



We are committed to a

sustainable world

SUSTAINABILITY REPORT | 2022



The earthquake disaster that took place in our country became one of the most painful events in our history by affecting 11 provinces and left deep wounds in our hearts. In this difficult period, we wish God's mercy on all our citizens and animal friends who lost their lives, and we express our condolences and fortitude to our citizens who lost their lives.

As Cevher Jant, we are aware that we will overcome the consequences of this devastating disaster with unity and solidarity. In order to minimize the effects of the disaster, we approach the needs of our society with sensitivity and act with environmental sensitivity. By working together in solidarity, we hope to overcome this difficult process and move towards a hopeful future.

ABOUT THE REPORT

We are dedicated to providing our stakeholders with comprehensive and current information about our activities through our annual sustainability reports. These reports cover both the social and environmental impacts of our operations, aligning with the United Nations Sustainable Development Goals.

The Cevher 2022 Sustainability Report contains the initiatives and accomplishments of Cevher Jant Sanayii A.Ş. between January 1, 2022, and December 31, 2022. Our report adheres to the GRI Standards. It is important to note that the information presented in the report is based on internal contributions and has not undergone external auditing.

We welcome any questions or feedback regarding the report, which can be directed to surdurulebilirlikekibi@cevherwheels.com.



CONTENT

3 ABOUT US

- About Us
- Message From the Executive Chairman & CEO
- CEVHER in Numbers
- Our Milestones
- 2022 Overview
- Cevher in Press
- Product Groups and Life Cycle Assessment
- Our Sustainability Milestones
- Our Certifications
- Our Memberships & Partnerships

15 CORPORATE GOVERNANCE

- Our Values
- Corporate Governance Approach
- Our Governance Body
- Board of Directors
- Materiality Analysis
- Materiality Matrix
- Material Topics
- Sustainability Goals
- Business Ethics
- Risk Management
- Stakeholder Engagement

31 ENVIRONMENTAL SUSTAINABILITY

- Environmental Management Approach
- Energy and Climate Management
- Water and Wastewater Management
- Emission Management
- Waste Management
- Biodiversity

46 SUSTAINABLE PRODUCT MANAGEMENT

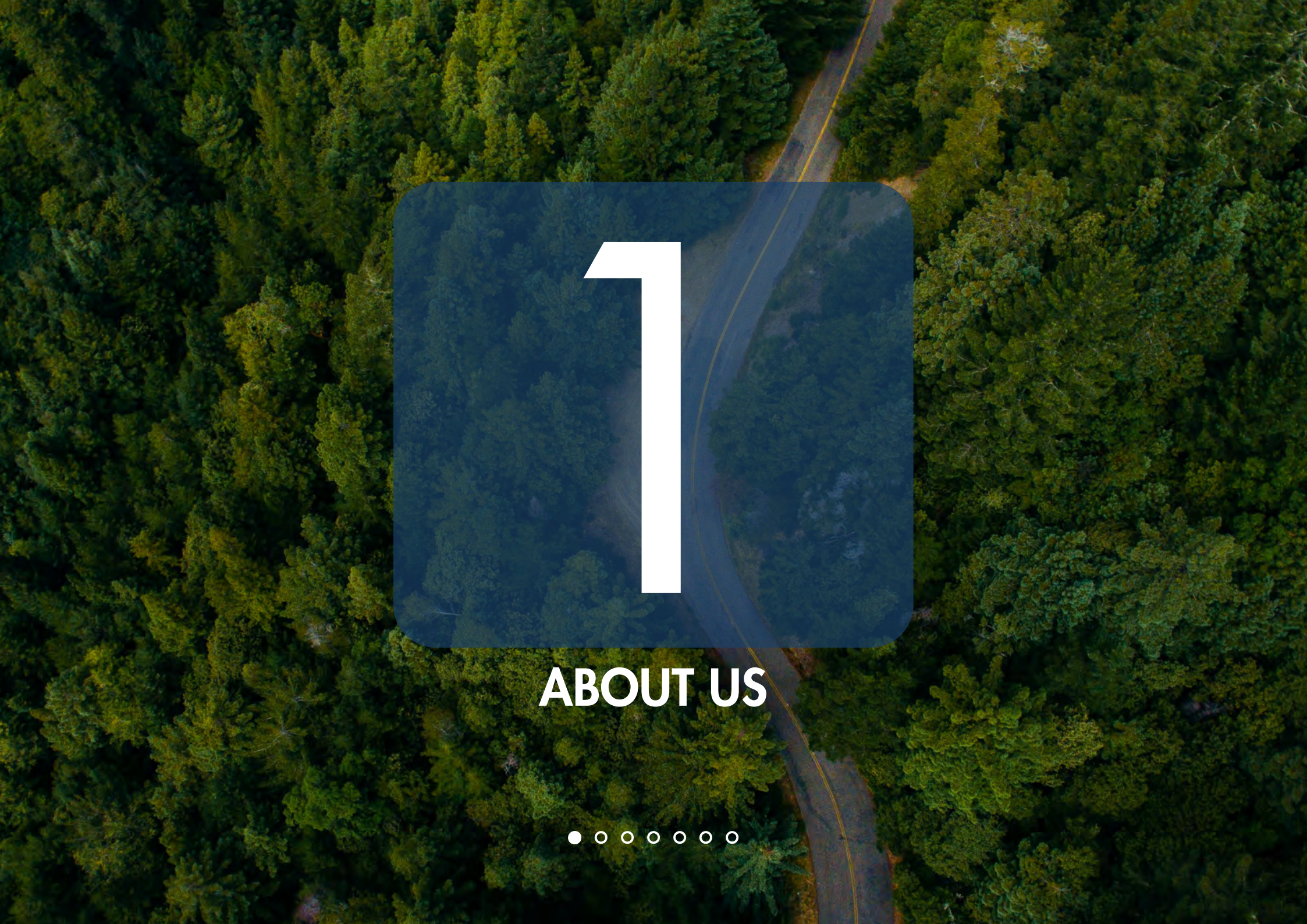
- Sustainable Product Management Approach
- Innovation
- Automation
- R&D and P&D
- Customer Relations
- Sustainable Supply Chain
- Product Quality and Safety

61 SOCIAL SUSTAINABILITY

- Occupational Health and Safety
- Human Rights Approach
- Employee Rights
- Human Resources Management
- Social Investments

87 PERFORMANCE INDICATORS

96 GRI CONTENT INDEX



1

ABOUT US



ABOUT US

Cevher was established in Izmir in 1955 under the leadership of Technical Teacher Hüseyin Özyavuz, is a leading company specialised in different light alloy casting Technologies in the automotive industry.

It gained recognition in the Turkish casting industry by being the first to produce engine parts such as cylinder heads, manifolds, engine brackets, brake cylinders, and pump bodies. Over time, it attracted the attention of major automotive companies and became a prominent figure in the field of aluminum casting.

