zero Distance to Consumer" philosophy and supports greater customer engagement throughout the product lifecycle.

Responsible Growth

The Company increasingly incorporates sustainability considerations into procurement, supply chain management, product design and business conduct practices. This includes supplier due diligence, ESG requirements, circular economy initiatives and climate-related actions that contribute to long-term resilience and value creation.

1.3. Business Model **& Value Chain**

Our Value Chain

Haier Europe's value chain extends from raw material sourcing through product manufacturing and distribution to product use and end-of-life management. The Company recognizes that sustainability impacts, risks and opportunities occur **across the entire value chain** and therefore adopts a **lifecycle perspective** when managing its business activities.

Upstream Activities

The upstream value chain includes suppliers of raw materials, electronic components, logistics services and manufacturing inputs. Key sustainability priorities in this phase include responsible sourcing, supplier ESG performance, human rights due diligence and the reduction of embedded emissions associated with purchased goods and services.

Own Operations

Within its own operations, the Company focuses on product development, manufacturing, assembly, warehousing, logistics and supporting business activities. The most significant operational priorities include energy efficiency, emissions reduction, resource management, waste reduction, employee wellbeing and workplace safety.

Downstream Activities

The most significant sustainability impacts occur downstream, during the use phase of products. Energy consumption, product efficiency, durability, maintenance, connectivity and end-of-life treatment all play a critical role in the overall environmental footprint of household appliances. As a result, Haier Europe continues to invest in smart technologies, connected services, eco-design solutions and circular business models that help consumers reduce resource consumption and extend product lifespans.



1.3. Business Model **& Value Chain**

Sustainability Integrated Across the Value Chain

The **Company's material sustainability topics** are directly linked to different stages of the value chain.

- Climate-related impacts are **concentrated in product use** and **energy consumption.**
- Circular economy opportunities are **driven by product design, materials selection, repairability, refurbishment and recycling initiatives.**
- Workforce considerations are **primarily associated with manufacturing operations** and **corporate functions.**
- Supply chain risks and human rights considerations are **managed through supplier engagement** and **due diligence processes.**
- Consumer and end-user topics are addressed through **product quality, safety, digital services and data protection measures.**

By **integrating sustainability throughout the value chain,** Haier Europe seeks to create **long-term value for customers, employees, suppliers, business partners and society** while supporting the transition towards a more resource-efficient and low-carbon economy.





1.4. Governance **& ESG Governance**

Corporate Governance (Governance Supporting Long-Term Value Creation)

Haier Europe has established a governance framework designed to support effective decision-making, responsible business conduct and the integration of sustainability into business strategy. Governance responsibilities are distributed across the **Board of Directors, executive leadership and dedicated sustainability governance bodies,** ensuring that **environmental, social and governance (ESG)** considerations are incorporated into strategic planning, risk management and operational activities.

The governance framework is supported by a series of corporate policies and control systems, including the **Code of Ethics, ESG Business Code of Conduct, whistleblowing mechanisms, internal control processes and risk management procedures.** Together, these elements promote transparency, accountability and alignment with stakeholder expectations across the organization.

1.4. Governance **& ESG Governance**

Board Oversight

Board of Directors

The Board of Directors maintains **ultimate responsibility for governance, business conduct and sustainability oversight.** It establishes the strategic direction of the Company, oversees risk management processes and ensures that ESG considerations are integrated into business decisions and long-term planning. The Board receives regular reporting on sustainability performance, material impacts, risks and opportunities, enabling informed decision-making on topics that **may influence the Company's long-term value creation.**

In 2025, governance bodies across the **Candy S.p.A. perimeter** consisted of **38 members,** including **36 executive members and 2 independent board members.** Women represented **15.8% of administrative, management and supervisory body members.**

Governance Bodies Composition

Governance Indicator	2025
Total members	38
Executive members	36
Independent board members	2
Women representation	15.8%
Men representation	84.2%

The **Board's expertise** reflects the **Company's core activities** and includes experience in manufacturing, innovation, supply chain management, finance, legal affairs, digital technologies, sustainability and commercial operations across multiple international markets.

1.4. Governance **& ESG Governance**

Sustainability Governance

Sustainability Committee Structure

To support the implementation of its sustainability strategy, Haier Europe has established a dedicated ESG governance model that combines Board-level oversight with executive management engagement and operational execution. Sustainability responsibilities are distributed across a structured governance framework, ensuring that strategic priorities are translated into actions across the organization.

Sustainability Board Committee

The Sustainability Board Committee provides strategic oversight of sustainability matters and supports the integration of ESG priorities into corporate decision-making. The Committee reviews strategy implementation, major sustainability developments, emerging regulatory requirements and progress against key ESG objectives.

Cross Functional Executive Sustainability Committee

At executive level, the Cross Functional Executive Sustainability Committee supports the execution of sustainability initiatives across business functions. The Committee facilitates coordination between departments and promotes alignment between sustainability objectives and operational activities.

Sustainability Working Groups

Dedicated Sustainability Working Groups support implementation activities across key areas such as climate change, circular economy, responsible sourcing, people initiatives and sustainability reporting. These groups provide subject matter expertise and coordinate actions across the organization.

ESG Governance Model

Governance Level	Primary Responsibility
Board of Directors	Strategic oversight and accountability
Sustainability Board Committee	ESG strategy and performance review
Cross Functional Executive Sustainability Committee	Strategic oversight and accountability
Sustainability Working Groups	Operational execution and monitoring
Business Functions & Data Owners	Delivery of actions, metrics and reporting

1.4. Governance **& ESG Governance**

ESG Integration and Risk Management

Integrating Sustainability into Business Decisions

Haier Europe's governance model is closely linked to its **sustainability reporting, risk management and strategic planning processes.** Sustainability impacts, risks and opportunities are assessed through the **Company's Double Materiality Assessment** and integrated into decision-making, helping management understand how environmental and social factors may affect business performance and stakeholder value.

The **governance framework** supports the management of material sustainability topics including climate change, circular economy, workforce development, supply chain responsibility, consumer-related impacts and business conduct. These topics are monitored through **structured reporting processes** and regularly reviewed by management and governance bodies.



1.4. Governance **& ESG Governance**

Risk Management Framework

Haier Europe applies a **risk management approach** that considers sustainability matters in conjunction with broader enterprise risk management activities. Sustainability-related risks and opportunities are **identified through the double materiality assessment,** while relevant findings are incorporated into **management risk discussions and decision-making processes.**

The risk assessment process **evaluates both:**

Impact materiality, focusing on the Company's effects on people and the environment.

Financial materiality, focusing on sustainability-related risks and opportunities that may affect business performance.

The **double materiality assessment** and **risk management activities** identified several sustainability-related matters requiring ongoing management attention.

Main Risk Area	Examples
Climate & Regulatory	Decarbonization requirements, product regulations, energy transition
Supply Chain	ESG compliance, supplier transparency, human rights risks
Operations	Energy consumption, resource efficiency, environmental compliance
Workforce	Health and safety, talent attraction, diversity and inclusion
Consumers & Data	Product quality, cybersecurity, data privacy
Governance	Ethics, compliance and anti-corruption

To mitigate these risks, the Company relies on a combination of **policies, internal controls, audits, compliance programs, supplier due diligence processes, digital monitoring tools and management review mechanisms.** Sustainability performance and risk developments are periodically reported to governance bodies to support informed decision-making and continuous improvement.





1.5. Double Materiality **Assessment**

Understanding What Matters Most

In 2025, Haier Europe conducted its **Double Materiality Assessment (DMA)** in line with the requirements of the **European Sustainability Reporting Standards (ESRS).** The assessment was designed to identify the sustainability topics that are most relevant to both the Company's impact on people and the environment and the potential financial effects that sustainability-related risks and opportunities may have on the business.

The assessment provides the foundation for **Haier Europe's sustainability strategy,** reporting approach and **ESG governance framework.** It enables the Company to focus its actions and resources on the topics that are most significant across its operations and value chain.

1.5. Double Materiality **Assessment**

Assessment Process

The **Double Materiality Assessment** followed a structured process covering the entire value chain and combining both impact and financial perspectives. The assessment considered the **Company's own operations, upstream suppliers and downstream activities,** including product use and end-of-life management.





The process **included:**

1. **Identification of potential sustainability topics** based on ESRS requirements, internal expertise and sector-specific considerations.
2. **Assessment of actual and potential impacts** on people and the environment.
3. **Evaluation of sustainability-related risks and opportunities** that could affect financial performance, business resilience and long-term value creation.
4. **Consultation with internal and external stakeholders** to validate priorities and gather perspectives.
5. **Prioritisation of topics** using defined scoring criteria and relevance thresholds to determine materiality.

The assessment results were reviewed through the **Company's governance processes** and incorporated into sustainability reporting, risk management and strategic planning activities.

1.5. Double Materiality **Assessment**

Stakeholders Engaged

Stakeholder engagement played a **central role in the assessment process.** Haier Europe engaged a broad range of internal and external stakeholders to better understand expectations, concerns and sustainability priorities across its value chain.

Stakeholder input was collected through engagement activities, surveys, workshops, management discussions and ongoing business interactions. The results helped **validate material topics** and ensure that the assessment reflected both **business priorities and stakeholder expectations.**

Key Stakeholder Groups

Stakeholder Group	Main Areas of Interest
Customers and End-users	Product quality, energy efficiency, safety, connectivity and data protection
Employees	Health and safety, development opportunities, diversity and inclusion
Suppliers and Business Partners	Responsible sourcing, ESG requirements and long-term collaboration
Shareholders and Investors	Corporate governance, risk management and sustainability performance
Regulators and Public Authorities	Regulatory compliance, transparency and reporting
Local Communities and Society	Environmental impacts, responsible business practices and social contribution

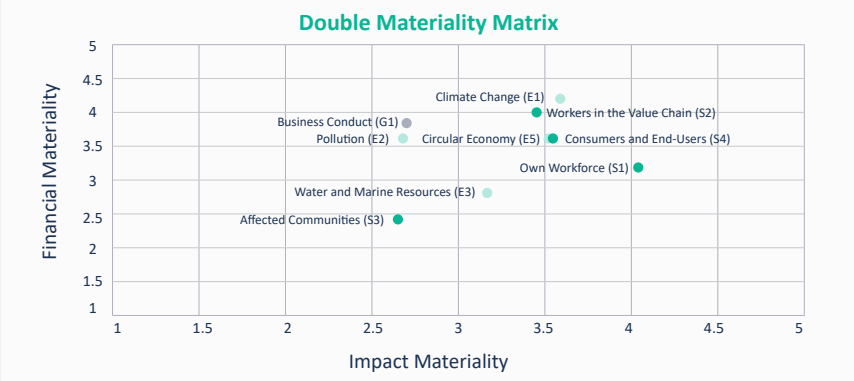


1.5. Double Materiality **Assessment**

Material Topics

The **Double Materiality Assessment** confirmed a set of material environmental, social and governance topics that have the greatest relevance to Haier Europe's business model, value chain and stakeholders. These topics form the basis of the **Company's sustainability strategy and reporting structure.**

Final Material Topics **Matrix**



Topics Assessed as Non-Material

The assessment concluded that **certain ESRS topics currently have limited relevance** from either an impact or financial perspective and therefore are not considered material for reporting purposes. In particular, **Affected Communities (S3)** was assessed as non-material within the current reporting perimeter.

Where Material Impacts Occur

The assessment **highlighted that material impacts, risks and opportunities** are distributed across the entire value chain, although their concentration differs by topic. Climate-related impacts and opportunities are **primarily associated** with product use, while supply chain risks are **concentrated upstream.** Workforce-related impacts arise largely within operations, whereas consumer-related topics are predominantly linked to products, connected services and customer interactions.

Value Chain Stage	Most Relevant Material Topics
Upstream	Climate Change, Circular Economy, Workers in the Value Chain
Own Operations	Climate Change, Own Workforce, Business Conduct
Downstream	Climate Change, Consumers and End-users, Circular Economy
End-of-Life	Circular Economy and Resource Efficiency

The results of the **Double Materiality Assessment guide Haier Europe's sustainability priorities,** helping the Company focus on the issues that matter most to its stakeholders while **supporting long-term business resilience and sustainable growth.**



Smartability

Haier Europe
Sustainability

2. Smartability

Key Challenges

Enabling Sustainable Consumption in a Connected World

As consumer expectations evolve and sustainability requirements become increasingly stringent, Haier Europe faces the challenge of continuously improving product performance while reducing environmental impacts across the product lifecycle. The Company's most significant environmental impacts occur during the use phase of its appliances, making energy efficiency, product durability and consumer behaviour critical areas of focus.

Digitalisation and Connected Ecosystems

The expansion of connected appliances and smart home technologies creates opportunities to improve product efficiency and consumer engagement. However, it also increases expectations around cybersecurity, data protection and digital trust. As connected ecosystems become more central to the customer experience, ensuring secure and responsible data management remains a strategic priority.

Climate and Energy Transition

The transition towards a low-carbon economy requires the development of increasingly efficient products capable of reducing energy consumption throughout their lifetime. Regulatory developments, including stricter energy performance requirements and product sustainability regulations, continue to drive innovation across appliance categories. At the same time, consumers increasingly expect products that combine high performance with lower environmental footprints.

Supply Chain and Product Transparency

Consumers, regulators and investors increasingly expect greater transparency regarding product sustainability performance, lifecycle impacts and supply chain practices. This requires improved data collection, lifecycle assessments and collaboration across the value chain to support reporting, compliance and informed decision-making.

Circular Economy Expectations

Growing regulatory and stakeholder expectations are accelerating the shift towards circular product models. Improving durability, reparability, recycled content and end-of-life management has become increasingly important as new requirements emerge around product design, resource efficiency and waste reduction. Haier Europe must therefore continue strengthening its approach to eco-design and lifecycle management.

2. Smartability

Key Actions

Improving Product Energy Efficiency

Haier Europe continues to invest in the development of energy-efficient appliances designed to reduce environmental impacts during the use phase. Product innovation focuses on optimizing energy consumption, improving performance and supporting long-term decarbonisation objectives through more efficient technologies and smart functionalities.

Strengthening Product Lifecycle Assessments

Life Cycle Assessment (LCA) methodologies are used to better understand environmental hotspots across product categories and identify opportunities for improvement. By assessing carbon and environmental impacts across the value chain, Haier Europe supports data-driven decision-making and product innovation.

Advancing Connected Solutions

Connected appliances and digital services play an increasingly important role in helping consumers optimize resource consumption. Through smart technologies and connected ecosystems, the Company supports users in monitoring energy use, improving appliance performance and adopting more sustainable consumption habits. The development of connected solutions remains a key component of Haier Europe's Smartability strategy.

Enhancing Consumer Trust

The Company continues to strengthen product quality, safety, transparency and responsible data management practices. Policies covering consumer protection, product responsibility, cybersecurity and privacy are embedded within the Company's governance framework and support the ongoing development of trusted customer relationships.

Integrating Circular Design Principles

The Company continues to integrate circular economy principles into product development processes through initiatives focused on durability, repairability, recycled materials and lifecycle performance. Circularity considerations are progressively incorporated into design decisions to reduce resource consumption and extend product lifespans.

2. Smartability

Key Targets

Smartability Objectives

Haier Europe's Smartability ambitions are designed to support sustainable consumption, reduce environmental impacts and strengthen customer engagement through innovation and connected technologies. These ambitions contribute directly to the **Company's climate, circular economy and consumer-related objectives.**

Strategic Area	Target
Climate Change	Reduce Scope 3 emissions by 42% by 2030 (vs. 2021 baseline)
Climate Change	Reduce Scope 1 and Scope 2 emissions by 50% by 2030
Long-Term Climate Ambition	Achieve Operational carbon neutrality by 2050
Product Innovation	Continue development of energy-efficient and connected products
Circular Economy	Increase use of circular design principles, durability and reparability
Consumer Experience	Expand digital and connected ecosystem services
Data & Connectivity	Maintain secure and responsible management of connected technologies

Supporting the Transition to Sustainable Homes

Through innovation, digitalisation and lifecycle thinking, Haier Europe aims to strengthen the contribution of its products and services to more sustainable living. Product efficiency improvements, smart technologies and circular business approaches are expected to play a central role in reducing environmental impacts while creating value for customers.

Measuring Progress

Progress is monitored through a combination of environmental and product-related indicators, including greenhouse gas emissions, energy performance, lifecycle assessments, connected product development and consumer-focused sustainability initiatives. These metrics support the Company's broader sustainability strategy and long-term growth ambitions.

2.1. Product Leadership **at Zero Distance**

Putting Consumers at the Centre of Innovation

Haier Europe's approach to innovation is built around its **"Zero Distance to Consumer" philosophy,** which aims to create direct and continuous relationships with users throughout the product lifecycle. Product development increasingly combines physical appliances with digital services, connected ecosystems and data-driven insights to deliver enhanced user experiences while supporting sustainability objectives.

By integrating connectivity, artificial intelligence and digital services into household appliances, the Company seeks to help consumers optimize **energy consumption, improve product performance and make more informed sustainability choices.** Connected products are therefore not only a source of convenience, but also a tool to support resource efficiency and responsible consumption.

Through this ecosystem approach, **Haier Europe extends its relationship with consumers beyond the point of sale,** creating ongoing engagement through connected platforms, digital services and product support solutions. These interactions generate valuable insights that help improve products, develop new services and respond more effectively to evolving consumer needs.

The hOn Ecosystem

At the centre of **Haier Europe's digital ecosystem is the hOn platform,** which connects appliances, services and users within a single integrated environment. The platform forms a key element of the **Company's Smartability strategy,** enabling consumers to interact with appliances in more efficient and intelligent ways.

The **hOn ecosystem** supports a growing portfolio of connected products and services across multiple appliance categories, allowing users to monitor, control and optimize appliance performance through digital interfaces and connected technologies. The platform contributes to sustainability objectives by encouraging more efficient resource use and providing consumers with greater visibility over appliance operation and consumption.

Connected ecosystems also create opportunities to collect **product performance data, improve customer service, enable predictive maintenance and support product innovation.** This continuous interaction between products and users strengthens the Company's ability to deliver tailored experiences while supporting long-term customer loyalty.

2.1. Product Leadership **at Zero Distance**

How the hOn Ecosystem Creates Value

Area	Consumer Benefits
Connectivity	Remote interaction with connected appliances
Energy Management	Improved visibility over energy consumption
Product Performance	Optimization of product settings and usage
Maintenance	Early issue detection and preventive support
User Experience	Personalized recommendations and services
Sustainability	Support for more efficient resource consumption

Expanding Digital Services

Haier Europe increasingly complements its appliances with digital services that extend value **beyond product ownership.** These services are designed to **improve ease of use, strengthen consumer engagement and help users maximize appliance performance throughout the product lifecycle.**

Digital solutions support consumers by **providing information, guidance and connected functionalities that simplify everyday interactions with household appliances.** They also create opportunities for more proactive customer service through diagnostics, monitoring and lifecycle management capabilities.

The **Company's digital ecosystem** contributes to several **sustainability objectives:**

1. **Supporting** more efficient use of household appliances.
2. **Encouraging** responsible consumption patterns.
3. **Enhancing** product longevity through improved maintenance and care.
4. **Providing consumers** with information that supports sustainability-conscious decisions.
5. **Enabling** continuous improvement through user feedback and performance insights.

As connected ecosystems continue to expand, data protection, cybersecurity and **consumer trust remain fundamental priorities.** The Company has established policies governing responsible data management and cybersecurity to support the **secure operation of connected products and digital platforms.**

2.1. Product Leadership **at Zero Distance**

Building an Ecosystem Through Strategic Partnerships

Haier Europe **continues to strengthen its connected ecosystem** through partnerships that **support more sustainable lifestyles and energy management solutions.** These collaborations extend the functionality of connected appliances and help consumers make smarter decisions regarding energy consumption and resource efficiency.

Energy-related partnerships are a **key component of this strategy.** By integrating connected appliances with external services and digital energy solutions, the Company is creating opportunities for users to optimize appliance operation according to energy availability, efficiency requirements and sustainability preferences.

These partnerships support **several strategic objectives:**

- **Facilitating** the transition towards more sustainable energy consumption models.
- **Increasing** the value generated by connected appliances.
- **Enhancing** consumer awareness of energy-related impacts.
- **Encouraging** the adoption of smart home ecosystems.
- **Supporting** climate objectives through more efficient product use.

The development of these partnerships reflects **Haier Europe's broader ambition** to combine technology, sustainability and customer-centric innovation in a way that creates tangible benefits for both users and the environment.



2.1. Product Leadership **at Zero Distance**

Supporting Sustainable Consumption

Connected products, digital services and ecosystem partnerships collectively contribute to Haier Europe's objective of helping consumers **reduce their environmental footprint.** Through a combination of data, connectivity and intelligent technologies, the Company seeks to **bridge the gap between product performance and sustainable behaviour.** This approach reinforces the role of Smartability within **Haier Europe's sustainability strategy,** positioning digital innovation as an enabler of energy efficiency, circularity and long-term customer value creation.





2.2. Energy-Efficient **Products**

Improving Performance Where It Matters Most

For Haier Europe, product innovation plays a **central role** in reducing **environmental impacts across the value chain.** Since the use phase remains the most significant contributor to lifecycle emissions, the Company continues to focus on improving **appliance efficiency, integrating smart technologies and developing connected solutions** that help consumers optimize energy and resource consumption. Across all major product lines, innovation is increasingly driven by the combination of **sustainability, digitalisation and user experience.**

The Company's product strategy is **closely aligned with its climate objectives,** supporting the transition towards lower-carbon households through more efficient appliances, smarter energy management and connected ecosystems capable of influencing consumer behaviour.

1. Washing

In the washing product category, Haier Europe offers washing machines and tumble dryers. Leading the market with **100% of Haier brand washing machines, Hoover H-Wash models, and Candy Pro-Wash models rated A class,** Haier's innovations include **auto-dose, softer pillow drums, water and heat recirculation, connectivity, and efficient heat pump inverters.**

In 2025, efforts to improve the energy efficiency of the washing product portfolio across all brands continued. Alongside the launch of the **first Haier A-60% Class washing machine,** several washing machines and dryer ranges saw significant energy upgrades. For example, **Candy ProWash 750 and Hoover H/Care 300** models reached up to A-50% ratings thanks to the advanced Speed Drive Inverter Motor and the new algorithm implemented.

On the dryer side, notable improvements were made to **Candy and Hoover's ProDry 750 range,** which introduced the **WarmDry Pro Cycle,** which is designed to protect your most delicate fabrics and save energy at 35° for an impeccable result.

100% of New Candy Pro-Wash and Hoover H-Wash **offer on the market a A class or higher energy efficiency rating**

100% of Haier-branded washing machines **offered on the market already have an A class energy efficiency rating**

Haier Top loaders all have auto dose with auto clean, increasing the durability of the machine and reducing maintenance. Implemented a **20% packaging weight reduction** through the reduction of EPS density.

Our **Heat pump Tumble dyers** have the new adaptive anti tangling algorithm making the drying process of big loads more effective, avoiding extra drying time, preventing loss of efficiency working only when needed.

2.2. Energy-Efficient **Products**

The **Eskişehir, Turkey, tumble dryer factory,** operational since 2021, achieved notable sustainability milestones in 2024-2025:

1. **Solar Panel Integration:** The facility expanded its solar panel array, covering 20% of its energy needs, reducing CO2 emissions by 1,200 tons annually.
2. **Zero-Waste Certification:** Achieved zero-waste-to-landfill status through 95% material recycling and waste-to-energy processes.
3. **Solar Energy System:** A portion of the production electricity demand is supplied through our on-site solar energy system. Furthermore, the electricity procured from the grid is fully covered by IREC certificates, ensuring that 100% of the electricity consumption is from renewable sources.
4. **Recycle:** Our recycling rate has been further improved and has exceeded 99%.



Haier X-Series 11 Washing Machine with Soft Wash technology

In 2025, Haier Europe launched a new **X-Series 11 Washing Machine** capable of reaching an **energy efficiency 60% better than an A class** thanks to the innovative **Soft Wash solution,** a water-softening system designed to reduce the environmental impact of every cycle. By adding softening salt into the dedicated module in the detergent drawer, Soft Wash removes hard minerals and impurities from the water before each cycle, **significantly increasing the efficacy of the detergent** even at low temperatures. The result is a more sustainable and gentle wash that needs less detergent while preserving fabrics' colors and shape for longer and reducing energy consumption. With Soft Wash, every wash cycle **leaves a lighter footprint on the planet.**

2.2. Energy-Efficient **Products**

Haier A Class WashPass

Haier offers the **A Class WashPass,** the first AI-driven washing subscription service that brings a professional laundry experience directly to customers' homes. This monthly service includes **installation, repair and maintenance.** Key features **include:**

Disaggregated chemistry: optimizes detergent selection using four Nuncas detergents, tailored to washing temperatures, stains and fabrics.

Intelligent auto-dosing 2.0: through the hOn app, the Intelligent auto-dosing 2.0 system dose just the right amount of detergents to address the issue of the customer, minimizing chemical waste and environmental impact.

Automatic refill: AI detects low detergent levels, triggering automatic reorders and home delivery.

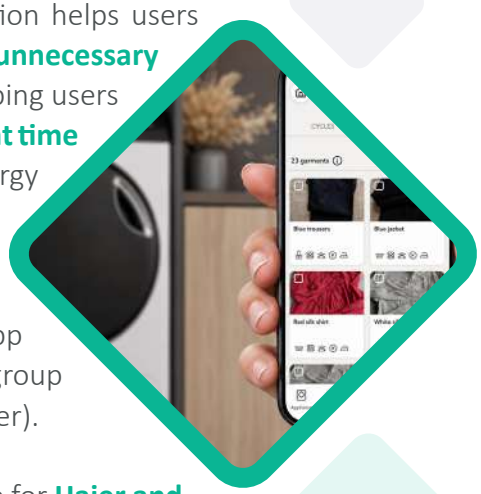
Comparative LCA screening showed that the WashPass model has a **lower environmental impact** compared to traditional washing machines. Defective machines are collected for component recovery, material recycling and appliance refurbishment where possible. Its automatic dosing system, using four pumps for precise detergent delivery based on the selected program, **reduces water, energy and detergent consumption.** The WashPass model **emits 24% less CO2eq** and has a **41% lower land-use impact** compared to a traditional washing machine, resulting in an overall **3% reduction in environmental impact** across all measured indicators (single Score).



2.2. Energy-Efficient **Products**

IoT enabled features

In terms of **IoT features** for the latest washing machines ranges, consumers receive alerts to clean filters or advice on the level of maintenance required. Weather integration helps users **optimize drying activities and reduce unnecessary tumble dryer usage** whenever possible, helping users shift appliance usage to **more energy-efficient time slots.** Within the **IoT ecosystem,** Smart Energy Scenarios enable users to schedule laundry cycles **using energy generated from solar panels,** allowing **zero-cost, zero-emission washing** through the integration of the app in Haier washing machines and others group appliances (solar panels set and Haier inverter).



The **Snap and Wash** is a key feature available for **Haier and Candy's washing machines:** thanks to AI, consumers upload a picture of their laundry and receive suggestions on the best program to choose from.

Other **AI and connectivity solutions** developed for washing machines and tumble dryers **include:**

Over-the-air software updates **help extend product lifecycle** by continuously **improving performance, maintaining compatibility, and enabling feature evolution over time.** Through alerts, notifications and smart check-up, users keep under control any additional maintencance and troubleshooting, to ensure optimal product health and prevent service calls.

Live energy and water monitoring during use helping the user understand the **impact of different cycle options.**

The **Smart Tariff feature** links the user's hOn profile with their energy provider, allowing users to schedule wash cycles when electricity costs are lowest; the service is currently available in Spain with Iberdrola provider. Similar to Smart Energy Start feature available in France with EDF and Datanumia.

The **Smart AI Cycle, optimizes water, energy, and detergent usage** by adjusting washing programs based on fabric type and load weight, enhancing cost efficiency.

The **Syncro function** automatically **adjusts drying time** based on load size and humidity. It syncs the washer and dryer to select **the right drying program, helping reduce unnecessary drying time and energy consumption.**

[1] H-Wash 700, H-Wash 350, I-PRO 7 and I-PRO 5



2.2. Energy-Efficient **Products**

Focus on: partnership with Procter and Gamble

Haier Europe is **continuing its partnership with Procter & Gamble,** featuring brands such as **Dash, Ariel, Lenor and Fairy.** Through the **hOn app,** users gain access to **eco-friendly tips that enhance appliance efficiency while reducing environmental impact.** These include optimizing cycles to save water, minimizing energy use, and promoting the correct use of detergents.

Additionally, **hOn ecosystem encourages more sustainable daily habits** by educating users on efficient cycle selection, low-temperature washing, load optimization, and responsible appliance usage. Visitors to the hOn website can also explore the **Sustainability section,** where articles based on P&G research share insights on practices like low-temperature washes and water conservation by eliminating unnecessary rinse.

2.2. Energy-Efficient **Products**

2. Refrigeration

The refrigeration category includes fridges and freezers. With regards to these products the **sustainable approach of Haier Europe** focuses on **two main directions:** optimizing energy consumption and enhancing food preservation with the purpose of reducing food waste. Both objectives are pursued through **cutting-edge design and technology and with a strong contribution of smart features.**

In terms of energy efficiency, the Company has **proactively upgraded its product range** to meet regulatory requirements well before deadlines and **introducing higher energy rating as first in the market for each main category.**

The approach is also considering the specificity of Haier Europe brands, delivering a **customized experience for Haier and Candy end users.**

Concerning **Candy brand,** the evolution in the last 12 months focused on the introduction of **more efficient ranges,** with high energy performances (up to A class) now available widely in the product portfolio, including built-in and freezers.

The Haier brand sustainable vision is well summarized by the claim **"More than A class".** The pure achievement of the highest performance is always accompanied by other leading features **making the low consumption models even more attractive to consumers.** For example, the **A-rated Side by Side series 7 and 3D Bottom Mount series 7** are also adding a leading storage capacity of **more than 600 lts and more than 400 lts** respectively, guaranteeing maximum usability even for large amounts of food. Products with **additional reduction in consumption (20%)** versus the A-class standards are also available in the range, together with special products as Wine Coolers and Freezers.



Haier attitude in continuous innovation is now summarized by the **Horizon Collection,** a series of Multidoor refrigerators starting for clear consumer insights to deliver the best sustainable solutions in terms of optimized preservation, energy performance, and water saving.

Nutribank technology is the **most innovative feature** introduced by Horizon. A special drawer powered by a magnetic field is able to keep meat fresh for **10 days without freezing.** This prevents nutrient loss, enhancing food safety, flavor and freshness and minimizes waste. Horizon also reaches the **highest energy performance (C class)** for any refrigerator above 700 lts of capacity.



2.2. Energy-Efficient **Products**

Focus on: Preventing food waste via Smartness

Haier Europe continues to innovate in **food preservation** and **waste reduction** through its **hOn app.** One of the main features is the **Proactive Temperature setting, powered by integrated AI.** This technology ensures optimal food freshness by automatically adjusting fridge temperatures based on factors such as weather, shopping habits, and user behavior. This leads to **longer-lasting freshness and reduced food waste.**

The app also includes a **Smart Food Locator,** offering precise advice on the ideal storage location for each type of food, further prolonging freshness and reducing spoilage. Moreover, the hOn app provides **real-time monitoring,** including a **Blackout Alert feature** that notifies users of power outages, allowing them to take necessary actions to protect food quality. By implementing these intelligent solutions, families can reduce their food waste **by approximately 65 kg per year,** the equivalent of **22 daily meals.**

2.2. Energy-Efficient **Products**

3. Cooking and Built-In

Haier Europe's cooking and built-in portfolio, showcased **at IFA 2025,** emphasizes **energy efficiency, smart connectivity, and innovative design to promote sustainable cooking habits.** The "ready to cook" philosophy underpins the product range, integrating advanced technologies to minimize energy and resource use while enhancing user experience. Key launches include the **ID SERIES Steam Series, connected ovens and hobs and the AI Camera SERIES 6,** alongside updates to the Candy brand's cooking appliances.

Haier Ovens

ID SERIES Connected Ovens (A++ Energy Class)

- **Bionicook[tm] Technology:** A standout feature, Bionicook[tm] uses adaptive learning to tailor cooking parameters to individual user preferences and culinary styles, optimizing energy use over time. This self-evolving system reduces unnecessary energy consumption by adjusting settings based on past usage.



- **No Preheat Technology:** Eliminates preheating, saving up to 30% in cooking time and 25% in energy compared to conventional ovens. This is achieved through powerful heating elements that rapidly reach high temperatures.
- **Full Menu Multi-Level Cooking:** Allows simultaneous cooking on four cavity levels, reducing cooking time by up to 60% and energy use by 40% by streamlining multiple dishes into a single cycle.
- **Indoor Cameras:** Monitor food without opening the oven door, preventing heat loss and optimizing cooking cycles by detecting food types to set efficient parameters.

Candy Ready to Cook Ovens (A++ Energy Class)

- **Incorporate similar No Preheat and multi-level cooking features,** with a redesigned Italian aesthetic and enhanced connectivity for recipe access and energy monitoring via the hOn app.



2.2. Energy-Efficient **Products**

Hobs & Hoods

Built-In Hobs with Integrated Hood

These hobs combine induction cooking with an integrated hood, **reducing kitchen clutter and optimizing energy use** through synchronized operation.



- **Power Management:** Allows users to set energy consumption limits, ensuring hobs operate within efficient parameters, a feature that enhances control beyond standard induction hobs.
- **Sync Hob-Hood Technology:** Automatically adjusts hood suction speed based on hob activity, preventing excessive energy use by the hood and improving overall kitchen efficiency.

Induction packaging is **100% cardboard made from recycled paper,** reducing the use of PPS.

Dishwashers

Haier I-Pro Shine Series 7 Dishwasher

In 2023, Haier Europe introduced **its first A-class dishwasher.** The **Haier I-Pro Shine Series 7** combines premium performance with energy efficiency, with an A energy rating. Its innovative **Brushless Inverter Motor** reduces noise and vibrations while enhancing durability and efficiency.



Key features include the **patented Cutlery Shine Plus technology,** which uses five rotating nozzles and a**n additional upper spray arm** to ensure spotless cutlery cleaning. The **H-Spray** guarantee results by **up to 60%** compared to standard models.

Equipped with **AI-driven programs and intelligent sensors,** the dishwasher optimizes water and energy consumption for each load, **providing tailored washing cycles.** The **Smart Dosing feature** accurately measures detergent based on load weight, **minimizing waste.**

2.2. Energy-Efficient **Products**

Dishwashers

Haier I-Pro Shine Series 7 Dishwasher

The spacious **Maxi Tub design** accommodates larger items, while the flexible lower basket allows for customizable loading. Additionally, the **eco-friendly drying option** automatically opens the door at the end of the cycle for natural airflow, **enhancing drying efficiency without additional energy use.**

IoT-enabled features designed to enhance dishwashing efficiency while minimizing waste and costs include **Snap and Wash and Half-Load Pro.** Snap and Wash is an **AI-driven tool** developed in collaboration with **Politecnico di Milano and Accenture,** which guides users on optimal loading techniques and cycle selection to maximize resource efficiency. By simply taking a picture of their load, users receive recommendations for the most suitable washing program.

Half-Load Pro is a specialized option that allows users to target a specific basket within the dishwasher, **achieving savings of over 25% in energy and water** compared to the already efficient **ECO cycle.** Additionally, smart AI programs provide insights into the consumption values of various cycles, enabling users to select the option that minimizes both water and energy usage.