Today, Cevher is a well-established supplier that specializes in the production of aluminum alloy wheels using the low-pressure casting method for leading Original Equipment Manufacturers (OEM) ,including Volkswagen, Audi, Mercedes-Benz, Skoda, Seat, and Stellantis, in the automotive industry. Initially, wheel production took place at Cevher Döküm facilities in 1984, but since 2003, it has been carried out at a separate wheel factory located in the Izmir Aegean Free Zone. The factory spans a total area of 44,000 square meters, with 22,000 square meters of closed space, and has an annual production capacity of 2 million wheels. More than 90% of the wheels produced are exported.

For product design and development, CEVHER uses CAS, CAD, CAE, FEA, and casting simulations. For in-house mold design and production, CEVHER uses CAD/CAM and CNC technologies. The main testing processes include Zwart, which offers efficiency, high level development, quick design validation, rapid response capability, and low-cost service availability.

Cevher utilizes advanced technologies such as CAS, CAD, CAE, FEA, and casting simulations for product design and development. It also employs CAD/CAM and CNC technologies for mold design and production. As part of its growth strategy, the company is currently operating in a new factory that covers 34,000 square meters in the Izmir Aegean Region Free Zone. In addition to manufacturing aluminum alloy wheels, Cevher is soon planning to expand its operations to include the production of chassis and electromobility parts. With these developments, the company aims to meet customer demands for various types of aluminum casting at its two facilities.

For increasingly complex wheels up to 24 inches in a sustainable production environment, CEVHER has a new completely automatic painting facility employing Industry 4.0 infrastructure, which uses less material, energy, and supports fewer CO2 emissions.

Cevher Group



MESSAGE FROM THE EXECUTIVE CHAIRMAN & CEO

Dear Stakeholders,

It is my pleasure to present to you our Sustainability Report for 2022. As we reflect on the past year, we are proud to have successfully weathered the challenges posed by the semiconductor as well as the energy crisis in EU and continued to create value for our stakeholders while striving towards a sustainable future.

In 2022, we have made significant progress towards our sustainability goals, which are essential for our long-term success and our responsibility towards future generations. We are delighted to announce that we have completed the Total Greenhouse Gas Inventory in accordance with ISO 14064-1:2006. This important step towards reducing our environmental impact required meticulous data collection and analysis, and we are committed to using this information to drive further improvements in our operations.

In addition, we are pleased to have renewed the IREC (International Renewable Energy Certificate) for 2022, reflecting our commitment to sourcing energy from renewable sources. This achievement marks a significant milestone in our journey towards reducing our carbon footprint, which we will keep as an important measure in our roadmap of upcoming years, in order to promote the use of clean energy.

We are also proud to have joined the ASI (Aluminum Stewardship Initiative) as an Industrial User and have conducted a comprehensive Life Cycle Assessment (LCA) to evaluate the environmental impact of our operations. These initiatives have enabled us to gain a deeper understanding of the environmental impact of our operations and to develop strategies to minimize our carbon footprint.

As we look to the future, we remain committed to sustainable practices and have defined ambitious targets for 2023. One of our key objectives is to reduce our carbon footprint by adopting Green Aluminium and Secondary Aluminium. These materials have a lower environmental impact and can significantly reduce our carbon emissions.

In addition, we plan to upgrade our ASI Membership from Industrial User to Performance Standard (V3), which will enable us to further demonstrate our commitment to responsible business practices. We are also committed to Green Solar Energy and will be exploring opportunities to harness the power of renewable energy to drive our operations.

We are pleased to report that we have already begun the ISO 50001 Energy Management System Certification process, which will help us to identify and implement measures to reduce our energy consumption and promote sustainable practices. Furthermore, we are committed to completing our Cevher Strategic Greening Road Map, which outlines our sustainability goals for the coming years.

In conclusion, we are proud of the progress we have made towards sustainability in 2022, and we are committed to continuing our efforts to reduce our carbon footprint, promote responsible business practices, and contribute to a more sustainable future. We would like to thank all our stakeholders for their support and collaboration on this journey.

Sincerely,
Haluk Özyavuz
Executive Chairman & CEO



HALUK ÖZYAVUZ
EXECUTIVE CHAIRMAN & CEO

CEVHER IN NUMBERS

KEY FIGURES

2019

Total Sales ; 1,4 Mio
Pcs 100%OEM
100% Export

2020

Total Sales ; 1,2 Mio
Pcs 100%OEM
99% Export

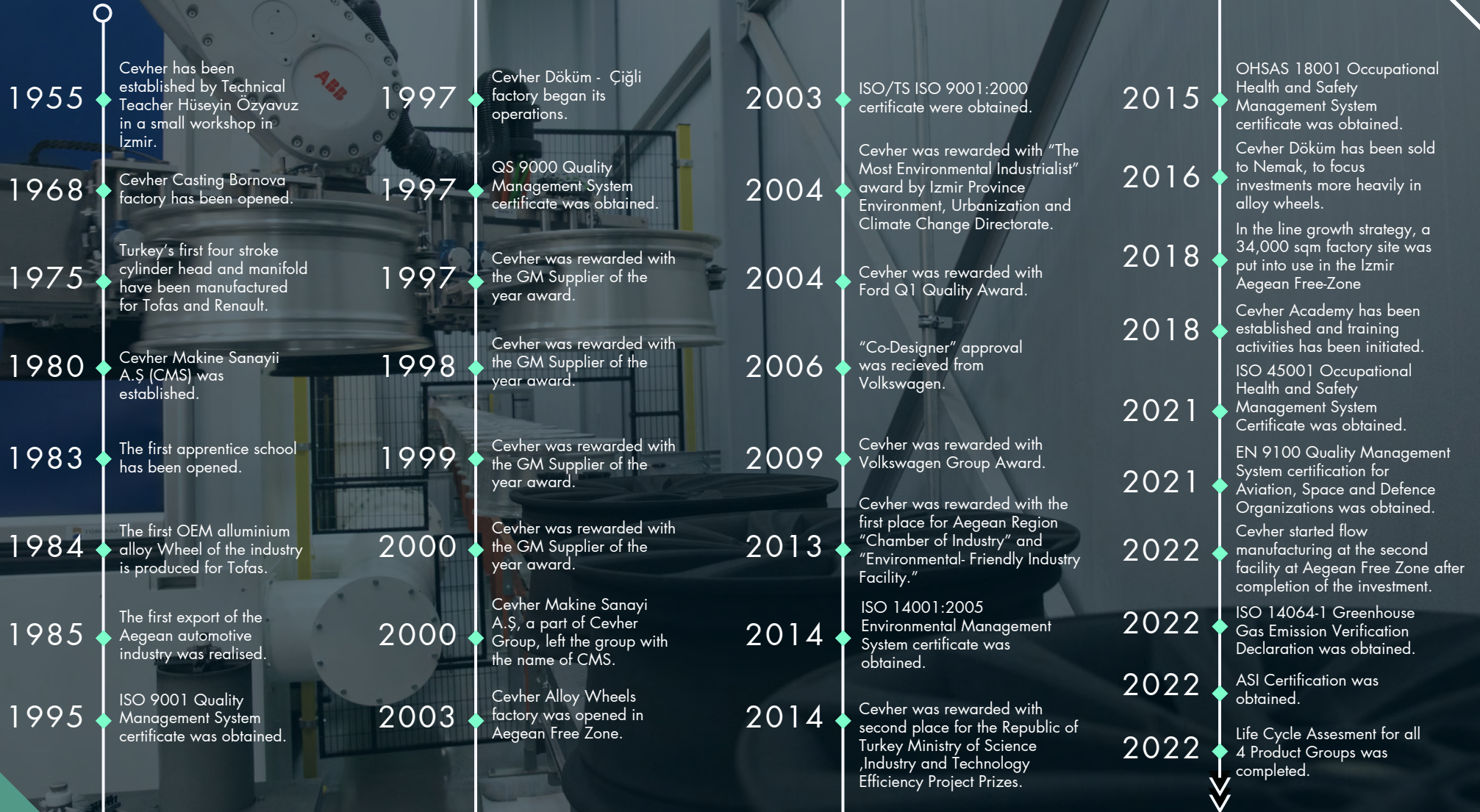
2021

Total Sales ; 1,3 Mio
Pcs 100%OEM
100% Export

2022

Total Sales ; 1,5 Mio
Pcs 100%OEM
100% Export

OUR MILESTONES



2022 OVERVIEW



Participation to EGEKAF, İzmir, 21-22 March



"IZTEK R&D and Technology Awards Found Their Winners."



"Best Technology Project" Award at IZTEK, 29 April



Participation in Tire 2022, Cologne, 24-26 May



Establishment of Cevher Digital Solutions, February

CEVHER IN PRESS

SECTORAL OUTLOOK, EXPORT, OUR INVESTMENTS

As Cevher, we started sales and marketing operations under our own alloy wheel brand. Cevher-branded wheels, which was launched in Cologne in May, will target European and Turkish markets, as well as America, Middle East and developing countries. This year, company are starting to sell and market alloy wheels for aftermarket under our own brand. We had the launch event for our new wheels on the market in Cologne in May. Our brand doesn't only target European and Turkish markets but also the Americas, Middle East and developing countries, in 2022 nearly all of the manufacture is exported to European countries that have well-established automotive industries, including Germany, Spain, Portugal, Czechia and Poland. Another critical point of our 2022 overview, establishment of Cevher Digital Solutions at Teknopark in Dokuz Eylül University. The primary goal of the office is to address the software and digitalization requirements within Cevher Group, while also providing services to industrial companies seeking a reliable partner for software development and mobile application solutions.

OUR PRODUCTION AND SUSTAINABILITY ACTIONS

At Cevher, we adhere to the standards set by our ISO 14001 Environmental Management System certification. In addition, we obtained the ISO 14064 Greenhouse Gas Management System certification in March. To further enhance our sustainability journey, we implemented a Digital and Online Energy Monitoring system in 2021, and this year we are set to receive the ISO 50001 Energy Management System certification. These certifications signify significant progress in our commitment to sustainability.

In 2021, we successfully transitioned to using 100% renewable energy, a milestone we proudly commemorated with the I-REC certification. Furthermore, we are proud to announce that we joined the Aluminum Stewardship Initiative (ASI). As a member of ASI, we transparently documented our eco-friendly approach to aluminum supply and usage processes, aligning with the practices of other leading aluminum manufacturers and users. With our successful contributions, we gained ASI performance Certification.

At Cevher, we recognize the importance of being at the forefront of digitalization, data analytics, AI technologies, and sustainability goals. Consequently, we are actively taking the necessary measures to maintain our leadership position in these areas for the future.

OTOMOTİV ENDÜSTRİSİ

Mayıs 2022

'Cevher' markalı jantlar yola çıkıyor

Pandemi, enerji, hammadde, çip, konteyner krizlerine ve Rusya-Ukrayna savaşının olumsuz sonuçlarına rağmen, bu yıl 100 milyon euro ciroya ulaşmayı hedefleyen Cevher Grubu, önümüzdeki yılki hedefini 125 milyon euro olarak belirledi.



VW, AUDI,
MERCEDES, SKODA,
SEAT, FORD VE
STELLANTIS GİBİ
DÜNYA DEVLETLERİN
ALÜMİNYUM
KLAŞIĞI JANT
VE ALÜMİNYUM
KORUMA PARÇA
İHTİZAÇLARINA
CEVHER VERİYORUZ.
GİYERİMİN
KİMYESİYLE



HALUK ÖZYAVUZ
Cevher Grubu CEO'su

hücum yatırımları planladıklarını
milyonlarda Özyavuz: "2022'de jant
üretiminde güvenilir ve etkili bir
teknoloji olan flow formu
mama da topladık. 2023'te Avrupa'da
devreye alacağız" dedi. Cevher
Grubu olarak premium jantları
gruplarındaki büyüme hızını
artırma hedefiyle devam ediyor" diye
konuştu.

SÜRDÜRÜLEBİLİRLİK HEDEFİ
İÇİN KURULUŞ KURDU
Cevher Grubu için stratejik öneme
sahip sürdürülebilirlik hedef-
lerini ve aksiyonlarını koordine
etmek amacıyla Sürdürülebilirlik

"40 Million Euro Investment From the CEVHER Group"



"'Cevher' Branded Wheels Hit the Road"

CEVHER IN PRESS FINANCIAL IMPACTS

Cevher has a paintshop capacity of 2,5 million pieces per year, and casting and machining capacity of approximately 2 million pieces per year. In the next two years, our target is to expand our portfolio of aluminum casting products other than wheels. We place more focus on quality than quantity, and we move towards our targets in product groups with high added-value. We reached the highest manufacturing and turnover levels of all times in May.

SPECIAL WHEELS FOR HYBRID AUTOMOBILES

Since receiving our first purchase order for a wheel to be used in 100% electric vehicles in 2018, we have made remarkable progress in expanding our portfolio. We have successfully launched over 20 models specifically designed for battery electric vehicles (BEVs), and the number is even higher when including hybrid models. Our expertise in developing "Aero" wheels, which prioritize weight reduction, emissions reduction, and improved aerodynamics, has grown significantly.