In 2025, Haier Europe introduced its **first dishwasher equipped with advanced technology , completely UV-FREE ,** that ensures kitchenware is thoroughly sanitized and deeply cleaned, **without compromising the environment. Sani-Clean 45°,** an innovative and unique program powered by **Biovitae technology,** designed to deliver exceptional sanitation at low temperature and deep cleaning with **a strong focus on sustainability.** Sani-Clean 45° combines unparalleled hygiene with energy efficiency, making it the perfect choice for those who value both cleanliness and sustainability Sani-Clean 45° operates at low temperatures to sanitize your dishes and dishwasher at **an impressive 99.99%,** all while significantly reducing energy consumption compared to traditional sanitizing high-temperature dishwasher cycles.





2.2. Energy-Efficient **Products**

4. Small Domestic Appliances

Energy Efficiency and Performance

Haier Europe continued to **prioritize energy efficiency** in its **2024 SDA launches,** particularly with the introduction of the **KSDA Series 7 line,** which includes toasters, kettles, and kitchen machines. These appliances are **designed with advanced technologies to minimize energy consumption** while **delivering professional-grade performance.** For instance, the KSDA Series 7 kettle **builds on the success** of the 2023 Kettle Series 5, incorporating **enhanced vacuum insulation that retains heat for up to 14 hours** (an improvement from 12 hours in 2023), reducing the need for frequent reboiling and achieving **up to 85% energy savings** compared to standard kettles. This feature ensures prolonged heat retention, minimizing energy waste during daily use.

The **2024 Series 5 Air Fryer** has been **upgraded with improved insulation and a larger front glass window,** enabling users to **monitor cooking without opening the appliance, thus preventing heat loss.** This design enhances cooking efficiency by **up to 45%** compared to conventional air fryers, surpassing the 40% efficiency gain of the 2023 model.

For standalone microwaves, Haier incorporated inverter technology that dynamically adjusts power output to match cooking requirements. Unlike traditional microwaves that cycle on and off at full power, these microwaves maintain **consistent low-power operation** for tasks like defrosting or reheating, resulting in **up to 10% energy savings** compared to standard models. Our standalone microwaves also incorporate a smart sensor cooking system that detects food moisture levels and adjusts cooking time to prevent overcooking, further reducing energy use.



2.2. Energy-Efficient **Products**

Connectivity and IoT Integration

Haier Europe's commitment to IoT integration through the hOn app **remains a cornerstone of its sustainability strategy in 2024.** The KSDA Series 7 appliances and microwaves are **fully compatible with the hOn app,** allowing users to remotely monitor and control their devices. The app provides **real-time energy consumption data,** enabling users to track usage patterns and optimize settings for maximum efficiency. For example, the app suggests eco-friendly cooking programs for air fryers and microwaves, such as low-power modes for specific recipes, which can **reduce energy use by up to 15%.** The 2024 update to the hOn app introduced a **"Green Living" feature,** which offers personalized tips for reducing energy and water consumption based on usage habits. This feature is particularly effective for connected kettles and air fryers, where users receive recommendations for optimal boiling or cooking settings to minimize environmental impact. This focus on user-driven efficiency through digital tools **enhances the sustainability of Haier's SDA range.**

Material Use and Durability

Haier Europe has further emphasized **durability and sustainable materials** in its **2024 SDA portfolio.** The KSDA Series 7 and microwaves incorporate food-contact components made from **recycled stainless steel and BPA-free plastics,** reducing reliance on virgin materials. The premium handstick vacuum range, led by the **Hoover HFX 2.0** (an evolution of the 2023 HFX model), uses **60% recycled materials** in its outer casing, **up from 50% in 2023.** The HFX 2.0 also features a modular design, allowing users to replace individual components like batteries or filters, extending the product's lifecycle **by up to 7 years and reducing electronic waste.**

The **microwave series** includes a corrosion-resistant interior coating made from eco-friendly ceramic materials, which **enhances durability and eliminates the need for chemical-based cleaning agents.** This coating is designed to withstand high temperatures and frequent use, ensuring the appliance remains functional for over a decade under normal conditions.

TVs: Sustainability in Consumer Electronics

The hOn app integration allows users to monitor TV energy consumption and receive tips for optimizing settings, such as enabling **eco-mode** during streaming to **reduce power usage.**

2.2. Energy-Efficient **Products**

Sustainable Packaging Updates

For large appliances like TVs, Haier introduced modular packaging in 2024, which uses fewer materials by optimizing box design to fit the product's exact dimensions. This innovation reduces packaging volume **by 15%** and **lowers transportation-related carbon emissions** due to more efficient stacking. Additionally, Haier partnered with European recycling programs to ensure packaging materials are **collected and reused.**

Distinctive Features

Haier Europe's 2024 SDA and TV offerings stand out due to their integration of **AI-driven technologies and IoT connectivity,** which go beyond basic energy efficiency.

One distinctive feature is the **"Internet of Beings" concept,** which **emphasizes user-centric, sustainable ecosystems.** For example, the **KSDA Series 7 kitchen machines** include **AI-powered recipe suggestions** via the **hOn app,** which prioritize **energy-efficient cooking methods tailored to local ingredients,** reducing food waste and energy use. This approach aligns with consumer demand for **personalized solutions.**

Haier's focus on modular design, particularly in the **Hoover HFX 2.0 and microwaves,** allows for easy repairs and upgrades, addressing the growing consumer preference for long-lasting products. The extended 7-year warranty on premium SDA models like the HFX 2.0 reinforces **Haier's commitment to durability,** setting a high standard for product longevity.



2.3. Circular **Product Design**

Building Circularity into Products

Haier Europe continues to strengthen the integration of **circular economy principles** throughout the product lifecycle. As circularity becomes an increasingly important business and regulatory priority, the Company is focusing on **extending product lifespans, improving repairability, increasing durability and developing refurbishment solutions** that keep products and materials in use for longer.

The Company's **circular approach** is closely linked to its **sustainability strategy** and supports the reduction of environmental impacts associated with resource extraction, manufacturing and end-of-life treatment. Through product design, service innovation and lifecycle management, Haier Europe aims to **improve resource efficiency while creating additional value for consumers.**

Circularity considerations are **increasingly incorporated into product development decisions,** alongside energy efficiency, connectivity and consumer experience. This approach contributes to compliance with evolving European requirements while supporting long-term business resilience and competitive advantage.

Repairability



Supporting Longer Product Lifecycles

Repairability plays a critical role in extending product life and reducing unnecessary waste generation. Haier Europe continues to integrate repairability considerations into product development, enabling products to **remain functional for longer periods** and **reducing the need for premature replacement.**

The Company's circular economy strategy **promotes easier maintenance, repair and servicing** through product design improvements and after-sales solutions. These efforts support consumers in extending appliance lifespans while helping reduce the environmental impacts associated with manufacturing new products.

Repairability is also becoming increasingly important within the **European regulatory landscape,** where expectations regarding product longevity, serviceability and resource efficiency continue to grow. Haier Europe's approach supports these developments by **strengthening lifecycle management across key product categories.**

2.3. Circular **Product Design**

Repairability

Key Actions **Supporting Repairability**

Focus Area	Contribution
Product Design	Increased consideration of reparability requirements
Lifecycle Management	Support for longer product use periods
Circular Economy	Reduction of unnecessary product replacement
Consumer Support	Improved maintenance and service capabilities

Durability

Designing Products to Last Longer

Durability remains a **central element of Haier Europe's product strategy.** By **improving product reliability and lifespan,** the Company seeks to reduce environmental impacts while enhancing consumer value and product performance over time.

The Company's circular economy ambitions include **strengthening product durability through design choices, innovation activities and lifecycle considerations.** Longer-lasting products contribute to lower resource consumption and reduced waste generation throughout the value chain.

Durability is also **closely connected to quality, product performance and customer satisfaction.** By extending the useful life of products, Haier Europe creates environmental benefits while strengthening consumer trust and supporting responsible consumption patterns.

Durability **Benefits**

Circular Benefit	Business and Environmental Value
Extended Product Life	Reduced resource demand
Improved Reliability	Better consumer experience
Reduced Waste	Lower end-of-life impacts
Resource Efficiency	Support for circular economy objectives

2.3. Circular **Product Design**

Refurbishment and Second-Life Solutions

Keeping Products and Materials in Use

Beyond repair and maintenance, Haier Europe continues to explore circular business models that **support product refurbishment and second-life solutions.** Refurbishment helps recover value from products that would otherwise become waste, **extending product lifecycles** while **reducing the need for new resources.**

The Company's circular economy strategy specifically highlights the **development of refurbishment activities and service-based approaches** aimed at extending product life and improving resource utilization. These initiatives support broader circular economy objectives while creating **additional opportunities for value creation.**

Refurbishment also contributes to **waste reduction objectives** by returning suitable products to the market after inspection, repair or upgrading. This approach complements repairability and durability efforts, creating a **more circular product lifecycle** and **reducing environmental impacts** associated with disposal and replacement.

Circular Business Model **Priorities**

Circular Benefit	Business and Environmental Value
Extended Product Life	Reduced resource demand
Improved Reliability	Better consumer experience
Reduced Waste	Lower end-of-life impacts
Resource Efficiency	Support for circular economy objectives



2.3. Circular **Product Design**

Refurbishment and Second-Life Solutions

Advancing Circularity Across the Product Lifecycle

Haier Europe's **circular product strategy** extends beyond individual initiatives and reflects a **broader commitment** to integrating circular economy principles into product design, manufacturing and lifecycle management. **Repairability, durability and refurbishment** are complementary elements of this approach, helping the Company **reduce environmental impacts while delivering long-term value to consumers.**

As circular economy expectations continue to evolve, Haier Europe will **continue strengthening these capabilities** across its product portfolio, supporting a transition towards **more resource-efficient and sustainable products** throughout the value chain.







2.4. Consumers and End **Users**

Creating Value Through Responsible Consumer Relationships

Consumers are at the **centre of Haier Europe's business model.** Through its **"Zero Distance to Consumer" philosophy,** the Company aims to create products, services and digital experiences that deliver value throughout the **entire customer journey.** Product quality, safety, transparency and responsible data management are **fundamental elements** of this approach and support **long-term trust between the Company and its users.**

As connected technologies become increasingly integrated into everyday life, Haier Europe continues to strengthen its focus on **product responsibility, customer protection and responsible digital ecosystems.** These priorities are embedded in corporate policies including the Code of Ethics, ESG Business Code of Conduct, product quality frameworks and data protection policies.

2.4. Consumers and End **Users**

Product Quality

Delivering Reliable and High-Performing Products

Product quality remains a **key driver of customer satisfaction and long-term value creation.** Haier Europe's approach to product responsibility is based on **delivering reliable, durable and efficient appliances** that meet **customer expectations** while complying with applicable regulatory requirements.

Quality considerations are integrated throughout the product lifecycle, from design and development through manufacturing, distribution and after-sales service. Continuous product innovation, technology development and customer feedback **contribute to maintaining and improving product performance across all categories.**

The Company also uses **consumer insights** and **connected services** to better understand product usage patterns and support **continuous improvement** in **product functionality and user experience.**

Quality **Priorities**

Focus Area	Objective
Product Performance	Deliver reliable and efficient appliances
Customer Satisfaction	Improve user experience and product functionality
Continuous Improvement	Use consumer feedback and data insights
Lifecycle Value	Support long product life and durability



2.4. Consumers and End **Users**

Product Safety

A Fundamental Responsibility

Ensuring the safety of consumers and end-users is **a core responsibility across Haier Europe's product portfolio.** The Company maintains policies and procedures designed to **ensure** that products comply with **applicable safety requirements and do not pose risks during normal usage.**

Product responsibility commitments are embedded within the **Company's Code of Ethics and Quality, Health and Safety, Environment & Energy Policy.** These frameworks promote **safe product design, regulatory compliance** and **preventive approaches** to product quality management.

The Company also emphasizes **transparency and responsible communication,** ensuring consumers receive clear information regarding product functionality, performance and safe use. This helps support informed purchasing decisions and contributes to customer confidence in Haier Europe brands.

Data Privacy and Digital Trust

Protecting Consumers in a Connected Ecosystem

As digital services and connected appliances become increasingly important, **protecting user data remains a strategic priority.** Haier Europe's **Data Protection and Smart Ecosystem Security Policy** governs the management of personal information and the secure operation of connected platforms and digital services, including the hOn ecosystem.

The Company is **committed to protecting personal data** throughout its lifecycle and implementing safeguards designed to prevent unauthorized access, misuse and cybersecurity incidents. Data protection principles are integrated into digital product development and connected services to **ensure that innovation is supported by robust privacy and security standards.**

Consumers **increasingly expect transparency** regarding how their information is collected, processed and protected. Haier Europe therefore continues to strengthen governance, compliance and security practices **to maintain trust in its digital ecosystem.**

2.4. Consumers and End **Users**

Data Privacy and Digital Trust

Data Protection **Commitments**

Priority Area	Commitment
Privacy Protection	Safeguard personal information throughout its lifecycle
Cybersecurity	Prevent unauthorized access and data breaches
Regulatory Compliance	Adhere to applicable privacy and data protection laws
Digital Trust	Maintain secure connected ecosystems and services

Transparency and Responsible Communication

Haier Europe places **significant importance** on **fair and transparent interactions with consumers.** The Company's **Code of Ethics** requires clear, accurate and evidence-based communication regarding products and services, **while prohibiting misleading or deceptive practices.**

Responsible communication supports consumer trust and ensures that product-related claims, sustainability information and marketing materials provide customers with **reliable information for decision-making.**

Transparency also plays an **important role** in strengthening **customer relationships** and **reinforcing brand credibility.**

Consumer Engagement and Accessibility

Customer engagement is an essential component of Haier Europe's consumer strategy. The Company uses **multiple channels** to interact with consumers, including **customer service networks, digital platforms, connected products** and **feedback mechanisms.** These interactions provide **valuable insights** that support product development, service improvements and sustainability initiatives.

The Company also promotes **inclusive access to products and services** through its consumer engagement and accessibility commitments. These principles emphasize **equal treatment, non-discrimination and customer-centric experiences** across all brands and markets.



2.4. Consumers and End **Users**

Consumer Engagement and Accessibility

Key Consumer **Priorities**

Consumer Topic	Focus
Product Quality	Reliability, performance and durability
Product Safety	Safe design and regulatory compliance
Data Privacy	Protection of personal information
Cybersecurity	Secure connected products and services
Transparency	Clear and responsible communication
Consumer Engagement	Ongoing dialogue and customer feedback
Accessibility	Inclusive and non-discriminatory customer experiences

By combining **product quality, safety, responsible data management** and **transparent consumer engagement,** Haier Europe **aims to strengthen** trust, improve user experiences and support long-term customer relationships across its portfolio of products and digital services.







2.5. Innovation **Highlights**

Innovation as a Driver of Sustainable Growth

Innovation remains a **cornerstone** of Haier Europe's strategy, supporting the development of products and services that respond to evolving consumer needs while contributing to sustainability objectives. By combining artificial intelligence, connectivity and product innovation, the Company **continues to strengthen its Smartability ecosystem** and create smarter, more efficient and more personalized user experiences.

In 2025, innovation efforts focused on **enhancing product intelligence, expanding digital ecosystems** and **increasing the integration of connected technologies** across the appliance portfolio. These developments enable consumers to optimize resource consumption, improve appliance performance and interact with products in new and more intuitive ways.

2.5. Innovation **Highlights**

Artificial Intelligence

Transforming the Home Appliance Experience

Artificial intelligence is becoming an **increasingly important component** of **Haier Europe's product development strategy.** AI technologies enable products and services to become more adaptive, responsive and efficient by learning from usage patterns and helping consumers optimize appliance operation.

The Company's approach to AI focuses on **improving both sustainability performance and user experience.** Through intelligent algorithms and data-driven functionalities, connected appliances can support more efficient use of energy and resources while providing tailored recommendations and enhanced convenience.

AI also plays an important role in the **evolution of digital services,** helping transform data generated by connected appliances into actionable insights that **support better decision-making and improved product performance.**

AI Innovation **Areas**

Application Area	Consumer Value
Intelligent Product Management	Optimization of appliance performance
Personalized Experiences	Tailored recommendations and guidance
Smart Resource Use	Support for more efficient consumption patterns
Digital Services	Improved interaction with connected ecosystems



2.5. Innovation **Highlights**

Connectivity



Building a Connected Ecosystem

Connectivity continues to play a **central role** in **Haier Europe's Smartability strategy.** The expansion of connected products and digital platforms allows the Company to **create stronger and more continuous relationships with consumers** throughout the product lifecycle.

Connected ecosystems provide users with **access to digital services, performance monitoring, smart functionalities and personalized support.** Through the integration of connectivity into household appliances, consumers are able to **manage products more effectively** and **benefit from enhanced convenience and efficiency.**

The Company's connected ecosystem also **supports sustainability ambitions** by **helping consumers understand and optimize resource consumption** while **encouraging more responsible product use.** Connectivity therefore serves both operational and environmental objectives.

Key Benefits **of Connectivity**

Connected Capability	Benefit
Remote Interaction	Greater flexibility and convenience
Product Monitoring	Improved performance visibility
Digital Services	Enhanced customer experience
Ecosystem Integration	Seamless interaction across connected devices
Sustainability Support	Smarter use of energy and resources

As connectivity expands across the product portfolio, **cybersecurity and data protection remain essential priorities,** ensuring that connected solutions are supported by appropriate security and privacy safeguards.

2.5. Innovation **Highlights**

Product Innovation

From Appliances to Smart Solutions

Haier Europe continues to evolve from a traditional appliance manufacturer towards a **provider of integrated smart home solutions.** Product innovation increasingly combines hardware, software and digital services to deliver **greater value throughout the customer journey.**



Innovation efforts are **focused on several strategic priorities:**

- **Developing more energy-efficient appliances.**
- **Strengthening integration between products and digital ecosystems.**
- **Supporting circular economy objectives through product lifecycle improvements.**
- **Enhancing customer experiences through smart technologies and connected services.**
- **Creating new opportunities for consumer engagement through digital innovation.**

The **Company's innovation strategy** is closely linked to its sustainability objectives. Improvements in product efficiency, connectivity and lifecycle management help **reduce environmental impacts while strengthening competitiveness** in increasingly demanding markets.





2.5. Innovation **Highlights**

Product Innovation

Innovation Priorities **Supporting Smartability**

Strategic Focus	Contribution
AI Integration	More intelligent and adaptive products
Connectivity	Stronger digital ecosystem capabilities
Product Efficiency	Reduced environmental impacts during use
Circularity	Longer product life and resource efficiency
Consumer Experience	Enhanced usability and engagement

By **combining artificial intelligence, connectivity and continuous product innovation,** Haier Europe continues to **strengthen its Smartability ecosystem** and **support the transition** towards **smarter, more efficient and more sustainable living.** These capabilities position innovation as a key enabler of both business growth and sustainability performance across the Company's product portfolio.



Operations

Haier Europe
Sustainability

3. Operations

Key Challenges

Accelerating the Low-Carbon Transition

Climate change continues to be one of the most significant sustainability challenges facing Haier Europe. The Company must reduce emissions across its operations while addressing the much larger impacts generated throughout its value chain, particularly those associated with product use and purchased goods and services. Increasing expectations from regulators, investors and customers are accelerating the need for decarbonisation and improved environmental performance.

Managing Energy and Resource Efficiency

Manufacturing appliances requires significant energy, materials and operational resources. Improving energy efficiency, increasing renewable energy use and reducing resource consumption remain key priorities as the Company seeks to decouple growth from environmental impacts. The challenge is further amplified by energy market volatility and increasing expectations regarding operational sustainability.

Advancing Circular Economy Practices

New regulatory requirements and stakeholder expectations are accelerating the transition towards circular business models. Haier Europe must continue improving waste management, resource recovery, packaging circularity and recycled material use while supporting product lifecycle initiatives such as repair, refurbishment and recycling.

Managing Supply Chain Sustainability

A significant share of environmental and social impacts originates within the supply chain. The Company faces increasing expectations to improve supplier transparency, strengthen ESG due diligence processes and ensure that suppliers are aligned with environmental, social and governance requirements. This challenge is becoming increasingly important under evolving regulations such as CSRD, CSDDD and CBAM.

Preparing for Regulatory Change

The sustainability regulatory landscape continues to evolve rapidly. Climate reporting requirements, carbon-related regulations, circular economy legislation and supply chain due diligence obligations require organizations to strengthen data quality, governance systems and reporting capabilities. Haier Europe continues adapting its operations and management systems to address these evolving requirements.

3. Operations

Key Actions

Investing in Decarbonisation

Haier Europe continues to implement initiatives aimed at reducing greenhouse gas emissions across its operations. Key actions include expanding renewable electricity procurement, increasing on-site solar generation and improving energy efficiency within manufacturing facilities. These efforts support the Company's Science Based Targets and long-term climate objectives.

Expanding Renewable Energy

The Company has continued investing in renewable energy solutions across its production network. Renewable electricity sourcing, photovoltaic installations and energy management initiatives are helping reduce dependence on fossil-based electricity and support progress towards renewable energy targets.

In 2025, Haier Europe accelerated the decarbonisation of its operations through a range of energy and efficiency initiatives. In Turkey, manufacturing sites, including the Eskişehir industrial park, achieved more than 100% renewable electricity coverage through a combination of solar and green electricity sourcing, significantly reducing Scope 2 emissions. In China, the Jinling factory expanded its on-site photovoltaic infrastructure to 6.5 MW across 36,000 m² and reached 100% renewable Scope 2 electricity through solar generation and IREC certificates. In Italy, the Elba manufacturing facility implemented energy management and efficiency measures and continued the deployment of renewable energy solutions, including solar installations. Additionally, Haier Europe strengthened digital energy optimisation through its hOn Sustainability Hub and promoted energy-efficient products and smart technologies to reduce emissions across the value chain.





3. Operations



Key Actions

Improving Resource Efficiency

Operational initiatives continue to focus on reducing waste generation, improving recycling performance and strengthening circular resource management. These activities support the Company's circular economy strategy and contribute to lower environmental impacts across manufacturing operations.

Strengthening Sustainable Manufacturing

Haier Europe continues improving operational efficiency through investments in manufacturing processes, environmental management systems and performance monitoring tools. Digital systems and monitoring platforms support better tracking of energy, resource consumption and sustainability performance across operations.

Enhancing Supply Chain Due Diligence

Supplier engagement and ESG due diligence continue to be strengthened across procurement processes. The Company has implemented supplier screening, risk assessment and monitoring activities to improve visibility across the value chain and address environmental and social risks. These efforts support responsible sourcing and regulatory readiness.

Embedding Sustainability into Operations

Sustainability considerations are increasingly integrated into operational decision-making through governance structures, risk management processes and performance monitoring systems. Environmental and climate-related factors are considered alongside operational objectives to support long-term resilience and value creation.

3. Operations

Key Targets

Climate and Energy Targets

The Company has established **ambitious targets** aligned with its long-term **climate strategy and Science Based Targets** initiative commitments.

Area	Target
Scope 1 & Scope 2 Emissions	Reduce emissions by 50% by 2030 (vs. 2021 baseline)
Scope 3 Emissions	Reduce emissions by 42% by 2030 (vs. 2021 baseline)
Operational carbon neutrality	Achieve Operational carbon neutrality by 2050
Renewable Electricity	Exceed 60% renewable electricity usage by 2025
Decarbonisation	Continue alignment with SBTi commitments

Circular Economy Targets

The Company continues to pursue targets focused on **reducing waste, increasing recycling performance and strengthening circular resource management** across operations.

Area	Target
Waste Recovery	Maintain recovery rates above 96%
Zero Waste to Landfill	Expand Zero Waste practices across operations
Packaging Circularity	Progress towards 100% recyclable packaging by 2030
Water Recovery	Achieve at least 70% water recovery where applicable
Hazardous Waste	Maintain low levels of hazardous waste generation





3. Operations

Key Targets

Supply Chain Targets

Responsible sourcing **remains a strategic priority,** with targets focused on **improving supplier ESG performance and due diligence coverage.**

Area	Target
Supplier ESG Compliance	Increase supplier coverage under ESG requirements
Supplier Screening	Expand ESG due diligence and risk assessments
Corrective Actions	Improve follow-up and closure of supplier improvement plans
Responsible Procurement	Strengthen supplier engagement and monitoring





Monitoring Progress

Progress against **operational sustainability objectives** is measured through **environmental performance indicators** including greenhouse gas emissions, renewable energy consumption, energy efficiency improvements, waste recovery rates, circular economy metrics and supplier ESG performance indicators. These measures support continuous improvement and help ensure that operational activities remain aligned with the Company's broader sustainability strategy.



3.1. Climate **Change**

Climate Action at the Core of Operations

Climate change remains one of the **most material topics** for Haier Europe. The Company's climate strategy focuses on **reducing greenhouse gas emissions** across operations and the value chain, **increasing renewable energy use** and **improving energy efficiency** throughout manufacturing activities and product development. Climate-related actions are **integrated into the broader sustainability strategy** and are supported by governance structures, risk management processes and science-based targets.

The **Company's climate ambitions** reflect the recognition that both operational emissions and value-chain emissions **must be addressed** to support the transition towards a **low-carbon economy.** Particular attention is given to **Scope 3 emissions,** which represent the largest share of the Company's overall carbon footprint and are largely associated with purchased goods and the use phase of products.

3.1. Climate **Change**

The SBTi Roadmap

Science-Based Decarbonisation Commitments

Haier Europe has established a **climate roadmap** aligned with the **Science Based Targets initiative (SBTi),** providing a structured pathway for reducing emissions across the organization and value chain. The roadmap combines **operational decarbonisation, renewable energy adoption, product efficiency improvements and supply chain engagement activities.**

The **Company's transition strategy** focuses on **four main decarbonisation levers:**

1. **Increasing** renewable electricity procurement.
2. **Expanding** on-site solar energy generation.
3. **Improving** operational energy efficiency.
4. **Reducing** lifecycle emissions through more energy-efficient products and supply chain engagement.

Together, these initiatives are intended to **reduce both direct and indirect emissions** while supporting long-term business resilience and regulatory preparedness.

3.1. Climate **Change**

Expanding Renewable Energy

Increasing the Share of Clean Energy

Renewable energy continues to play a central role in **Haier Europe's decarbonisation strategy.** During 2025, the Company continued investing in **renewable electricity solutions** and **on-site solar generation projects** across its manufacturing footprint. These initiatives contribute directly to the **reduction of Scope 2 emissions** and support progress towards renewable energy targets.

The Company combines **self-generated renewable electricity** with renewable electricity purchased from external providers. This approach enables **greater flexibility** while supporting the transition away from fossil-based energy sources.

A major focus remains the expansion of **photovoltaic generation capacity** and **renewable electricity coverage** for production facilities. Investments in solar generation and renewable procurement continue to support long-term reductions in operational emissions and exposure to energy market volatility.

Renewable Energy **Performance**

Renewable Energy Indicator	2024	2025
Renewable electricity usage	45%	80.58%
Renewable electricity purchased	15,390 MWh	30,595 MWh
Solar self-generation	1,798 MWh	12,124.88 MWh
Total renewable electricity	17,188 MWh	42,719.88 MWh

The achievement of **more than 80% renewable electricity usage** represents significant progress towards the **Company's energy transition objectives** and demonstrates the increasing role of renewable energy within operations.

3.1. Climate **Change**

Greenhouse Gas Performance

Continuing the Decarbonisation Journey

Haier Europe monitors greenhouse gas emissions across **Scopes 1, 2 and 3** in accordance with **internationally recognized methodologies.** Emissions reporting provides visibility into the environmental impacts of operations and supports the tracking of progress against climate commitments.

Operational emissions **continued to decline** as a result of renewable energy adoption, energy efficiency initiatives and the modernization of production facilities. At the same time, the Company continues to **strengthen visibility over value-chain emissions,** which remain the most significant component of its carbon footprint.



GHG Emissions **Results**

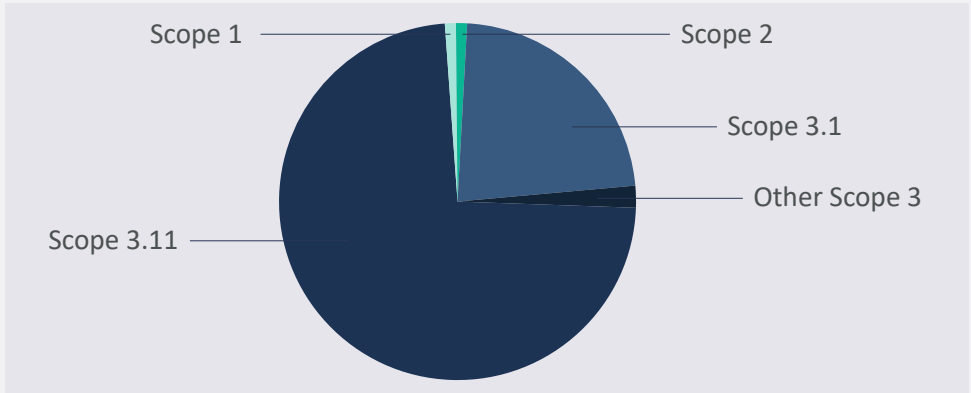
Emissions Category	2021 (tCO_2e)	2024 (tCO_2e)	2025 (tCO_2e)
Scope 1 (Direct emission)	18,883	17,030	10,253
Scope 2 (Location-based)	37,609	21,541	20,026
Scope 2 (Market-based)	38,332	19,589	3,380
Scope 3 (Total)	11,784,336	11,182,566	11,261,599
Scope 3.11 (Use of sold products)	9,031,033	8,158,276	8,371,528
Scope 3.1 (Purchase of goods and services)	2,585,479	2,857,887	2,671,985
Other Scope 3 emissions	167,824	166,403	218,085
Total Operational Emissions (Scope 1 + 2 Market-based)	57,215	36,619	13,633

The results confirm that **Scope 3 emissions remain by far the most material category,** emphasizing the importance of product efficiency improvements, supplier engagement and lifecycle-based decarbonisation efforts.

3.1. Climate **Change**

Greenhouse Gas Performance

Emission Profile **by Scope**



Emission Source	Share of Total Emissions
Scope 1	<1%
Scope 2	<1%
Scope 3.1	> 23%
Scope 3.11	>74%
Other Scope 3	>2%

Based on disclosed **2025 GHG emissions inventory.**







3.1. Climate **Change**

Looking Ahead

Climate change will **continue to shape** Haier Europe's **operational priorities, investment decisions and sustainability strategy.** The Company will maintain its focus on reducing emissions, increasing renewable electricity use and improving climate performance throughout the value chain. Progress against SBTi-aligned targets will be supported by **continued investments** in low-carbon technologies, renewable energy generation, operational efficiency and product innovation.

By combining **science-based targets, renewable energy deployment** and **continuous emissions management,** Haier Europe aims to strengthen its contribution to the transition towards a low-carbon and resource-efficient economy while creating long-term value for customers, employees and stakeholders.

3.2. Resource Use & **Circular Operations**

Advancing Circularity Across Operations

Resource efficiency and circular economy principles are increasingly integrated into **Haier Europe's operational strategy.** The Company continues to **reduce waste generation, improve recycling performance, increase resource recovery and strengthen the circular management of materials** throughout manufacturing activities. These efforts support both environmental objectives and operational efficiency, while contributing to broader European circular economy ambitions.

The transition towards more circular operations focuses on **three key areas: Minimizing waste, maximizing material recovery and improving the sustainability of packaging solutions.** Through a combination of operational improvements, partnerships and targeted investments, Haier Europe continues to reduce resource consumption while improving environmental performance across its production network.



3.2. Resource Use & **Circular Operations**

Waste Management

Reducing Operational Waste

Waste reduction remains an important component of the **Company's circular economy strategy.** Manufacturing facilities continue to implement initiatives aimed at **minimizing waste generation, improving resource efficiency and reducing disposal requirements.** These actions help decrease environmental impacts while supporting more efficient use of materials throughout production processes.

The Company applies a **systematic approach** to waste management, prioritising prevention, reuse, recycling and recovery before disposal whenever possible. This approach is aligned with circular economy principles and supports **long-term resource efficiency objectives.**

2025 Waste **Performance**

Indicator	2025 Result
Waste recycling rate	98.5%
Hazardous waste share	1.25%
Total waste generated	11.9%
Zero Waste to Landfill objective	Achieved at Turkey Site

These results demonstrate **continued progress** towards **reducing waste generation** and **maximizing resource recovery** across operational activities.



3.2. Resource Use & **Circular Operations**

Recycling and Resource Recovery

Keeping Materials in Circulation

Resource recovery plays a central role in **Haier Europe's circular operations strategy.** Through recycling initiatives, extended producer responsibility schemes and partnerships with specialised organizations, the Company seeks to **recover valuable materials** and **reduce dependence on virgin resources.**

The Company continues to support **collection and recycling systems** for appliances, packaging and batteries, helping ensure that products and materials **remain within the circular economy** for as long as possible. These initiatives complement efforts to improve product design, repairability and refurbishment described in previous sections of this report.

Resource Recovery **Highlights**

Circular Flow	2025 Result
WEEE collected	31,069,084 kg
Recycled materials recovered	27,635 tonnes
Batteries collected	15,260 kg
Batteries recycled	10,625 kg
Packaging recycling rate (EPR systems)	94%

The recovery of large material volumes through dedicated recycling systems contributes to **lower resource consumption** and **supports the Company's broader circular economy objectives.**



3.2. Resource Use & **Circular Operations**

Sustainable Packaging

Reducing Environmental Impacts Beyond the Product

Packaging represents another important focus area within **Haier Europe's circular economy strategy.** The Company continues to improve packaging design by **reducing material use, increasing recyclability** and **supporting the transition towards more sustainable packaging solutions.**

Efforts are focused on **eliminating unnecessary materials, increasing the use of recyclable components** and **supporting the development of packaging solutions** with improved environmental performance throughout their lifecycle. These initiatives contribute to reducing waste generation and improving resource efficiency beyond the appliance itself.

Packaging Circularity **Priorities**

Priority Area	Objective
Recyclability	Progress towards 100% recyclable packaging by 2030
Material Reduction	Reduce unnecessary packaging materials
Circular Design	Improve packaging lifecycle performance
Resource Efficiency	Lower packaging-related environmental impacts

As part of its longer-term commitment, Haier Europe continues working towards **fully recyclable packaging solutions** while evaluating opportunities to further reduce packaging-related waste and increase circular material use.



3.2. Resource Use & **Circular Operations**

Circular Operations in Practice

The Company's circular operations strategy extends beyond waste and recycling management. **Resource efficiency principles** are **increasingly embedded** into manufacturing processes, product lifecycle management and operational decision-making. Investments in **recycling systems, waste reduction initiatives, circular partnerships and packaging innovation** support this broader transformation.

Circular Operations **Performance Snapshot**

Area	2025 Performance
Waste Recovery	98.5%
Waste Reduction	11.9%
Hazardous Waste	1.25% of total waste
Packaging Recycling Rate	94%
WEEE Collected	31 million kg
Recycled Materials Recovered	27,635 tonnes

By improving **waste management, increasing recycling performance and strengthening packaging circularity,** Haier Europe continues to reduce resource consumption and advance its transition towards a more circular and resource-efficient operating model.



3.3. Water **Management**

Improving Water Efficiency Across Operations

Water is an **important resource** within Haier Europe's manufacturing activities, and the Company continues to focus on **reducing water consumption, improving operational efficiency and strengthening water management practices** across its production network. Water-related initiatives form part of the broader environmental strategy aimed at reducing resource consumption and supporting more sustainable operations.

The **Company's approach** prioritizes **efficient water use,** monitoring of water-intensive activities and the implementation of technologies that help reduce freshwater demand. Particular attention is given to sites operating in **areas exposed to higher levels of water stress,** ensuring that local resource availability is considered within operational planning and environmental management activities.