In today's rapidly transforming industries, two key concepts take center stage: digitalization and sustainability. At our company, both of these concepts are of utmost importance, and we are actively taking concrete steps towards them as part of our strategic plans. Through our dedicated research and development projects, we have introduced flow manufacturing of low-weight "Aero" wheels that are parametrically optimized. In addition, we have incorporated special plastic parts and applied a tinted clear coat to create dual-colored wheels specifically for use in 100% electric vehicles in 2022. Rest assured, our commitment to innovation will continue in 2023 and beyond as we strive to stay at the forefront of industry advancements.

PRODUCT GROUPS AND LIFE CYCLE ASSESMENT

Our customers, who are major players in the automotive industry, collaborate with Cevher as their engineering and design partner specifically in the area of wheels. They trust our quality and expertise.

As Cevher, we analyse and interpret our Life Cycle Assessment, with enhancing our value chain compared to the last year.

Goal and Scope: The objective of the LCA study is to evaluate the environmental impacts and identify areas of concern for four product groups manufactured by CEVHER at its İzmir Plant, using data from the year 2022. These product groups consist of the 67-S Monoblock (made from 7% silicon aluminium alloy), 61-S Monoblock (made from 11% silicon aluminium alloy), 67-S DC (Diamondcut Wheel made from 7% silicon aluminium alloy), and 61-S DC (Diamondcut Wheel made from 11% silicon aluminium alloy). The LCA findings will provide measurable insights into the sustainability efforts of CEVHER's product groups, enabling the development of a business strategy and improvements in the company's day-to-day operations.

System Boundaries: According to International Standard ISO14040, Environmental management- Life cycle assessment- principles and framework; the LCA model is studied with the approach of cradle-to-grave, different to the last year.

All available inputs and outputs, even below the 1% threshold, have been considered for the LCA calculations. Only pre-treatment chemicals in the LCA study are calculated as below 1% and not included in the LCA modelling study since flow with a less than 1% of the total mass can be eliminated. All energy flows are considered in the analysis of the LCA model without any cut-off criteria.

Conclusion : Considering the boundaries as cradle-to-gate; all of our products' carbon footprint has been reduced nearly 50% in comparison to our previous LCA reporting year (2020). Due to the supply of IREC certification for green electricity and low-carbon Aluminium raw material, we achieved this proud result. As a further step, we also aim to switch of our Aluminium raw material in a greener way, which is responsible of 85% in all life cycle.



OUR SUSTAINABILITY MILESTONES

Started 2021

Total Greenhouse Gas Inventory -
ISO 14064-1:2006

Completed 2021

IREC (International Renewable
Energy Certificate) %100

Completed 2022

ASI Membership - Industrial User

Since 2019

Sustainability Report

Completed 2021

LCA : Life Cycle Assessment

Completed 2022

Secondary Aluminum Research

Completed 2021

ASI Certification- Performance
Standard V2 (Material Stewardship)

2023 TARGETS

2023 Target

Green Aluminum Supply

2023 Target

Cevher Strategic
Greening Road Map

2023 Target

Green Energy-Solar


2023 Target

ASI Performance
Standard (V3)


OUR CERTIFICATIONS

ASI PERFORMANCE STANDARD


One of the significant milestones of Cevher's sustainability strategy was to be officially certified to the ASI Performance Standard, as proof of our commitment to the material stewardship of aluminium and shows our support for responsible production and sourcing throughout the value chain.



Cevher Jant A.Ş. is the First Wheel Producer in Turkey to Receive ASI certification.



One of the significant milestones of Cevher's sustainability strategy was to be officially certified to the ASI Performance Standard, as proof of our commitment to the material stewardship of aluminium and shows our support for responsible production and sourcing throughout the value chain.



ASI CERTIFICATION PERFORMANCE STANDARD

PRESENTED TO:

CEVHER JANT SANAYII A.Ş (CEVHER ALLOY WHEELS)

CERTIFICATE NUMBER: 238	ASI STANDARD: PERFORMANCE STANDARD (V2 2017)	CERTIFICATION LEVEL: FULL CERTIFICATION	ASI ACCREDITED AUDITOR: LIBERO ASSURANCE
DATE OF ISSUE: 7 NOVEMBER 2022	DATE OF EXPIRY: 6 NOVEMBER 2025	CERTIFIED SINCE: 7 NOVEMBER 2022	

Besides the ASI Certification Performance Standard, Cevher hold 7 other certifications including;

- 1.ISO 9001 Quality Management System
- 2.IATF 16949 Quality Management System
- 3.ISO 14001 Environmental Management System
- 4.ISO 45001 Occupational Health&Safety Management System
- 5.ISO/IEC 27001 Information Security Management System
- 6.EN 9100 Quality Management System certification
- 7.ISO 14064-1 Greenhouse Gas Emission Verification Declaration

OUR MEMBERSHIPS & PARTNERSHIPS

As an important industry in the automotive sector, we play an active role in the non-governmental organizations and associations listed below, as well as supporting similar associations and initiatives. Sharing sectoral innovations, current developments, legislative changes, and field applications are important factors that strengthen our stakeholder communication and encourage collaborative development. Plus, we contribute to the development of policy, regulation and information documents of the relevant industrial associations and groups.



EGE BÖLGESİ SANAYİ ODASI
AEGEAN REGION CHAMBER OF INDUSTRY



ESİAD

EGE SANAYİCİLERİ VE İŞİNSANLARI DERNEĞİ



EUWA
ASSOCIATION OF EUROPEAN
WHEEL MANUFACTURERS



MESS

TÜRKİYE
METAL SANAYİCİLERİ
SENDİKASI



TAYSAD
TAŞIT ARAÇLARI TEDARİK SANAYİCİLERİ DERNEĞİ
AUTOMOTIVE SUPPLIERS ASSOCIATION OF TURKEY

TÜSİAD

SAHA

İSTANBUL
SAĞIRMA, HAKKARLIK VE UZAY KURULUŞU DERNEĞİ



2

CORPORATE GOVERNANCE



OUR VALUES

VISION

Becoming a sustainable global player in terms of R&D and aluminium casting solutions for challenging electromobility and light weighting expectations of strongly evolving automotive industry.

MISSION

Providing flexible, agile, competitive, innovative engineering and production solutions to aluminium casting requirements of the automotive industry.

VALUES

Experience

Trust

Respect

Continuous
Improvement

CODE OF CONDUCT

Cevher Business Ethics were drawn within the framework of the ethical values built by our founder Haluk Özyavuz. Ethical principles developed within the organization play a key role in maintaining our relations with all our stakeholders, especially our clients and suppliers, within the framework of global, ethical and moral values. While conducting our business, a moral and ethical model is adopted, looking out all our stakeholders.

The Code of Conduct, published by the approval of the Executive Committee, defines the principles that our employees must comply with during their duties and reveals our working principles, honoring our corporate culture. It mainly covers employee relations, external relations, ethical principles, asset and information management, environment, occupational safety and worker health, prohibited activities and implementation principles. This ethical code of conduct document is updated every year considering developments around the world, environment and sector, also within the employee recommendations.