Water management efforts are also aligned with the **Company's circular economy ambitions,** including initiatives focused on **water recovery, reuse and process optimization.** These actions contribute to reducing operational impacts while strengthening long-term resilience to potential water-related risks.



3.3. Water **Management**

Improving Water Efficiency Across Operations

2025 Water **Performance**

Indicator	2025 Result
Water recovery target	≥70%
Strategic objective	Increase water circularity and reuse
Operational focus	Water efficiency across manufacturing sites
Water-related material topic	Assessed within environmental impact framework

Water Management **Priorities**

Priority Area	Objective
Water Efficiency	Reduce water consumption across operations
Water Recovery	Increase reuse and recovery rates
Resource Management	Support circular use of water resources
Operational Resilience	Address water-related risks where relevant
Continuous Improvement	Strengthen monitoring and performance management

Through continued investments in **resource efficiency and environmental performance,** Haier Europe aims to further **improve water management practices** while supporting its broader sustainability and circular economy objectives.





3.4. Manufacturing **Sites**

A Strategic Manufacturing Footprint

Haier Europe's manufacturing network plays a central role in supporting product innovation, operational excellence and sustainable growth. The Company operates production facilities **across Europe and China,** enabling proximity to key markets while supporting supply chain resilience, manufacturing efficiency and reduced transportation impacts.

The **manufacturing footprint** supports the Company's major product categories, including **washing, cooling, cooking and built-in appliances.** Facilities are progressively incorporating energy efficiency improvements, renewable energy solutions, digital manufacturing technologies and circular economy initiatives to strengthen environmental performance and operational competitiveness.

By combining **local manufacturing capabilities with the broader Haier Smart Home ecosystem,** the Company benefits from shared innovation, technical expertise and operational best practices across multiple regions.

3.4. Manufacturing **Sites**

Manufacturing Footprint Overview

Main Production **Sites**

Indicator	2025 Result	Main Activities
Brugherio	Italy	Washing machines and laundry solutions
Borso del Grappa	Italy	Cooking and built-in appliances
Eskişehir Industrial Park	Türkiye	Dishwashers, cooking appliances and dryers
Ploiești	Romania	Refrigeration products
Jinling	China	Washing machines and laundry products

These facilities form the **backbone of Haier Europe's manufacturing operations** and support the production of products distributed across European markets and beyond.

Supporting Sustainable Operations

Manufacturing facilities are increasingly contributing to the **Company's climate and circularity objectives** through investments in **renewable energy, energy efficiency and resource management initiatives.** Climate-related actions across production sites include the deployment of photovoltaic systems, renewable electricity procurement and operational efficiency improvements designed to reduce environmental impacts.

Several facilities also play a **key role** in supporting the **Company's circular economy strategy** through **improved waste management systems, material recovery initiatives and operational resource efficiency projects.** Environmental management and monitoring systems help facilities track progress and identify opportunities for continuous improvement.

Operational Sustainability **Priorities**

Focus Area	Objective
Energy Efficiency	Reduce operational energy consumption
Renewable Energy	Increase renewable electricity coverage
Resource Efficiency	Improve material and resource utilization
Circular Economy	Strengthen waste recovery and recycling
Climate Action	Support decarbonisation targets
Manufacturing Excellence	Improve productivity and operational performance

3.4. Manufacturing **Sites**

Manufacturing Network Supporting Growth

The **Company's production footprint** is designed to balance local responsiveness with global scale. Manufacturing sites are **strategically positioned** to **support key markets, improve operational flexibility and strengthen supply chain resilience.** This network enables the Company to respond effectively to changing market demands while reducing logistical complexity and supporting sustainability objectives.

Manufacturing facilities also **support innovation and product development activities** through close collaboration with engineering, operations and business functions. This integrated approach helps **accelerate product improvements** and **facilitates the deployment of new technologies** across the Company's portfolio.

Manufacturing **Snapshot**

Indicator	2025
Main Manufacturing Countries	Italy, Türkiye, Romania, China
Main Product Categories Produced	Washing, Cooling, Cooking & Built-in
Operational Focus	Efficiency, quality and sustainability
Strategic Priorities	Climate action, circularity and innovation

Through its **manufacturing footprint,** Haier Europe continues to support sustainable growth by **integrating operational excellence, product innovation and environmental responsibility across its production network.**



3.5. Sustainable **Supply Chain**

Building a More Responsible Value Chain

Haier Europe's supply chain is a critical part of its business model and sustainability strategy. The Company works with a large network of suppliers **providing raw materials, components, services and logistics support** across multiple countries. Recognizing the importance of upstream impacts, Haier Europe has continued **strengthening supplier governance, ESG risk management and responsible sourcing practices** throughout its procurement activities.

The Company's approach focuses on **integrating sustainability into supplier selection, monitoring and engagement processes.** Rather than treating sustainability as a standalone compliance exercise, Haier Europe seeks to progressively embed environmental, social and governance considerations into procurement decisions and supplier relationships.

To further strengthen supply chain **transparency and accountability,** Haier Europe leverages **SEDEX (Supplier Ethical Data Exchange)** as a key platform for supplier assessment and ethical performance monitoring. Through **SMETA (Sedex Members Ethical Trade Audit)** audits and supplier self-assessments, the Company evaluates **compliance with labour standards, health and safety requirements, environmental practices and business ethics principles.** This risk-based approach supports the identification of potential human rights and ESG concerns, promotes corrective actions where necessary, and enhances visibility across the supply chain, contributing to **more responsible and sustainable sourcing practices.**

This approach **supports business resilience, improves supply chain transparency and helps address growing stakeholder expectations** regarding responsible sourcing and value chain sustainability.





3.5. Sustainable **Supply Chain**

ESG Screening

Integrating Sustainability into Supplier Assessment

Haier Europe has **established processes** to evaluate suppliers against **environmental, social and governance criteria.** ESG screening activities are designed to **strengthen visibility across the supply base and identify potential sustainability risks** that may require further assessment or engagement.

Supplier assessments increasingly consider topics such as **environmental performance, business conduct, labour practices, human rights and compliance with ESG requirements.** These evaluations help support responsible procurement decisions while encouraging continuous improvement throughout the supply chain.

The Company uses dedicated supplier assessment and monitoring tools to **support ESG screening activities and improve risk identification** across procurement processes.

ESG Screening **Objectives**

Focus Area	Objective
Supplier Transparency	Improve visibility across the supply chain
ESG Performance	Assess environmental, social and governance practices
Risk Identification	Detect areas requiring further review or engagement
Responsible Procurement	Support sustainability in sourcing decisions

Due Diligence

Managing Sustainability Risks

Due diligence processes form an important element of Haier Europe's supplier management framework. The Company has progressively strengthened procedures aimed at **identifying, assessing and addressing sustainability-related risks** across its value chain.

The due diligence approach is supported by policies such as the **ESG Business Code of Conduct, supplier qualification procedures and broader governance frameworks** relating to ethics, compliance and responsible business conduct. Suppliers are expected to align with these requirements and support the Company's sustainability expectations.

3.5. Sustainable **Supply Chain**

Due Diligence

Managing Sustainability Risks

Risk assessments consider a **range of sustainability topics,** including:

- **Environmental impacts and resource management.**
- **Labour practices and working conditions.**
- **Human rights considerations.**
- **Business ethics and compliance.**
- **Supply chain governance and transparency.**

Where risks are identified, the Company may implement **additional reviews, corrective actions or follow-up activities** to support improvement and mitigate potential impacts.

Due Diligence **Framework**

Element	Purpose
ESG Business Code of Conduct	Defines supplier sustainability expectations
Supplier Qualification Processes	Evaluates new suppliers before onboarding
Risk Assessment Tools	Identifies ESG-related risks
Corrective Action Plans	Supports continuous supplier improvement
Monitoring Activities	Tracks ongoing performance and compliance



3.5. Sustainable **Supply Chain**

Supplier Engagement

Driving Improvement Through Collaboration

Haier Europe views **supplier engagement** as a key enabler of **sustainable supply chain performance.** Beyond screening and assessment activities, the Company seeks to work with suppliers to **improve sustainability practices and strengthen alignment with ESG expectations.**

Engagement activities are designed to **promote transparency, increase awareness of sustainability requirements and support the implementation of responsible business practices** throughout the supply chain. Through ongoing dialogue and collaboration, suppliers are encouraged to strengthen environmental management, labour standards and governance practices.

The Company's long-term objective is to **build a more resilient and sustainable supplier ecosystem** capable of supporting both business performance and sustainability ambitions. Supplier engagement therefore represents not only a risk-management tool but also **an opportunity to drive shared value and continuous improvement** across the value chain.

Sustainable Supply Chain **Priorities**

Priority Area	Focus
ESG Screening	Strengthen visibility and supplier assessment
Due Diligence	Identify and manage sustainability risks
Supplier Collaboration	Promote continuous improvement
Responsible Sourcing	Support ethical and sustainable procurement
Supply Chain Resilience	Strengthen long-term sustainability performance

By combining **ESG screening, due diligence and supplier engagement,** Haier Europe **continues to strengthen the sustainability of its supply chain** while supporting **responsible sourcing, risk management and long-term value creation** across its supplier network.





People

Haier Europe
Sustainability

4. People

Key Challenges

Attracting, Developing and Retaining Talent

People remain one of Haier Europe's most important assets. As the organisation continues to transform through digitalisation, sustainability and regulatory change, attracting and retaining qualified talent across different markets remains a key challenge. The Company must ensure that employees have the skills, capabilities and opportunities needed to support long-term business growth and innovation.

Building an Inclusive Workplace

Creating an inclusive and diverse workplace continues to be a strategic priority. The Company faces increasing expectations from employees, customers and society to promote equal opportunities, strengthen representation and foster a culture where all individuals can contribute and develop professionally.

Ensuring Health, Safety and Well-being

Maintaining safe working conditions across manufacturing sites, offices and operational activities remains a fundamental responsibility. As operations evolve and business activities expand, continuous investment is required to further strengthen health and safety performance, employee well-being and workplace culture.

Developing Skills for the Future

Technological innovation, sustainability requirements and digital transformation are changing workforce skill requirements. The Company must continue investing in training, leadership development and capability-building initiatives to ensure employees are equipped for future business needs.

Responding to Workforce Expectations

Employees increasingly expect meaningful careers, flexible working arrangements, opportunities for personal development and a strong sense of purpose. Meeting these expectations while maintaining business performance and operational efficiency requires continuous engagement and adaptation.

4. People

Key Actions

Promoting Employee Development

Haier Europe continues to invest in employee development through structured learning programmes, leadership initiatives and professional training opportunities. The Company supports continuous learning across all functions, helping employees strengthen technical, professional and leadership competencies.

Supporting Employee Well-being

Haier Europe promotes employee well-being through programmes focused on physical health, mental well-being, work-life balance and employee support services. These initiatives contribute to employee engagement, productivity and retention while supporting a positive workplace environment.

Strengthening Health and Safety

Employee safety remains one of the Company's highest priorities. Health and safety management systems, risk assessments, training programmes and preventive measures are implemented across operations to reduce workplace risks and promote a strong safety culture.

Enhancing Employee Engagement

The Company maintains multiple channels for employee engagement, feedback and dialogue. Employee perspectives help inform workplace improvements, people-related initiatives and organisational development efforts, reinforcing the Company's commitment to continuous improvement and employee participation.

Advancing Diversity, Inclusion and Belonging

The Company continues implementing initiatives designed to strengthen diversity, inclusion and belonging across the organisation. These actions support equal opportunities, employee engagement and the creation of an inclusive workplace culture where different perspectives are valued and respected.

Strengthening Social Dialogue

Haier Europe continues to support constructive relationships with employee representatives and social partners across its operations. Structured engagement mechanisms and local consultation processes help ensure that workforce perspectives are considered in decision-making and workplace initiatives.

4. People

Key Targets

People Strategy Objectives

Haier Europe's people strategy focuses on creating a safe, inclusive and engaging workplace while supporting employee development and organisational performance. The Company monitors progress through workforce, learning, diversity and health and safety indicators.

Workforce Targets and Commitments

Area	Target / Commitment
Health & Safety	Continue reducing workplace accidents and incidents
Factory Certifications	Expand coverage of certified health and safety management systems
Employee Development	Strengthen learning and capability-building programmes
Diversity & Inclusion	Advance diversity, inclusion and belonging initiatives
Employee Engagement	Maintain active workforce participation and feedback mechanisms
Well-being	Continue supporting physical and mental well-being programmes

Key Workforce Indicators

Indicator	2025
Countries of Operation	+20
Total Employees	5,187
Collective Bargaining Coverage	97.14%
Employees with Disabilities	99
Training Hours Delivered	109,029
Average Training Hours per Employee	21.18
Non-Employee Workers	94

4. People

Health and Safety Indicators

Indicator	2025
Employees Covered by Health & Safety Management Systems	3,632
Coverage Rate	70%
Fatalities	0
Workplace Accidents	5
Rate of recordable work-related accidents	0.55
Lost Days Due to Injuries	49

Building a Future-Ready Workforce

Looking ahead, Haier Europe **will continue investing** in **people, skills and workplace culture.** Priorities include strengthening leadership capabilities, improving diversity and inclusion, enhancing employee well-being and ensuring that the workforce is prepared to support the Company's sustainability ambitions and long-term business strategy.



4.1. Our **Workforce**

People Powering Our Growth

Haier Europe's success is driven by a **diverse workforce** that contributes **expertise, innovation and local market knowledge** across the organisation. With employees distributed across manufacturing sites, commercial operations, research and development, logistics and corporate functions, the Company benefits from a broad range of skills and experiences that support its long-term growth strategy and sustainability ambitions.

In 2025, Haier Europe employed **5,187 people** across **more than 20 countries.** The workforce reflects the **Company's international footprint,** with employees located across key manufacturing and commercial markets including **Türkiye, Italy, China, the United Kingdom, France, Germany, Spain** and other European countries. This geographic diversity strengthens local responsiveness while supporting collaboration across the wider Haier Smart Home ecosystem.

The Company's people strategy focuses on **attracting, developing and retaining talent** while fostering a workplace culture built on respect, inclusion, continuous learning and shared value creation. Through employee development programmes, engagement initiatives and leadership development activities, Haier Europe seeks to **empower employees** to contribute to both business success and sustainable growth.



4.1. Our **Workforce**

Workforce Profile

Employees by **Key Country**

Country	Employees
Türkiye	1,606
Italy	1,335
China	846
United Kingdom & Ireland	645
Other Countries	755
Total	5,187

The Company's workforce is **concentrated in countries hosting major manufacturing facilities and regional business operations.** This distribution supports both operational efficiency and proximity to local markets.



4.1. Our **Workforce**

Developing Skills and Capabilities

Continuous learning remains an important component of Haier Europe's people strategy. In 2025, the Company delivered m**ore than 109,000 hours of training,** helping employees develop technical, professional and leadership skills aligned with evolving business needs.

Training initiatives support **several strategic priorities:**

- **Professional growth and career development.**
- **Leadership and management capabilities.**
- **Digital transformation and innovation.**
- **Sustainability awareness and ESG-related competencies.**
- **Health, safety and compliance training.**

By investing in workforce capabilities, Haier Europe aims to **strengthen employee engagement** while ensuring that the organisation remains adaptable in a rapidly changing business environment.

Learning and Development **Performance**

Indicator	2025
Total Training Hours	109,029
Average Training Hours per Employee	21.18
Focus Areas	Leadership, technical, digital and sustainability skills

4.1. Our **Workforce**

Diversity and Inclusion

Building an Inclusive Workplace

Haier Europe is committed to creating a workplace where **diversity is valued** and employees are treated with **fairness, dignity and respect.** Diversity and inclusion principles are embedded within the Company's people policies and support a culture that encourages collaboration, innovation and equal opportunity.

The Company promotes **non-discrimination** across its operations and seeks to provide an environment where employees can contribute regardless of **gender, age, nationality, background, disability or other personal characteristics.** These principles support employee well-being while strengthening organisational performance through diverse perspectives and experiences.

Diversity **Indicators**

Indicator	2025
Women in Governance Bodies	15.8%
Men in Governance Bodies	84.2%
Employees with Disabilities	99

The Company continues to strengthen diversity and inclusion initiatives across **recruitment, career development, leadership opportunities and employee engagement activities.** These efforts aim to build a workplace culture where all individuals have the opportunity to develop their potential and contribute to the Company's success.



4.1. Our **Workforce**

Employee Representation and Engagement

Constructive dialogue between employees and management remains an important component of Haier Europe's workforce approach. The Company maintains strong involvement with **employee representative bodies and social partners** across its operations.

A high level of **collective bargaining coverage** demonstrates the Company's commitment to employee representation and structured workforce engagement.

Employee Relations Indicator	2025
Collective Bargaining Coverage	97.14%
Employee Engagement Channels	Surveys, meetings, representative bodies and feedback mechanisms

Through an **inclusive culture, strong employee representation, continuous learning opportunities and a diverse international workforce,** Haier Europe continues to build a people-focused organisation capable of supporting innovation, sustainability and long-term growth.





4.2. Development & **Engagement**

Investing in People and Potential

Haier Europe's long-term success depends on the **ability to attract, develop and retain talented people** across all areas of the business. As the organization continues to evolve, **employee development, leadership capability and performance management** remain critical enablers of innovation, operational excellence and sustainable growth.

The Company promotes a culture of continuous learning and personal development, providing employees with opportunities to **strengthen technical expertise, leadership skills and business capabilities** throughout their careers. Through structured learning programs, leadership initiatives and performance-focused processes, Haier Europe aims to build a workforce that is adaptable, engaged and prepared for future challenges.

Developing employees is also an important component of the Company's sustainability approach. By **supporting career growth, encouraging knowledge sharing and fostering employee engagement,** Haier Europe seeks to create long-term value for both individuals and the organization.

4.2. Development & **Engagement**

Training and Continuous Learning

Building Skills for a Changing Business Environment

The rapid pace of **technological change, digitalisation and sustainability transformation** requires employees to **continuously develop new capabilities.** Haier Europe therefore places significant emphasis on learning and development across all levels of the organization.