COMPLIANCE WITH THE CODE OF CONDUCT

Ethical codes of conduct are relayed to employees through in-house correspondence information leaflets and notice boards. All employees are expected to perform their duties based on specified business ethics. It is under the duties and responsibilities of middle and senior executives to serve the necessary effort and leadership for the employees to respect and comply with relevant rules. If employees suspect any violation of applicable laws, legislations of rules by the company they can report these cases to their superiors or to the HR manager by sending an e-mail to "etik@cevherwheels.com.". Reports can also be submitted anonymously via recommendation boxes installed at our facilities. Meticulously examined notices protect the rights of the employee, who transmits his message in good faith and the accused person. The Ethics Committee, takes due care and takes all necessary precautions to keep the identity of the message holder, classifying the report as confidential. You can access the Cevher Code of Ethical Conduct from the link below:
<https://www.cevher.com/corporate/values>.



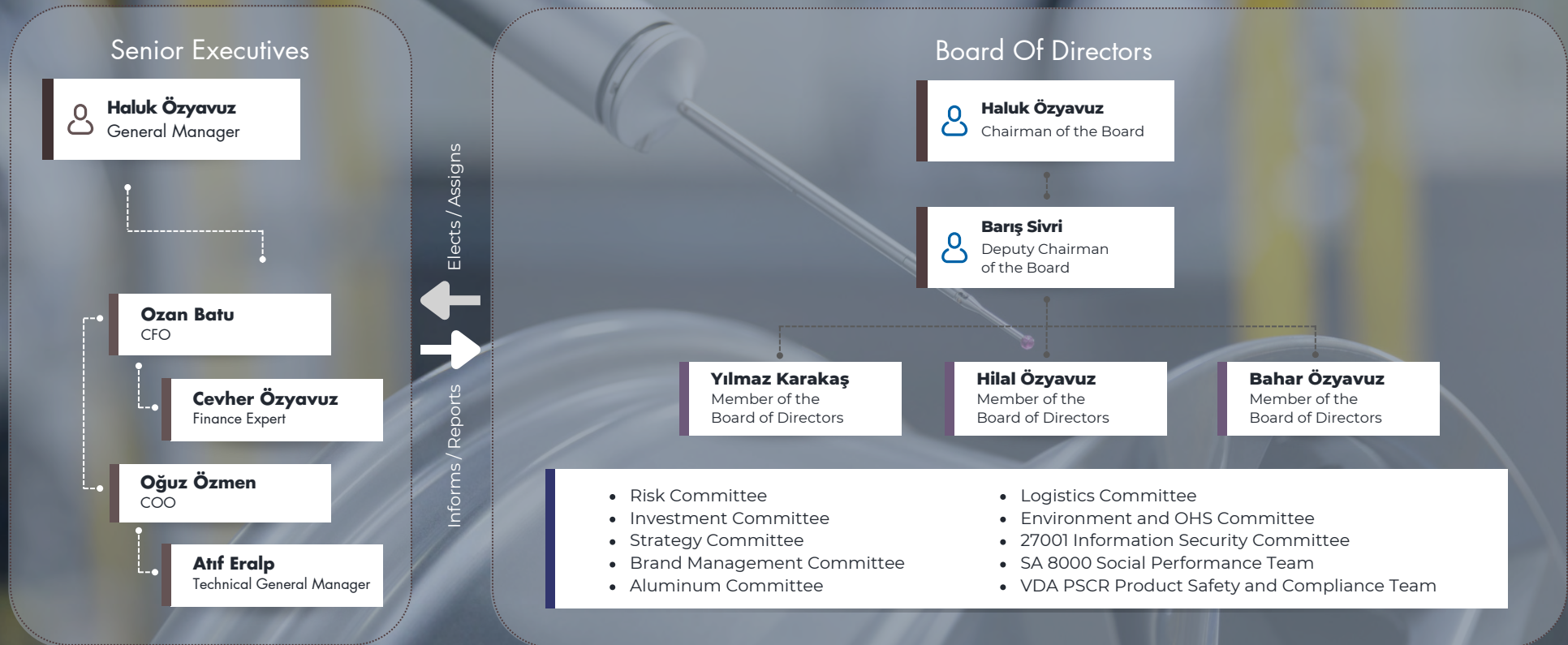
CORPORATE GOVERNANCE APPROACH

We have implemented a corporate governance approach that centers on minimizing our ecological footprint, fulfilling our social obligations, and improving the effectiveness of our business operations to ensure enduring sustainability across environmental, social, and economic dimensions. Our corporate governance strategy is formulated by considering the input of all our stakeholders and aligning with the principles of accountability, transparency, fairness, and responsibility.



OUR GOVERNANCE BODY

Cevher's corporate governance is guided by principles of transparency, fairness, and integrity. Our Board of Management, composed of five members, with three men and two women, plays a crucial role in setting the company's short, medium, and long-term strategies. They also conduct regular assessments to ensure our economic, social, and environmental activities align with these strategies. Additionally, the Board takes proactive measures to promote sustainability by evaluating potential risks and opportunities.



Leading the management and coordination of activities within the strategies defined by the Board of Management, our Executive Committee, headed by our Executive Chairman, comprises key executives such as the Finance Director and Factory Director. This committee serves as the top management body, responsible for overseeing and coordinating various operational aspects of the company.

BOARD OF DIRECTORS

Our experienced and capable board members are dedicated to increasing the company's worth by employing an engaged and effective governance approach. The board of directors, considering the company's operations, achievements, and the concerns of all stakeholders, develops the company's strategies.

Members of the Board Director	Role
Haluk Özyavuz	Chairman
Bariş Sivri	Vice Chairman
Yılmaz Karakaş	Board Member
Hilal Özyavuz	Board Member
Bahar Özyavuz	Board Member

EXECUTIVE COMITEE

Our top management team acts as the representative of our company when interacting with external parties and establishes sustainable strategies that align with Teklas' vision, taking into account their economic, social, and environmental impacts.

Members of the Board Director	Role
Haluk Özyavuz	Chief Executive Officer
Ozan Batu	Chief Financial Officer
Oğuz Özmen	Chief Operating Officer
Atif Eralp	Technical General Manager
Cevher Özyavuz	Executive Board Assistant Member

BOARD OF DIRECTORS COMMITTEES

The Board of Directors supervises and monitors the entire company through committees that report directly to it. The composition, activities, and efficacy of these committees are regularly evaluated. Furthermore, necessary measures are implemented to ensure systematic monitoring and documentation of the committee processes.