Training programs are designed to strengthen professional competencies, support leadership development, improve operational effectiveness and ensure compliance with regulatory and business requirements. Learning opportunities are **delivered through a variety of formats,** allowing employees to access development resources that reflect their roles and career aspirations.

During 2025, the Company continued investing in workforce development and delivered a **significant volume of training** across the organization.

The **training portfolio** included a broad range of development activities **covering:**

- **Technical and functional skills.**
- **Leadership and management development.**
- **Digital and innovation capabilities.**
- **Sustainability and ESG awareness.**
- **Health, safety and compliance training.**
- **Professional and personal development.**

By continuously investing in employee learning, the Company supports **workforce resilience** and helps employees **adapt to evolving business and market requirements.**

4.2. Development & **Engagement**

Leadership Development

Developing Future Leaders

Leadership plays a critical role in **driving business performance, shaping organizational culture and supporting employee engagement.** Haier Europe invests in leadership development initiatives aimed at strengthening management capabilities and preparing future leaders across the organization.

The Company's leadership approach encourages **accountability, collaboration, innovation and continuous improvement.** Managers are expected to support employee growth, foster inclusive working environments and contribute to the achievement of both business and sustainability objectives.

Leadership development initiatives **focus on:**

Leadership Focus Area	Objective
People Management	Strengthen employee support and team development
Strategic Thinking	Improve decision-making and business leadership
Innovation	Encourage creativity and continuous improvement
Change Management	Support organizational transformation
Sustainability Leadership	Integrate ESG priorities into business decisions

Strong leadership capabilities are increasingly important as the Company advances its sustainability agenda, digital transformation initiatives and long-term growth strategy.

Performance and Growth

Supporting High Performance

Haier Europe promotes a **performance-oriented culture** that encourages employees to achieve their full potential while contributing to organizational success. Performance management processes help align **individual objectives with business priorities, support career development and recognize employee contributions.**



4.2. Development & **Engagement**

Performance and Growth

Supporting High Performance

The Company's approach **emphasizes:**

- **Clear objectives and accountability.**
- **Continuous feedback and dialogue.**
- **Professional growth opportunities.**
- **Development-focused performance discussions.**
- **Recognition of achievements and contributions.**

Performance management is designed not only to evaluate results but also to **identify development needs, strengthen employee engagement** and **support long-term career progression.**

Performance and Engagement **Priorities**

Priority Area	Focus
Performance Management	Align individual and business objectives
Career Development	Support employee growth opportunities
Continuous Feedback	Encourage regular dialogue and coaching
Talent Development	Strengthen future capabilities
Employee Recognition	Reward contributions and achievements

4.2. Development & **Engagement**

Strengthening Employee Engagement

Employee engagement is essential to maintaining a **motivated, productive and resilient workforce.** Haier Europe encourages participation, collaboration and open communication through a variety of engagement channels, including **employee feedback mechanisms, management dialogue and representative bodies.**

These interactions help the Company better understand employee perspectives while supporting **improvements in workplace culture, employee experience and organizational effectiveness.** Employee engagement also contributes to stronger retention, higher levels of motivation and improved business performance.

By investing in employee development, strengthening leadership capabilities and fostering a culture of engagement, Haier Europe continues to build a **high-performing workforce** capable of supporting innovation, sustainability and future growth.



Development & Engagement **Snapshot**

Indicator	2025
Total Training Hours	109,029
Average Training Hours per Employee	21.18
Collective Bargaining Coverage	97.14%
Development Focus Areas	Technical, leadership, digital, sustainability and compliance training

4.3. Inclusion & **Well-being**

Creating a Workplace Where People Can Thrive

Haier Europe is committed to fostering an **inclusive, respectful and supportive working environment** where all employees have the opportunity to contribute, develop and succeed. The Company's people strategy is founded on the principles of **equal opportunity, non-discrimination, respect for individual differences and employee well-being.**

As a multinational organization operating across diverse markets and cultures, Haier Europe recognizes that inclusion is **essential to innovation, collaboration and long-term business success.** By promoting a workplace where **different perspectives are welcomed and valued,** the Company seeks to strengthen employee engagement and build a culture of belonging.

The Company's commitments are reflected in its **policies, governance framework and human resources practices,** which support fair treatment, equal opportunities and respect for human rights throughout the workforce.



4.3. Inclusion & **Well-being**

Diversity, Equity and Inclusion

Promoting Equal Opportunities

Haier Europe promotes an **inclusive workplace culture** that protects employees from discrimination and supports equal treatment across all stages of employment. The Company is committed to ensuring that employment decisions are based on **merit, qualifications and performance.**

Inclusion initiatives focus on creating an environment where employees can contribute regardless of **gender, age, nationality, disability, cultural background, religion or other personal characteristics.**

Inclusion **Indicators**

Indicator	2025
Women in governance bodies	15.8%
Men in governance bodies	84.2%
Employees with disabilities	99
Collective bargaining coverage	97.14%

These indicators reflect the Company's **ongoing efforts to strengthen diversity, representation and employee participation** across the organization.



4.3. Inclusion & **Well-being**

Employee Well-being

Supporting Physical and Mental Health

Haier Europe recognizes that **employee well-being** contributes directly to **engagement, productivity and long-term organizational performance.** The Company promotes a holistic approach to well-being, encompassing physical health, mental health, workplace safety and work-life balance.

Well-being initiatives are designed to help employees **maintain healthy working conditions and access support when needed.** These efforts are reinforced by **health and safety programmes, employee support activities and workplace practices** aimed at creating a positive and sustainable working environment.



Key areas of focus **include:**

- **Physical health and workplace wellness.**
- **Mental health and psychological well-being.**
- **Safe and healthy working environments.**
- **Work-life balance and employee support.**
- **Respectful and inclusive workplace culture.**

Through these initiatives, the Company seeks to create an environment where employees **feel supported both professionally and personally.**



4.3. Inclusion & **Well-being**

Fostering a Culture of Belonging

Employee well-being is closely linked to **engagement, trust and workplace culture.** Haier Europe encourages open dialogue, employee feedback and collaboration across all levels of the organization. Employees are provided with channels to express their views, raise concerns and contribute to workplace improvements.

By combining inclusion, equal opportunity and employee well-being initiatives, Haier Europe aims to create a workplace where people feel **respected, valued and empowered** to perform at their best. These principles support the Company's broader ambition to build a resilient, engaged and future-ready workforce.

4.4. Health & **Safety**

Protecting Our People

Health and safety is a fundamental priority across Haier Europe's operations. With employees working in manufacturing facilities, warehouses, offices and service functions, the Company is committed to **providing a safe and healthy working environment** while promoting a **proactive safety culture** across all locations.

The Company's health and safety approach is built on **prevention, risk management, employee awareness and continuous improvement.** Occupational health and safety considerations are integrated into operational processes, supported by formal management systems, training programs and workplace monitoring activities.

Throughout 2025, Haier Europe continued to focus on **reducing workplace injuries, strengthening safety performance and expanding the application of certified health and safety management systems** across its operations.







4.4. Health & **Safety**

Injury Prevention and Safety Performance

Reducing Workplace Incidents

The Company continuously works to **identify workplace hazards, implement preventive measures and strengthen employee awareness** through training and safety engagement initiatives. These activities support the objective of minimizing accidents and creating safer working conditions across all operations.

Health and safety management is based on **regular risk assessments, incident investigations, corrective actions and continuous monitoring of workplace conditions.** Particular attention is given to manufacturing environments where operational risks are typically higher.

2025 Safety **Performance**

Indicator	2025
Workplace fatalities	0
Lost Time Recordable Injuries	5
Lost days due to injuries	49
Employees covered by H&S management systems	3,632
Coverage rate	70%

These results reflect the Company's continued focus on **preventing serious incidents** while maintaining a **strong culture of workplace safety.**



4.4. Health & **Safety**

Injury Prevention and Safety Performance

Injury Reduction **Priorities**

Focus Area	Objective
Hazard Identification	Prevent workplace incidents before they occur
Risk Assessments	Identify and mitigate operational risks
Employee Training	Strengthen safety awareness and behaviours
Incident Investigation	Capture lessons learned and prevent recurrence
Continuous Improvement	Reduce injury frequency and severity

By emphasizing **prevention and proactive risk management,** Haier Europe seeks to further improve safety performance across all sites.

Total Lost Time Recordable Injury Rate (TRIR)

TRIR is one of the Company's **key indicators** for monitoring occupational health and safety performance. The metric provides **visibility into workplace injury trends** and supports management efforts aimed at **reducing incidents across operations.**

Tracking TRIR **allows the Company to:**

- **Measure occupational safety performance consistently.**
- **Monitor injury trends over time.**
- **Identify areas requiring additional attention.**
- **Support continuous improvement initiatives.**
- **Benchmark safety performance internally and externally.**

In 2025, safety initiatives continued to focus on **reducing the number of recordable incidents** through preventive measures, employee engagement and enhanced safety management practices.

4.4. Health & **Safety**

Total Recordable Injury Rate (TRIR)

Health & Safety **Indicators**

Indicator	2025 Result
Total Lost Time Recordable Injuries	5
Fatalities	0
Lost Days	49
Health & Safety System Coverage	70%

The Company's long-term objective remains the **continuous reduction of workplace injuries** through strong safety leadership, employee involvement and effective operational controls.

The company has a reclassification process based on **OSHA injury definition.**

Certified Health & Safety Management Systems



Strengthening Safety Through Standards

Management systems play an important role in ensuring **consistency and accountability across Haier Europe's health and safety practices.** Certified occupational health and safety frameworks support the **identification of risks, the implementation of controls and the monitoring of performance** across production facilities and operational sites.

The Company continues to expand the **coverage of health and safety management systems** across its operations, helping ensure that safety requirements are **systematically embedded into everyday activities.**

Certification and Governance **Priorities**

Priority Area	Focus
Health & Safety Management Systems	Standardized safety governance
Risk Management	Identification and mitigation of workplace hazards
Employee Training	Safety awareness and competence building
Operational Controls	Prevention of workplace incidents
Performance Monitoring	Continuous improvement and accountability

4.4. Health & **Safety**

Building a Strong Safety Culture

Beyond systems and procedures, Haier Europe recognizes that lasting improvements in health and safety **are driven by culture.** Employees at all levels are encouraged to **actively participate** in safety initiatives, **report hazards** and **contribute** to the continuous improvement of **workplace conditions.**

Through leadership commitment, employee engagement and certified management systems, the Company continues to advance its goal of providing **safe, healthy and productive workplaces** across its operations. Health and safety remains a core component of the Company's commitment to responsible business practices and employee well-being.







4.5. Community Support **Initiatives**

Italy

Supporting Vulnerable Communities through Social Laundromats

Haier Europe donated two washing machines and two tumble dryers to equip a new social laundromat in Parma, providing free laundry services for individuals and families experiencing severe hardship. Implemented in partnership with Procter & Gamble and Caritas, the initiative builds on successful projects previously launched in Turin, Naples and Catania, helping address hygiene poverty and promote social inclusion.

Milan Relay Charity Marathon

Haier Europe participated in the Milan Relay Charity Marathon 2025, engaging employees in a fundraising and awareness initiative supporting nonprofit organisations. The programme strengthened community engagement while promoting solidarity and social inclusion.

Supporting Women and Children

Through its partnership with WeWorld and the Spazi Donna project, Haier Europe contributed to initiatives that provide safe spaces, protection and support services for women and children in vulnerable situations.

United Kingdom & Ireland

Workforce Development, Inclusion & Belonging:

- **Women at Haier Colleague Network Group** – Supported by UK SLT members who actively participate in and champion the network, introduced in 2024.
- **Women's Empowerment 12 Month Programme** – Launched in partnership with See Her Thrive, supporting the development, confidence, and progression of women across the organisation via talks and workshops identified by the women at Haier group.
- **Fireside Chats with Female Leaders** – Sessions focused on "Achieving on Your Own Merit", alongside a dedicated Men's Health fireside chat with members of management for international mens day in November.
- **Neurodiversity Focus Group** – Established a dedicated focus group which helped shape and introduce the organisation's Neurodiversity Policy in 2025.
- **Religious Inclusion** – Introduced e-cards celebrating a wide range of religious and cultural holidays within our Haier Perkz platform, promoting greater awareness and inclusion across the organisation.

4.5. Community Support **Initiatives**



United Kingdom & Ireland

- **Manager Training** – All managers complete Mental Health and DEI training, supported by regular refresher sessions to maintain awareness and embed inclusive leadership practices.

- **Haier My Voice** – Colleague Listening Strategy – Continued our colleague listening programme, including "You Said, We Did" initiatives and targeted questions exploring wellbeing, diversity, and key engagement drivers.

Employee Health, Wellbeing & Psychological Safety:

- **Wellbeing Initiatives** – Introduced visits from a massage therapist during Mental Health Awareness Week and World Health Day, providing colleagues with opportunities to prioritise their wellbeing. Awareness of our wellbeing support programmes via talks and internal communications via our colleague newsletters (i.e. EAP, Wellbeing Centre, Wellbeing Hub, My Gym Discounts, Private Health Care via Bupa, Bluecrest Health).

- **Bluecrest Health Assessments** – Continued our partnership with Bluecrest, providing onsite health assessments at both company sites and field locations.

- **Menopause Support** – Published the Menopause Action Plan on the company website, demonstrating our commitment to supporting colleagues through menopause.

- **TOTM Partnership** – Continued our partnership with TOTM, supporting period dignity.

Recognition, Accreditation & ESG Governance:

- **Belonging at Haier** – Achieved a Silver Award at Reward Gateways Appreciation Awards, recognising our progress in our DEI strategy and the work of the Women at Haier Network Group.

- **High Sheriffs' Award for Wellness at Work 2025** – Recognised as the winner of the High Sheriffs' Award for Wellness at Work 2025.

- **Inclusive Employers Accreditation** – Completed our accreditation journey with Inclusive Employers, building on our previous Bronze rating, with the aim of achieving Silver accreditation in 2026.

4.5. Community Support **Initiatives**

United Kingdom & Ireland

Community Impact & Social Responsibility:

- **Trussell Trust** – Foodbank collections and donations.
- **Cancer Research UK** – Collection and donation of unwanted items.
- **Cash for Kids** – Christmas toy drives.
- **Silent auctions** – Raising funds to support children in need.



4.5. Community Support **Initiatives**

Poland

Charity Auction Supporting Healthcare

Haier Poland donated a household appliance to the 33rd Great Orchestra of Christmas Charity Auction, helping raise funds for healthcare services and medical equipment. The initiative generated charitable proceeds of approximately eight thousands Euro, contributing to improved healthcare outcomes and community wellbeing.

Morocco

Supporting Sports and Community Engagement

Haier became a Premium Sponsor of the Royal Moroccan Football Federation (FRMF), promoting community participation, inclusion and engagement through sport.

Haier Club at the Africa Cup

During the Africa Cup, Haier launched the Haier Club engagement platform, offering interactive experiences and planning activities for local football clubs and children's associations. The initiative strengthens community connections and creates opportunities for youth participation.

Turkey

Employee Engagement and Sustainability Awareness

Haier Turkey implemented employee awareness initiatives, including sustainability-focused activities developed in collaboration with KALDER (Turkish Quality Association). These programmes enhance employee engagement and understanding of sustainability topics.



Responsible Business

Haier Europe
Sustainability

5. Responsible Business

5.1. Business **Conduct**

Acting with Integrity

Integrity is the cornerstone of Haier Europe's culture and business conduct framework. Through its core principles and the Own It model, the Company promotes **responsible decision-making, ethical behaviour, accountability and compliance** across all operations. These principles guide how employees and business partners conduct business, interact with stakeholders and create long-term value.

Business conduct expectations apply to **employees, managers and business partners** and are supported by a series of policies, procedures and governance mechanisms designed to promote a culture of trust, fairness and responsibility. These include the **Code of Ethics, the ESG Business Code of Conduct, anti- orruption requirements, compliance programmes and whistleblowing procedures.** These frameworks help guide daily decision-making and support the Company's commitment to responsible business practices throughout its operations and value chain.

Haier Europe recognizes that strong governance is essential for long-term value creation. By embedding ethical standards into business processes and corporate culture, the Company seeks to **strengthen stakeholder confidence, reduce risks and support sustainable growth.**



5.1. Business **Conduct**

Ethics



A Shared Responsibility

Ethical conduct is expected from **all employees and business partners.** The Company's Code of Ethics establishes the principles and standards that guide relationships with **customers, suppliers, employees, shareholders, public authorities and other stakeholders.**

The Code promotes values **including:**



Integrity and honesty.



Respect for people and human rights.



Fair competition.



Transparency and accountability.



Responsible use of company resources.



Compliance with laws and regulations.

These principles are reinforced through internal policies, management oversight and employee awareness activities, helping ensure that **ethical considerations** are incorporated into **everyday business decisions.**

5.1. Business **Conduct**

Ethics

Ethical **Foundations**

Principle	Commitment
Integrity	Conduct business honestly and responsibly
Respect	Foster respectful relationships with stakeholders
Fairness	Promote equal treatment and non-discrimination
Transparency	Support open and accurate communication
Accountability	Maintain responsibility for decisions and actions

The Company's ethical framework extends beyond its own workforce and **influences expectations** for suppliers, contractors and business partners through **responsible sourcing and ESG requirements.**

Compliance

Maintaining Strong Governance

Compliance is an essential component of Haier Europe's governance framework. The Company is committed to conducting business in accordance with **applicable laws, regulations and internal policies** across all markets where it operates.

Compliance activities are designed **to support:**

- **Regulatory adherence.**
- **Risk management.**
- **Prevention of misconduct.**
- **Protection of company reputation.**
- **Continuous improvement of governance practices.**

The compliance framework is supported by policies covering **business conduct, anti-corruption, data protection, competition law, human rights and supply chain responsibility.** Compliance requirements are integrated into business processes and monitored through governance and internal control mechanisms.

5.1. Business **Conduct**

Compliance

Haier Europe's compliance framework is designed to **promote ethical business conduct, regulatory compliance and responsible decision-making** across all operations. The framework covers key areas including **business ethics, anti-corruption, data protection, human rights, supply chain governance and internal controls.** It is supported by policies, training programmes, due diligence processes, monitoring activities and reporting mechanisms that help identify, prevent and address compliance risks.

A strong compliance culture helps the Company **identify risks early, strengthen operational resilience** and **maintain stakeholder trust.**

Whistleblowing and Speaking Up

Encouraging Transparency

Haier Europe promotes a culture in which employees and stakeholders can **raise concerns without fear of retaliation.** The Company's whistleblowing framework provides mechanisms for reporting suspected misconduct, unethical behaviour, violations of company policies or potential breaches of legal requirements.

Reporting channels are intended to **support transparency, accountability and early identification of concerns.** The Company encourages individuals to speak up whenever they become aware of situations that may conflict with the Company's ethical standards or compliance obligations.

All reports are handled through **defined procedures** designed to ensure **confidentiality, impartiality and appropriate follow-up.**



5.1. Business **Conduct**

Whistleblowing and Speaking Up

Whistleblowing **Principles**

Principle	Commitment
Accessibility	Reporting channels available to relevant stakeholders
Confidentiality	Protection of information and reporting individuals
Non-Retaliation	Protection against retaliation for good-faith reports
Fair Investigation	Objective assessment of reported concerns
Accountability	Appropriate corrective actions where required

The **whistleblowing system** forms an important part of the Company's broader governance and risk management framework, helping **identify potential issues and reinforce a culture of integrity** across the organization.

Supporting a Responsible Business Culture

Business conduct is not limited to policies and procedures. It relies on the **behaviour, decisions and actions** of employees and leaders throughout the organization. Haier Europe therefore continues to promote **ethical leadership, compliance awareness and responsible decision-making** across all functions.

Haier Europe's approach to responsible business conduct is **anchored in its cultural framework and behavioural expectations,** including the Own It model. These principles guide ethical decision-making, accountability, compliance and stakeholder engagement across the organization and are embedded in leadership, people management and day-to-day business operations.

By combining **strong ethical standards, robust compliance processes and effective whistleblowing mechanisms,** Haier Europe continues to strengthen its governance framework and support responsible business conduct across its operations and value chain.



5.2. Responsible Data & **Cybersecurity**

Protecting Data in a Connected World

As digital technologies become **increasingly integrated into products, services and customer interactions,** responsible data management and cybersecurity have become **essential elements** of Haier Europe's sustainability and governance framework. The Company's growing ecosystem of connected products, digital platforms and smart services relies on the **secure handling** of information and the protection of users, systems and business operations.

Haier Europe is committed to ensuring that personal information, business data and connected technologies are **managed responsibly throughout their lifecycle.** This commitment is supported by **dedicated policies, governance structures and security measures** designed to address evolving cybersecurity threats, regulatory requirements and stakeholder expectations.

The Company's approach focuses on **three priorities:**

1. **Protecting** personal and business data.
2. **Strengthening** cybersecurity resilience.
3. **Ensuring** the security of connected ecosystems and digital services.

5.2. Responsible Data & **Cybersecurity**

Data Protection



Building Trust Through Responsible Data Management

Haier Europe recognizes that trust is fundamental to **long-term customer relationships.** As connected appliances and digital services generate increasing amounts of data, the Company continues to strengthen its approach to data privacy and information protection.

The Company's **Data Protection and Smart Ecosystem Security Policy** establishes the principles governing the collection, processing, storage and protection of personal information across business activities and digital platforms. These principles aim to **ensure compliance with applicable privacy requirements** while maintaining high standards of transparency and accountability.

Data protection measures are integrated into business processes and digital services to ensure that **personal information remains secure** throughout its lifecycle.

Data Protection **Principles**

Principle	Commitment
Privacy	Protect personal information and user rights
Transparency	Provide clear information on data processing activities
Security	Safeguard data from unauthorized access and misuse
Accountability	Apply governance and oversight throughout the data lifecycle
Compliance	Meet applicable data protection requirements

The Company **continuously reviews and improves its privacy practices** to respond to changes in technology, regulation and stakeholder expectations.

5.2. Responsible Data & **Cybersecurity**

Cybersecurity

Strengthening Digital Resilience

Cybersecurity plays a critical role in protecting Haier Europe's operations, products and customers. The increasing use of connected technologies, cloud-based services and digital platforms requires organizations to **maintain robust security controls** and continuously **adapt to emerging cyber risks.**

Haier Europe's cybersecurity approach focuses on **protecting information systems, monitoring threats and maintaining the integrity, confidentiality and availability of critical data and digital infrastructure.** Cybersecurity responsibilities are supported by governance processes, policies and internal controls that help manage risks across the organization.

The Company continues **to strengthen its cybersecurity capabilities through:**

- **Risk assessment and monitoring activities.**
- **Information security policies and controls.**
- **Employee awareness and training initiatives.**
- **Incident prevention and response procedures.**
- **Ongoing evaluation of digital risks and vulnerabilities.**

Cybersecurity **Focus Areas**

Priority Area	Objective
Information Security	Protect business and customer data
Threat Monitoring	Identify and respond to emerging risks
Risk Management	Strengthen cyber resilience
Employee Awareness	Promote secure behaviours and practices
Incident Response	Manage and mitigate security events

By embedding cybersecurity into governance and operational processes, the Company aims to **strengthen organizational resilience and maintain stakeholder confidence** in its digital ecosystem.

5.2. Responsible Data & **Cybersecurity**

Securing the hOn Ecosystem

Protecting Connected Products and Services

The **hOn platform** is a central component of Haier Europe's connected ecosystem, linking appliances, users and digital services through a **single integrated environment.** As connectivity expands, ensuring the security of this ecosystem remains a strategic priority.

The Company has established the **Smart Ecosystem Security Policy** to support the secure operation of connected products, applications and digital services. The policy is designed to **address cybersecurity and privacy considerations** throughout the lifecycle of connected technologies.

Security considerations are **integrated into the development, deployment and operation of connected solutions** to help ensure that users can benefit from digital services with confidence.

Security Objectives for **Connected Ecosystems**

Area	Focus
Connected Appliances	Secure operation of smart products
Digital Platforms	Protection of connected applications and services
User Privacy	Responsible management of personal information
Cyber Resilience	Prevention and mitigation of cybersecurity risks
Trust and Transparency	Strengthen confidence in connected ecosystems

The Company's approach recognizes that security and privacy are **essential enablers of digital innovation.** As connected services continue to evolve, **maintaining robust protection measures** remains critical to supporting adoption and delivering a trusted customer experience.

5.2. Responsible Data & **Cybersecurity**

Responsible Digital Innovation

The expansion of **connected products, smart home technologies and digital services** creates significant opportunities to **improve consumer experiences and product performance.** At the same time, it increases the importance of responsible data governance and cybersecurity management.

Responsible Data & Cybersecurity **Snapshot**

Topic	Focus
Data Protection	Protection of personal and business information
Privacy	Transparent and responsible data management
Cybersecurity	Prevention, detection and response capabilities
hOn Ecosystem	Secure connected products and services
Digital Trust	Building confidence in smart technologies
Governance	Policies, controls and accountability mechanisms

By combining **strong data protection practices, cybersecurity governance and secure connected ecosystems,** Haier Europe continues to support responsible digital innovation while strengthening trust among customers, employees and business partners.





5.3. Supplier **Governance**

Strengthening Accountability Across the Supply Chain

Supplier governance is an important component of Haier Europe's responsible business framework. As a **significant share** of environmental, social and governance impacts occur **throughout the value chain,** the Company works to ensure that suppliers operate in accordance with its standards for ethics, compliance, sustainability and responsible business conduct.

The Company's supplier governance approach combines c**lear expectations, qualification procedures, ESG assessments and ongoing monitoring activities.** Through these mechanisms, Haier Europe seeks to build a supply chain that **supports transparency, risk management and long-term value creation.** The governance framework also helps the Company respond to **increasing stakeholder expectations and evolving regulatory requirements** related to responsible sourcing and value chain oversight.

5.3. Supplier **Governance**

Governance Framework

Supplier expectations are defined through **corporate policies and procurement requirements,** including the ESG Business Code of Conduct. These standards communicate the Company's expectations regarding business ethics, environmental responsibility, labour practices, human rights and compliance.

Supplier Governance **Pillars**

Pillar	Focus
Business Ethics	Integrity, transparency and responsible conduct
Compliance	Adherence to applicable laws and regulations
Human Rights	Respect for workers and fundamental rights
Environmental Responsibility	Environmental management and sustainability performance
Risk Management	Identification and mitigation of ESG risks
Continuous Improvement	Ongoing supplier development and monitoring

Suppliers are evaluated through **qualification and assessment processes** designed to identify potential risks and support responsible procurement decisions. When risks or gaps are identified, the Company works with suppliers to **implement corrective actions and strengthen performance.**

Partnership and Oversight

Haier Europe views supplier governance not only as a compliance exercise but also as **an opportunity to strengthen collaboration and promote continuous improvement** across the value chain. Ongoing dialogue, performance monitoring and engagement activities help suppliers better understand the **Company's sustainability expectations** and support progress over time.

Supplier Governance **Snapshot**

Priority Area	Objective
Supplier Qualification	Assess sustainability and compliance risks
ESG Screening	Improve visibility across the supply base
Performance Monitoring	Track supplier progress and compliance
Corrective Actions	Address identified risks and gaps
Supplier Engagement	Strengthen collaboration and ESG awareness

By **combining clear expectations, robust governance processes and supplier engagement,** Haier Europe continues to strengthen the sustainability, resilience and integrity of its supply chain.



5.4. Targets & **Progress**

Measuring Responsible Business Performance

Haier Europe monitors a range of **governance, ethics, compliance and responsible business indicators** to evaluate the effectiveness of its management systems and support continuous improvement. Progress is tracked through **governance structures, internal controls, compliance mechanisms and sustainability reporting processes.**

Responsible business targets focus on **maintaining a strong ethical culture, strengthening compliance practices, improving transparency and supporting accountability** throughout the organization and value chain.

5.4. Targets & **Progress**

Key Priorities

Ethics and Compliance

The Company continues to focus on promoting ethical conduct, strengthening awareness of corporate policies and ensuring that business activities are carried out in accordance with legal and regulatory requirements.

Whistleblowing and Transparency

Reporting mechanisms remain an important component of the governance framework. Haier Europe continues to promote a culture where employees and stakeholders can raise concerns in confidence and without fear of retaliation.

Data Protection and Cybersecurity

As connected technologies become increasingly important, the Company continues to strengthen privacy, cybersecurity and digital governance capabilities to maintain trust and protect customers, employees and business operations.

Supplier Responsibility

Responsible sourcing and supplier governance remain key priorities, with continued efforts to expand ESG screening, due diligence and supplier engagement activities.

Responsible Business Performance **Dashboard**

Area	2025 Progress
Code of Ethics	Implemented across the organization
ESG Business Code of Conduct	Applied within governance framework
Whistleblowing System	Reporting channels maintained
Data Protection Policy	Active and monitored
Smart Ecosystem Security Policy	Implemented
Supplier ESG Screening	Ongoing expansion
ESG Due Diligence Activities	Strengthened across procurement processes
Sustainability Governance	Board and committee oversight maintained



5.4. Targets & **Progress**

Looking Ahead

Responsible business practices will continue to support Haier Europe's long-term strategy and stakeholder commitments. Future priorities include **strengthening governance systems, enhancing supplier oversight, advancing data protection and cybersecurity capabilities,** promoting ethical behaviour and ensuring continued alignment with evolving regulatory requirements.

Through these efforts, Haier Europe aims to **reinforce trust, transparency and accountability** across its operations while supporting sustainable and responsible growth.



Sustainability Performance

Haier Europe
Sustainability

6. Sustainability Performance

Climate Performance

Decarbonisation Dashboard

Haier Europe continues to pursue its climate strategy through operational emissions reductions, renewable energy deployment and value-chain decarbonisation initiatives aligned with its SBTi commitments.

Greenhouse Gas Emissions

Indicator	2025
Scope 1 Emissions	10,253 tCO_2e
Scope 2 Emissions (Location-based)	20,026 tCO_2e
Scope 2 Emissions (Market-based)	3,380 tCO_2e
Scope 3 Emissions	11,261,599 tCO_2e
Total Operational Emissions (Scope 1 + Scope 2 MB)	13,633 tCO_2e

Renewable Energy

Indicator	2025
Renewable Electricity Share	80.58%
Renewable Electricity Purchased	30,595 MWh
Solar Self-Generation	12,124.88 MWh
Total Renewable Electricity	42,719.88 MWh

Climate Targets

Target	Commitment
Scope 1 & 2 Reduction	50% by 2030 (vs. 2021)
Scope 3 Reduction	42% by 2030 (vs. 2021)
Operational carbon neutrality	By 2050
Renewable Electricity	>60%

Key Takeaway

Scope 3 emissions remain the largest component of Haier Europe's carbon footprint, representing more than 99% of total emissions, highlighting the importance of product efficiency, supplier engagement and lifecycle decarbonisation initiatives.

Circularity Performance

Resource Efficiency Dashboard

Circular economy principles continue to be integrated across manufacturing operations, waste management systems, recycling programs and packaging initiatives.

Waste Performance

Indicator	2025
Waste Recovery Rate	98.5%
Waste Reduction	11.9%
Hazardous Waste Share	1.25%
Zero Waste to Landfill	Achieved at Turkey Site

Recycling Performance

Indicator	2025
WEEE Collected	31,069,084 kg
Recycled Materials Recovered	27,635 tonnes
Batteries Collected	15,260 kg
Batteries Recycled	10,625 kg

Packaging Performance

Indicator	2025
Packaging Recycling Rate	94%
Long-Term Target	100% recyclable packaging by 2030

Circularity Priorities

Focus Area	Objective
Waste Reduction	Minimise operational waste
Recycling	Maximise material recovery
Packaging	Improve recyclability and reduce material use
Resource Efficiency	Support circular manufacturing

Key Takeaway

The Company achieved a 98.5% waste recovery rate while recovering more than 27,000 tonnes of recycled materials, demonstrating continued progress towards circular operations.

People Performance

Workforce Dashboard

Haier Europe's workforce remains a key driver of innovation, operational excellence and sustainable growth across all markets.

Workforce Profile

Indicator	2025
Total Employees	5,187
Non-Employee Workers	94
Collective Bargaining Coverage	97.14%
Employees with Disabilities	99

Training & Development

Indicator	2025
Total Training Hours	109,029
Average Training Hours per Employee	21.18

Diversity

Indicator	2025
Women in Governance Bodies	15.8%
Men in Governance Bodies	84.2%

Health & Safety

Indicator	2025
Workplace Fatalities	0
Lost Time Recordable Injuries	5
Lost Days Due to Injuries	49
Employees Covered by H&S Systems	3,632
Coverage Rate	70%

Key Takeaway

The Company maintained zero fatalities, delivered over 109,000 hours of employee training and achieved collective bargaining coverage exceeding 97% of the workforce.





Governance Performance

Responsible Business Dashboard

Strong governance supports Haier Europe's commitment to ethical business conduct, regulatory compliance, responsible data management and transparent stakeholder engagement.

Ethics & Compliance

Indicator	2025 Status
Code of Ethics	Implemented
ESG Business Code of Conduct	Implemented
Compliance Framework	Active
Responsible Business Governance	Active

Whistleblowing & Reporting

Indicator	2025 Status
Whistleblowing System	Active
Reporting Channels	Available
Non-Retaliation Commitment	Implemented
Investigation Procedures	Established

Data Protection & Cybersecurity

Indicator	2025 Status
Data Protection Policy	Implemented
Smart Ecosystem Security Policy	Implemented
Cybersecurity Governance	Active
Connected Ecosystem Protection	Ongoing

Supplier Governance

Indicator	2025 Status
ESG Screening Program	Active
Supplier Due Diligence	Strengthened
Supplier Monitoring	Ongoing
ESG Supplier Engagement	Expanded

Key Takeaway

Governance priorities during 2025 focused on strengthening ethics, compliance, supplier oversight, whistleblowing processes, cybersecurity and responsible data management across the organization.

Sustainability Performance Overview

2025 Highlights

Area	Key Achievement
Climate	80.58% renewable electricity usage
Climate	42,719.88 MWh renewable electricity generated or purchased
Circularity	98.5% waste recovery rate
Circularity	27,635 tonnes of recycled materials recovered
People	5,187 employees across more than 20 countries
People	109,029 training hours delivered
Safety	Zero workplace fatalities
Governance	Ethics, compliance and whistleblowing framework maintained
Supply Chain	Expanded ESG screening and due diligence activities
Digital Responsibility	Continued implementation of data protection and cybersecurity governance

Strategic Priorities Going Forward

Priority	Focus
Climate	Accelerate Scope 1, 2 and 3 decarbonisation
Circularity	Improve resource efficiency and recyclable packaging
People	Invest in skills, safety and employee engagement
Governance	Strengthen compliance, transparency and responsible business conduct
Supply Chain	Expand ESG integration across suppliers
Digital Trust	Enhance cybersecurity and data protection capabilities

Together, these indicators provide a **concise overview of Haier Europe's sustainability performance in 2025** and demonstrate progress toward its **long-term environmental, social and governance ambitions.**







Appendices

Haier Europe
Sustainability

Appendices

Methodology

Reporting Methodology and Scope

This Sustainability Report has been prepared to provide a **concise overview of Haier Europe's environmental, social and governance (ESG) performance** during the reporting year. The report reflects the Company's **material sustainability topics, strategic priorities, performance indicators and progress against key commitments.**

The report has been developed using information collected across Haier Europe's operations and value chain through established **sustainability governance, reporting and management processes.** Data collection involved collaboration between **business functions, operational sites, sustainability specialists and subject matter experts** to ensure consistency and reliability across reported information.