These committees include;

- Risk Committee
- Investment Committee
- Strategy Committee
- Brand Management Committee
- Aluminum Committee
- Logistics Committee
- Environment and OHS Committee
- 27001 Information Security Committee
- Logistics Committee
- SA 8000 Social Performance Team
- VDA PSR Product Safety and Compliance Team

SUSTAINABILITY GOVERNANCE

Cevher Jant adopts sustainable management as the fundamental approach to engaging with all stakeholders, including employees, customers, suppliers, NGOs, and others. Our primary objective at Cevher Jant is to cultivate a sustainability culture that permeates all our processes and interactions with stakeholders.

To facilitate this, as Cevher Jant, we established a sustainability framework that consists of a Sustainability Committee. The Sustainability Committee is responsible for ensuring the participation of executives at all levels in our sustainability strategy. Conversely, the Sustainability Study Group is tasked with implementing the initiatives agreed upon by the Sustainability Committee and the Board of Directors. To ensure the seamless integration of a sustainability culture throughout our organization, all decisions and actions are directly reported to the Board of Directors.

SUSTAINABILITY COMMITTEE

The main objective of our Sustainability Committee is to ensure that the efforts within our company, aimed at attaining benefits through a more responsible use of the world's resources and achieving commercial gains, are managed under the internal oversight and discipline of top management.

Our sustainability organization is structured as below.



Under the guidance of our Sustainability Committee, our areas of focus encompass the attainment of sustainable quality and the adoption of lean manufacturing principles. We strive to manufacture lightweight aluminum and alloy products while minimizing our usage of raw materials. Additionally, we are committed to reducing energy consumption, especially in terms of water usage. Our waste management initiatives aim to decrease the amount of waste generated per product and promote recycling practices. Through projects aimed at reducing our carbon footprint, we actively contribute to the efficient utilization of natural resources. Furthermore, we prioritize the creation of a safe and healthy working environment, involve local companies in our supply chain, and consistently enhance our contribution to the local economy.

MATERIALITY ANALYSIS

Cevher strives to create value in its industry by prioritizing sustainability. Our materiality analysis, which involves our stakeholder groups' contribution, is an essential part of our Corporate Sustainability Strategy, aiming to meet the expectations of our stakeholders in terms of sustainability. To identify our priority topics, we conduct thorough assessments of the UN Sustainable Development Goals, European Green Deal, Environmental Social Governance performance, and industry trends. By considering these factors, we ensure that our sustainability efforts align with the needs and demands of our stakeholders.

Our stakeholders include personnel, customers, suppliers, business partners, investors, and shareholders. To ensure inclusivity and fairness, we conducted an anonymous survey to gather the opinions of all our stakeholders. Their valuable input has played a significant role in shaping our sustainability strategy. At Cevher, we determine our priority topics by evaluating industrial and global trends, as well as the priorities of sustainability indices. We take into account the dynamic nature of our company while aligning our strategy with these trends and priorities.

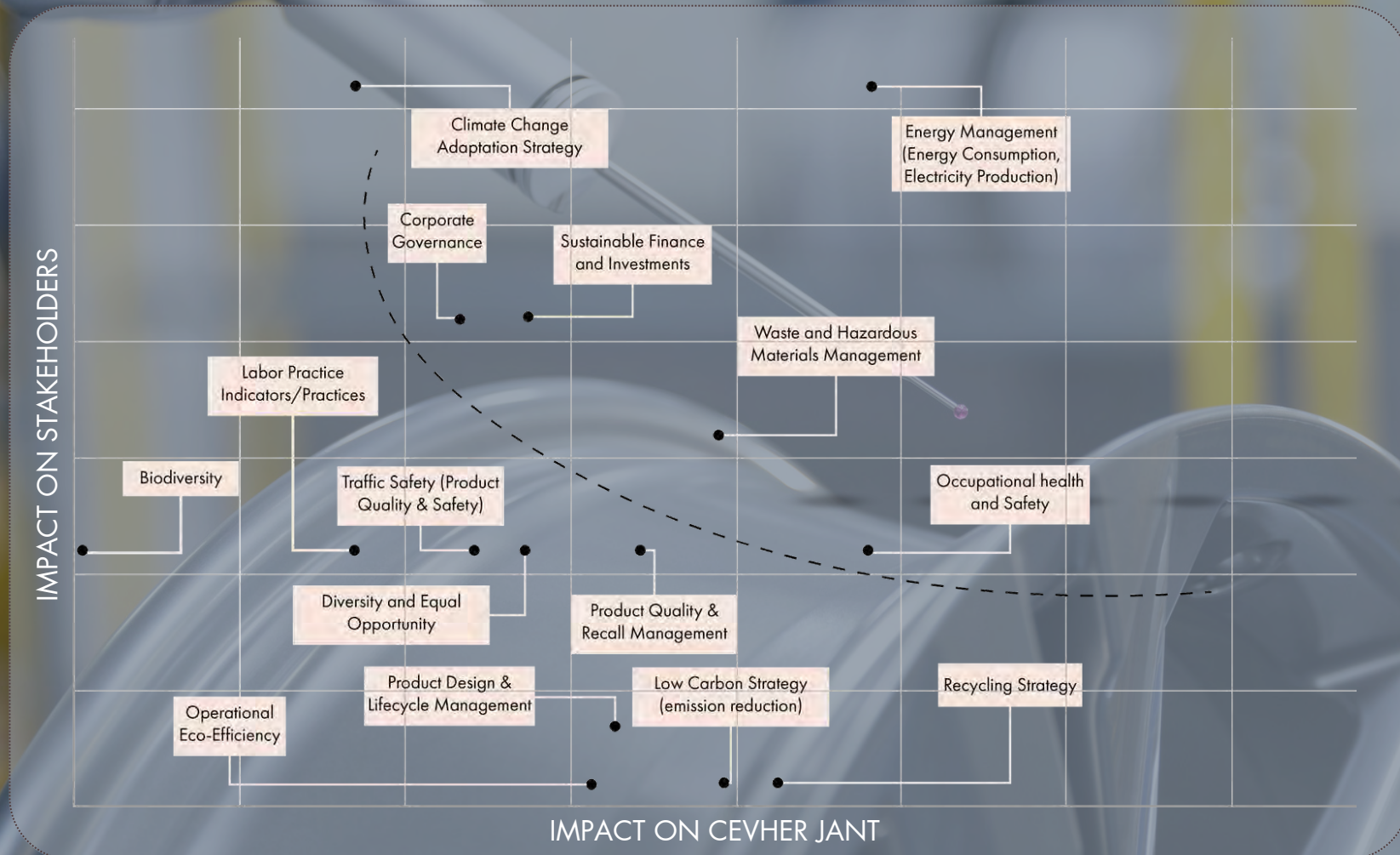
Throughout our workflow, we remain dedicated to incorporating stakeholder perspectives and being responsive to their expectations. By doing so, we strive to create long-term value while making a positive impact on the world and the industries we serve.



MATERIALITY MATRIX

Based on the assessment and engagement of stakeholders, we have developed the Cevher materiality matrix, which includes topics of very high material and high material. The Y-axis of the Cevher Materiality Matrix represents the impacts of these material topics on stakeholders, while the X-axis represents impacts on Cevher.

The results of the materiality analysis have been instrumental in setting our sustainability goals and developing our sustainability strategy.



MATERIAL TOPICS

In the materiality matrix, we have considered the topics of "Very High" and "High" materiality as significant factors in the development of Cevher's corporate sustainability strategy. Through the materiality analysis, we have identified a total of 15 material topics, consisting of 6 very high priority topics and 9 high priority topics.

Very High Material Topics

- Energy Management (Energy Consumption, Electricity Production)
- Climate Change Adaptation Strategy
- Sustainable Finance and Investments
- Waste and Hazardous Materials Management
- Occupational health and Safety
- Corporate Governance

High Material Topics

- Product Quality & Recall Management
- Diversity and Equal Opportunity (Women's Empowerment)
- Traffic Safety (Product Quality & Safety)
- Labor Practice Indicators/Practices
- Recycling Strategy
- Product Design & Lifecycle Management
- Low Carbon Strategy (emission reduction)
- Operational Eco-Efficiency
- Biodiversity

OUR SUSTAINABILITY STRATEGY

Our sustainable growth strategy relies on United Nations Sustainable Development Goals (SDGs) and its main pillars are:

- Increasing production capacity,
- Investment for new paint shop and capacity increment,
- Implementing new technologies in our facilities,
- Designing our new factory to reduce energy and water consumption,
- Wastewater treatment system,
- Launching an investment to commission the "Flow Forming technology for premium product segment.

- Robotic machining cell to our machining process.
- Doubling our heat treatment capacity.
- Expanding our product portfolio with aluminium alloy wheels and other casting products
- Launching "Cevher Digital Solutions", focusing on industrial IoT, big data, data analytics, machine learning (ML) and artificial intelligence.

SUSTAINABILITY GOALS

Environmental Sustainability Goals

Prioritized Topics	Metric	Relevant SDGs	Unit	Base Year	Target Year	Target
Energy Management	Electricity Consumption Intensity	SDG 7	GJ/tonne production	2022	2030	10% Reduction
	Natural Gas Consumption Intensity		GJ/tonne production	2022	2030	10% Reduction
Adaptation to Climate Change	Renewable Energy Consumption Ratio		%	2021	2023 -2030	100% Renewable Electricity
Low Carbon Strategy	Reduction of Scope 3 Emissions	SDG 7	GJ/tonne production	2022	2030	25% Reduction
	Reduction of Scope 1-2 Emissions per kg Alloy Wheel		t-CO ₂ e	2022	2030	50% Reduction
	Emissions related to Supply Chain	SDG 17	t-CO ₂ e	2022	2030	25% Reduction
Biodiversity	Afforestation	SDG 15	Amount	2022	2030	Planting at least as many trees as the number of existing employees each year.
Waste Management	Waste Generation Intensity reduction	SDG 12	%	2022	2030	%25 Reduction
	Waste Recycling Intensity	SDG 12	%	2022	2030	%100



SUSTAINABILITY GOALS

Social Sustainability Goals

Prioritized Topics	Metric	Relevant SDGs	Unit	Base Year	Target Year	Target
Occupational Health & Safety	Lost Time Incident Rates	SDG 3,4	Amount	2022	2030	%100 Reduction
	Routine Medical Check Plan	SDG 3,4		2022	2025	Every year (Legal Requirement is check per 3 years)
	Employees' access to health facilities (Private health insurance)	SDG 3		2022	2025	Private health insurance for all employees
	Contractor / Subcontractor OHS & Environmental information	SDG 3	Percentage	2022	2025	100%
Diversity and Opportunity Equality	Increasing employee training (human rights)	SDG 3,4,5,10	hours	2022	2025	79.000 hours of training provided in 2022, %40 increase in 2025.
	Employee number and circulation			2022	2030	%25 Reduction
	Handicapped Employee Rate		Amount	2022	2025	Legal Requirements will continue to meet.

Corporate Sustainability Goals

Prioritized Topics	Metric	Relevant SDGs	Unit	Base Year	Target Year	Target
Sustainable Finance and Investments	GES, Water recovery etc. Green investment budget ratio	SDG 12,16	%	2022	2030	%30 Increase

Sustainable Product Management Goals

Prioritized Topics	Metric	Relevant SDGs	Unit	Base Year	Target Year	Target
Recycling Strategy	Increasing Recycled Product/ Raw Materials/ Packaging Usage	SDG 12	%	2020	2030	Improvement of University and suppliers R&D corporations
Operational Eco-Efficiency	Reduction of Water Consumption	SDG 6	m3/tonne production	2022	2030	%15 Reduction

BUSINESS ETHICS

The ethical framework of Cevher is based on the ethical values established by our founder, Hüseyin Özyavuz. These ethical principles, developed within our organization, play a crucial role in our relationships with all stakeholders, particularly our clients and suppliers, aligning with global ethical and moral values. We conduct our business with a strong commitment to moral and ethical standards, considering the interests of all our stakeholders.

In 2022, there were no instances of non-compliance, fines, or penalties related to the Ethics, Social, Governance and Environmental Laws, along with their associated regulations.

The Code of Conduct, approved by the Executive Committee, sets out the principles that our employees must adhere to in their roles and reflects our working principles, which uphold our corporate culture. It covers various aspects including employee relations, external relations, ethical principles, asset and information management, environment, occupational safety, and worker health, prohibited activities, and implementation guidelines. This ethical code of conduct is updated annually, considering global developments, environmental factors, sector-specific considerations, and employee recommendations. Employees are informed about the ethical codes of conduct through internal communication channels, such as information leaflets and notice boards.

In line with our ethical approach, we organize regular training sessions for our employees to effectively implement our Social Compliance Policy within the company. In 2022, 385 of our employees participated in the Ethics Principles and Code of Conduct Update Training, which was conducted to reinforce our commitment to ethical standards and behavior.

All employees are expected to carry out their duties in line with the specified business ethics. Middle and senior executives have the responsibility to exert necessary effort and provide leadership to ensure that employees respect and comply with the relevant rules.

If employees suspect any violation of applicable laws or company regulations, they can report such cases to their superiors or the HR manager by sending an email to "etik@cevherwheels.com". Reports can also be submitted anonymously through recommendation boxes placed at our facilities. Reports are carefully examined, protecting the rights of employees who report in good faith as well as the individuals accused. The Ethics Committee takes appropriate measures and maintains the confidentiality of the reporter's identity.

Please [click here](#) to access our Code of Conduct.