The reporting approach is aligned with the **Company's sustainability governance framework** and supports increasing transparency regarding sustainability impacts, risks, opportunities and performance.

Reporting Boundary

Unless otherwise stated, the information included in this report relates to **the entities and operations included within Haier Europe's reporting perimeter for 2025.**

The reporting boundary covers activities that are **under the operational control of the Company** and reflects the organizational structure used for sustainability reporting and management purposes.

Where relevant, disclosures also consider **impacts, risks and opportunities** occurring across the broader value chain, **including:**

Value Chain Stage	Activities Covered
Upstream	Suppliers, raw materials, components, logistics and procurement
Own Operations	Manufacturing, warehouses, offices and supporting functions
Downstream	Distribution, retailers, consumers, connected services and product use
End-of-Life	Product collection, recycling, repair and refurbishment activities

This value-chain perspective is particularly important for **climate change, circular economy, consumer-related topics and supply chain sustainability assessments.**

Methodology

Double Materiality Assessment

The content of this report is based on **the results of Haier Europe's Double Materiality Assessment (DMA),** conducted in accordance with ESRS requirements.

The assessment **considered both:**

Impact Materiality

The Company's actual and potential **impacts on:**

- **The environment**
- **Employees**
- **Consumers**
- **Workers in the value chain**
- **Society and stakeholders**

Financial Materiality

Sustainability-related risks and opportunities **that may influence:**

- **Business performance**
- **Cash flows**
- **Enterprise value**
- **Operational resilience**
- **Long-term growth**

The DMA identified the sustainability topics considered material to Haier Europe and therefore included within this report.

Methodology

Double Materiality Assessment

Material Topics

Environmental	Climate Change • Circular Economy	
Social	Own Workforce • Workers in the Value Chain • Consumers & End-users	
Governance	Business Conduct	

The results of the DMA provide **the basis for the report structure and sustainability priorities** presented throughout this document.

Data Collection and Management

Sustainability information is gathered through **a combination of:**

- **Operational reporting systems**
- **Environmental monitoring processes**
- **Human resources systems**
- **Health and safety management systems**
- **Procurement and supplier management processes**
- **Governance and compliance reporting mechanisms**

Data owners are responsible for **collecting and validating information** within their respective areas of responsibility. Sustainability reporting teams coordinate consolidation and review activities to **support consistency across disclosures.**

Where appropriate, information is reviewed through **established governance processes** involving business functions, management and sustainability governance bodies.

Methodology

Climate Methodology

Greenhouse gas emissions are calculated using **internationally recognized methodologies and standards** for corporate carbon accounting.

Emissions are **reported across:**

Category	Description
Scope 1	Direct emissions from owned or controlled sources
Scope 2	Indirect emissions from purchased electricity and energy
Scope 3	Other indirect emissions occurring throughout the value chain

The Company reports both **location-based and market-based Scope 2 emissions** where applicable.

Climate-related performance indicators support **the monitoring of progress against the Company's climate strategy and Science Based Targets initiative** (SBTi) commitments.

Circular Economy Methodology

Circular economy indicators cover activities **related to:**

- **Waste generation**
- **Waste recovery**
- **Recycling**
- **Packaging management**
- **Resource efficiency**
- **Product end-of-life management**

Waste recovery rates are calculated based on the proportion of waste diverted from disposal through **recycling, reuse or recovery processes.**

Recycling performance includes information relating to **waste electrical and electronic equipment (WEEE), batteries and other material recovery activities** where relevant.

Methodology

Workforce Methodology

Workforce metrics are compiled using **human resources reporting systems** and include information **relating to:**

- **Employees**
- **Workforce composition**
- **Collective bargaining coverage**
- **Training and development**
- **Diversity indicators**
- **Health and safety performance**

Employee data reflects the workforce within the reporting boundary at the reporting date unless otherwise specified.

Training indicators are based on **completed training activities** recorded during the reporting period.

Health & Safety Methodology

Occupational health and safety performance is monitored through **internal reporting and management systems.**

Indicators **may include:**

- **Lost Time Recordable Injuries**
- **Lost days due to injuries**
- **Fatalities**
- **Health and safety management system coverage**

Safety performance is assessed using **standardized internal definitions and reporting procedures** to support consistency across operational sites.

Methodology

Governance Methodology

Governance disclosures are based on information **obtained from:**

- **Corporate governance structures**
- **Compliance functions**
- **Ethics and whistleblowing systems**
- **Data protection and cybersecurity governance processes**
- **Supplier governance and procurement functions**

The report includes information relating to **ethics, compliance, responsible business conduct** and **governance oversight mechanisms.**

Forward-Looking Information

Certain statements contained within this report relate to **future ambitions, objectives, commitments and targets.** These statements reflect **current expectations and assumptions** at the time of reporting and may be influenced by external developments, market conditions, technological advancements and regulatory changes.

Future outcomes **may therefore differ** from current expectations.

Basis of Preparation

This report is intended to provide stakeholders with a **clear and concise overview** of Haier Europe's **sustainability performance and strategic priorities.** It complements the **Company's detailed ESRS disclosures** and **supporting sustainability documentation** by focusing on material topics, key achievements, performance indicators and long-term commitments.

All sustainability information presented in this report has been prepared using the **reporting methodologies, governance processes** and **data collection systems** in place during the 2025 reporting period.

Materiality Matrix

Double Materiality Results

Haier Europe's Double Materiality Assessment identified the sustainability topics that are most relevant from both an impact and financial perspective. The results guide the **Company's sustainability strategy, reporting priorities, risk management activities and long-term decision-making.**

The assessment evaluated **environmental, social and governance topics** across the entire value chain, considering both the Company's impacts on people and the environment and the potential effects of sustainability-related risks and opportunities on business performance.

The assessment confirmed **six material topics** for reporting and strategic management:

ESRS Topic	Impact Materiality	Financial Materiality
Climate Change (E1)	Material	Material
Circular Economy (E5)	Material	Material
Own Workforce (S1)	Material	Material
Workers in the Value Chain (S2)	Material	Material
Consumers and End-users (S4)	Material	Material
Business Conduct (G1)	Material	Material

The assessment concluded that these topics **represent the most significant sustainability priorities** for Haier Europe and therefore form the basis of this Sustainability Report.

Materiality Matrix

Impact on People & Environment ↑	Low Financial Materiality	Medium Financial Materiality	High Financial Materiality
High		Own Workforce (S1)	Climate Change (E1)
High		Consumers & End-users (S4)	Circular Economy (E5)
Medium-High		Workers in the Value Chain (S2)	Business Conduct (G1)
Low			

Horizontal axis: Financial Materiality

Vertical axis: Impact Materiality

Materiality Matrix

Material Topics Across the Value Chain

The assessment highlighted that **material impacts, risks and opportunities** occur across the entire value chain.

Value Chain Stage	Key Material Topics
Upstream	Climate Change, Circular Economy, Workers in the Value Chain
Own Operations	Climate Change, Own Workforce, Business Conduct
Downstream	Climate Change, Consumers & End-users, Circular Economy
End-of-Life	Circular Economy and Resource Efficiency

Material Topics **by Category**

Environmental | Climate Change • Circular Economy

Social | Own Workforce • Workers in the Value Chain • Consumers & End-users

Governance | Business Conduct

The results of the **Double Materiality Assessment** provide the foundation for **Haier Europe's sustainability priorities** and support the integration of sustainability considerations into **governance, strategy, risk management and operational decision-making.**

KPI Tables

Environmental Performance KPIs

Climate, Energy and Resource Management

Indicator	Unit	2025
Scope 1 Emissions	tCO_2e	10,253
Scope 2 Emissions (Location-based)	tCO_2e	20,026
Scope 2 Emissions (Market-based)	tCO_2e	3,380
Scope 3 Emissions	tCO_2e	11,261,599
Total Operational Emissions (Scope 1 + Scope 2 MB)	tCO_2e	13,633
Renewable Electricity Consumption	%	80.58
Renewable Electricity Purchased	MWh	30,595
Solar Self-Generation	MWh	12,124.88
Total Renewable Electricity	MWh	42,719.88
Renewable Electricity Target	%	>60

Circular Economy KPIs

Indicator	Unit	2025
Waste Recovery Rate	%	98.5
Waste Reduction	%	11.9
Hazardous Waste Share	%	1.25
WEEE Collected	kg	31,069,084
Recycled Materials Recovered	tonnes	27,635
Batteries Collected	kg	15,260
Batteries Recycled	kg	10,625
Packaging Recycling Rate	%	94
Recyclable Packaging Target (2030)	%	100

KPI Tables

Environmental Performance KPIs

Water Management KPIs

Indicator	Unit	2025
Water Recovery Target	%	≥70
Strategic Focus	-	Water efficiency and circular water management

Social Performance KPIs

Workforce Overview

Indicator	Unit	2025
Total Employees	Number	5,187
Non-Employee Workers	Number	94
Countries with Employees	Number	20+
Collective Bargaining Coverage	%	97.14
Employees with Disabilities	Number	99

Workforce by Major Geography

Country	Employees
Türkiye	1,606
Italy	1,335
China	846
United Kingdom & Ireland	645
Other Countries	755
Total	5,187

Learning & Development

Indicator	Unit	2025
Total Training Hours	Hours	109,029
Average Training Hours per Employee	Hours	21.18

KPI Tables

Social Performance KPIs

Diversity Indicators

Indicator	Unit	2025
Women in Governance Bodies	%	15.8
Men in Governance Bodies	%	84.2

Governance Structure Indicators

Indicator	Unit	2025
Governance Body Members	Number	38
Executive Members	Number	36
Independent Members	Number	2

Health, Safety and Governance KPIs

Health & Safety Performance

Indicator	Unit	2025
Workplace Fatalities	Number	0
Lost Time Recordable Injuries	Number	5
Lost Days Due to Injuries	Days	49
Employees Covered by H&S Management Systems	Number	3,632
H&S Management System Coverage	%	70

Governance & Compliance Status

Area	2025 Status
Code of Ethics	Implemented
ESG Business Code of Conduct	Implemented
Compliance Framework	Active
Whistleblowing System	Active
Data Protection Policy	Implemented
Smart Ecosystem Security Policy	Implemented
Cybersecurity Governance	Active
ESG Supplier Screening	Active
Supplier Due Diligence	Strengthened
Sustainability Governance Committees	Active

KPI Tables

Health, Safety and Governance KPIs

Strategic Sustainability **Targets**

Area	Target
Scope 1 & 2 Emissions	-50% by 2030 vs. 2021
Scope 3 Emissions	-42% by 2030 vs. 2021
Operational Carbon Neutrality	2050
Renewable Electricity	>60%
Packaging Recyclability	100% by 2030
Water Recovery	≥70%

2025 Sustainability **Snapshot**

Indicator	Unit
Climate	80.58% renewable electricity
Climate	11.26 million tCO_2e Scope 3 emissions
Circularity	98.5% waste recovery rate
Circularity	27,635 tonnes recycled materials recovered
People	5,187 employees
People	109,029 training hours
Safety	Zero fatalities
Governance	Active ethics, compliance and whistleblowing systems
Supply Chain	Expanded ESG screening and due diligence
Digital Responsibility	Data protection and cybersecurity governance maintained

This **KPI appendix** consolidates the **principal sustainability metrics** disclosed throughout the report and serves as a **quick reference for environmental, social and governance performance.**

ESRS Cross-Reference Table

ESRS Disclosure Index

This Sustainability Report provides a **concise overview of Haier Europe's material sustainability topics, strategy, governance and performance.** Detailed ESRS disclosures, methodologies and data points are presented in the accompanying **ESRS Disclosure Document.**

The table below provides a cross-reference between **material ESRS disclosure requirements** and the **relevant sections of this Sustainability Report.**

ESRS 2 – General Disclosures

ESRS Requirement	Sustainability Report Reference
ESRS 2 GOV-1 – Governance structure	1.4 Governance & ESG Governance
ESRS 2 GOV-2 – Information provided to governance bodies	1.4 Governance & ESG Governance
ESRS 2 GOV-3 – Sustainability-related incentives	1.4 Governance & ESG Governance
ESRS 2 IRO-1 – Identification and assessment of impacts, risks and opportunities	1.5 Double Materiality Assessment

ESRS Requirement	Sustainability Report Reference
ESRS 2 IRO-2 – Disclosure requirements informed by DMA	1.5 Double Materiality Assessment
ESRS 2 SBM-1 – Strategy, business model and value chain	1.3 Business Model & Value Chain
ESRS 2 SBM-2 – Stakeholder interests and views	1.5 Double Materiality Assessment
ESRS 2 SBM-3 – Material impacts, risks and opportunities	1.5 Double Materiality Assessment
ESRS 2 MDR-P – Policies related to material topics	Relevant topic sections throughout report
ESRS 2 MDR-A – Actions and resources	Relevant topic sections throughout report
ESRS 2 MDR-T – Targets	Key Targets sections and Section 5.4
ESRS 2 MDR-M – Metrics	Section 6 Sustainability Performance and Appendix C

ESRS Cross-Reference Table

Environmental Standards

ESRS Requirement	Sustainability Report Reference
E1 Climate Change – Strategy and Transition Plan	3.1 Climate Change
E1 Climate Change – GHG Emissions	3.1 Climate Change; Appendix C
E1 Climate Change – Energy Consumption and Mix	3.1 Climate Change; Appendix C
E1 Climate Change – Climate Targets	3.1 Climate Change
E5 Circular Economy – Resource Use	2.3 Circular Product Design
E5 Circular Economy – Waste and Resource Flows	3.2 Resource Use & Circular Operations
E5 Circular Economy – Products and Materials	2.3 Circular Product Design
E5 Circular Economy – Packaging	3.2 Resource Use & Circular Operations
Water Management (voluntary disclosure)	3.3 Water Management

Material Environmental Topics

Topic	Report Section
Climate Change	3.1 Climate Change
Renewable Energy	3.1 Climate Change
Circular Product Design	2.3 Circular Product Design
Waste & Recycling	3.2 Resource Use & Circular Operations
Packaging Circularity	3.2 Resource Use & Circular Operations
Water Efficiency	3.3 Water Management

ESRS Cross-Reference Table

Social Standards

ESRS Requirement	Sustainability Report Reference
S1 Own Workforce – Workforce Profile	4.1 Our Workforce
S1 Own Workforce – Diversity and Inclusion	4.1 Our Workforce; 4.3 Inclusion & Well-being
S1 Own Workforce – Training and Skills Development	4.2 Development & Engagement
S1 Own Workforce – Employee Engagement	4.2 Development & Engagement
S1 Own Workforce – Health & Safety	4.4 Health & Safety
S1 Own Workforce – Working Conditions	4.1 Our Workforce
S1 Own Workforce – Collective Bargaining	4.1 Our Workforce
S2 Workers in the Value Chain – Supplier Governance	3.5 Sustainable Supply Chain
S2 Workers in the Value Chain – Due Diligence	3.5 Sustainable Supply Chain
S2 Workers in the Value Chain – Supplier Engagement	3.5 Sustainable Supply Chain
S4 Consumers and End-users – Product Quality	2.4 Consumers & End Users
S4 Consumers and End-users – Product Safety	2.4 Consumers & End Users

ESRS Requirement	Sustainability Report Reference
S4 Consumers and End-users – Data Privacy	2.4 Consumers & End Users
S4 Consumers and End-users – Digital Services	2.1 Product Leadership at Zero Distance
S4 Consumers and End-users – Connected Ecosystems	2.1 Product Leadership at Zero Distance

Material Social Topics

Topic	Report Section
Workforce Development	4.2 Development & Engagement
Diversity & Inclusion	4.1 and 4.3
Employee Well-being	4.3 Inclusion & Well-being
Occupational Health & Safety	4.4 Health & Safety
Supplier Responsibility	3.5 Sustainable Supply Chain
Consumer Protection	2.4 Consumers & End Users
Product Responsibility	2.4 Consumers & End Users
Digital Consumer Experience	2.1 Product Leadership at Zero Distance

ESRS Cross-Reference Table

Governance Standards

ESRS Requirement	Sustainability Report Reference
G1 Business Conduct – Corporate Culture	5.1 Business Conduct
G1 Business Conduct – Ethics and Integrity	5.1 Business Conduct
G1 Business Conduct – Compliance Management	5.1 Business Conduct
G1 Business Conduct – Anti-Corruption Framework	5.1 Business Conduct
G1 Business Conduct – Whistleblowing Mechanisms	5.1 Business Conduct
G1 Business Conduct – Supplier Governance	5.3 Supplier Governance
Data Protection and Cybersecurity	5.2 Responsible Data & Cybersecurity
Risk Management	1.4 Governance & ESG Governance
Sustainability Governance	1.4 Governance & ESG Governance

Governance Topic Mapping

Governance Topic	Report Section
Governance Structure	1.4 Governance & ESG Governance
ESG Governance Model	1.4 Governance & ESG Governance
Risk Management	1.4 Governance & ESG Governance
Ethics & Compliance	5.1 Business Conduct
Whistleblowing	5.1 Business Conduct
Data Protection	5.2 Responsible Data & Cybersecurity
Cybersecurity	5.2 Responsible Data & Cybersecurity
Supplier Governance	5.3 Supplier Governance

ESRS Cross-Reference Table

Summary of Material ESRS Topics Covered

ESRS Standard	Material for Haier Europe	Main Report Section
E1 Climate Change	Yes	Section 3.1
E5 Circular Economy	Yes	Sections 2.3 and 3.2
S1 Own Workforce	Yes	Section 4
S2 Workers in the Value Chain	Yes	Section 3.5
S4 Consumers & End-users	Yes	Section 2
G1 Business Conduct	Yes	Section 5
S3 Affected Communities	No	Not Material
E2 Pollution	No	Not Material
E3 Water & Marine Resources	Not Material, limited disclosure	Section 3.3
E4 Biodiversity & Ecosystems	No	Not Material

This **cross-reference table** is intended as a **navigation tool** linking the Sustainability Report to the **Company's broader ESRS reporting framework and detailed disclosure documentation.**