RISK MANAGEMENT

At Cevher Jant, our objective is to minimize legal, financial, strategic, and unforeseen risks associated with our international operations. We prioritize risk management by conducting regular analyses at both the product and organizational levels to identify, eliminate, and mitigate risks to an acceptable level. Our risk assessments encompass all aspects, from governance to production processes.

As part of our comprehensive risk management approach, we conduct objective risk analyses to evaluate the strengths, weaknesses, opportunities, and threats of our organization. This enables us to develop effective risk management strategies and make informed decisions.

To further support our risk management efforts, we have obtained certifications for ISO 14001 Environmental Management System and ISO 45001 Occupational Health and Safety Management System. These certifications demonstrate our commitment to managing risks related to environmental impact and ensuring a safe and healthy workplace for our employees.

Additionally, we prepare a "Social Compliance Risk Analysis" with the objective of identifying, preventing, and developing actions to address risks and hazards faced by our employees in social matters. Our Social Risk Assessment team comprises representatives from the employer or its delegates, the HR Department, and the Social Performance Team.

The Social Compliance risk analysis encompasses issues related to our employees, as well as including audits conducted by customers or third parties within our organization, audits performed on Cevher's suppliers, and internal audit results or findings carried out by the Social Compliance audit team.

CSR RISK ANALYSIS

We are conducting risk analysis studies in parallel with the CSR Risk Analysis approach to enhance our company's sustainability performance and maximize our social and environmental benefits. As part of our CSR Risk Analysis efforts, we manage relationships with various stakeholders, ranging from employees to external partners. We define the processes from employee recruitment to their work engagement and provide corporate training during these phases to contribute to the professional development of our employees and potential staff members, while identifying risks and opportunities in these areas. By assessing the impact and likelihood of identified risks, we enhance the efficiency of our business processes and ensure operational continuity.

Furthermore, within the scope of our CSR Risk Analysis, we identify our stakeholder groups and conduct stakeholder analysis to build strong and trustworthy connections with them.



STAKEHOLDER ENGAGEMENT

Our stakeholders consist of individuals or groups who are impacted by our activities or have the ability to influence them. With a strong commitment to sustainability and value creation, we prioritize engaging with our stakeholders and maintaining ongoing communication. We consider the interests, demands, and needs of our stakeholders in all our operations and actively seek their input when shaping our business model and strategies. This approach allows us to leverage the valuable contributions of our stakeholders and enhance our value chain.

Recognizing the importance of sustainability within our value chain, we value the contributions of our stakeholders and actively support their sustainability journeys. This includes organizing various training sessions, workshops, and seminars to promote sustainable practices. To effectively manage our relationships with stakeholders and fulfill our corresponding responsibilities, we have established a stakeholder participation table that outlines our priority stakeholder groups. Through continuous engagement and collaboration with our stakeholders, we strive to create shared value, foster innovation, and drive positive impacts in social, environmental, and economic spheres. Our commitment to stakeholder engagement is a key aspect of our sustainability strategy, ensuring that we integrate their perspectives and expertise into our decision-making processes.

Our Stakeholder Groups	Selection Process of Our Stakeholder Groups	Our Relationship with the Stakeholder	Important Issues & Our Responsibilities in Important Issues
Employees	We value the proactive feedback from all our colleagues, which helps us improve our working system and the processes we establish, ensuring greater sustainability.	We provide all necessary support to our employees for the enhancement of their competencies. We ensure that they have a suitable environment (social, psychological, and physical) and a sense of being valued by us. Additionally, we implement a competitive salary policy to ensure fair remuneration.	Overseeing and enhancing employee rights, guaranteeing workplace health and safety, employee retention efforts, boosting employee engagement, ensuring prompt and full payment of wages, refining the complaint handling process and addressing feedback, promoting career growth and talent management, offering social benefits, upholding ethical principles, emphasizing diversity, fostering a sense of belonging among employees, and conducting sustainability initiatives.
Customers	With our responsible production and service approach, we create product and service processes that meet the needs of our customers. Recognizing that our customers are the most important stakeholder group that influences our success, we collaborate with Europe's largest automobile manufacturers.	Periodic and ad-hoc meetings and visits are conducted for the purpose of sharing new RFQs, discussing open issues in current projects, and exploring opportunities for business growth and new ventures.	We aim to deliver goods and services at the right time and in the right quantity, while maintaining the desired quality and price level (competitiveness), without causing any supply issues.

STAKEHOLDER ENGAGEMENT

Our Stakeholder Groups	Selection Process of Our Stakeholder Groups	Our Relationship with the Stakeholder	Important Issues & Our Responsibilities in Important Issues
Suppliers	Our suppliers diversify based on factors such as size, geography, and the types of products and services we require. Our supplier selection process is conducted in accordance with Supplier Procedures and the Supplier Code of Conduct, which includes social and environmental considerations.	We value mutual development and provide feedback to our suppliers based on online or face-to-face interactions and performance evaluations.	We track and monitor the safety and quality of the supplied products, encourage suppliers to increase their sustainability goals, strengthen supplier relationships based on feedback, prioritize supplier diversity, and implement the Cevher Purchasing Process Operation Instruction and commitments.
Certification Bodies	We consider the accreditation scope of certification bodies and our company's sustainability requirements. We have been working with TÜV Nord since 2006.	Annual audits, new contracts every three years, and satisfaction surveys are conducted.	We ensure the continuity of our certifications, strive to avoid major errors, and promptly close corrective actions with accurate evidence.
Non-Governmental Organizations	Collaborating with non-governmental organizations (NGOs) on social responsibility projects is crucial for ensuring our company's social sustainability. In our partnerships with NGOs, we consider the contributions we will make to the United Nations Sustainable Development Goals (SDGs).	We provide financial and moral support to the activities of non-governmental organizations (NGOs), engage in project partnerships, and conduct periodic online and face-to-face meetings.	Charity donations involve providing assistance to non-governmental organizations to foster societal advancement, promote public consciousness, and contribute to enhancing awareness concerning human rights, ethics, diversity, and related matters.
Academy and Universities	We engage in mutual discussions and develop new projects with our academic stakeholders, leveraging our ever-evolving academic knowledge, expertise, and technological advancements. By evaluating traditional or innovative information, we design our projects with an environmental focus, aiming for a sustainable world.	We collaborate with our partner universities to develop various R&D projects. We support the development of students from these universities by offering opportunities such as internships and part-time engineering positions while they are still studying. Additionally, we strengthen the bridge between academia and industry by conducting both academic and production-oriented	We provide opportunities for academia members to test their projects in the field of R&D according to the needs of our universities. We facilitate software and knowledge transfer as well. Through protocols developed with universities, taking into account the dynamics of the automotive sector, we create projects that are more environmentally friendly, sustainable,



An aerial photograph of a winding asphalt road that curves through a dense, lush green forest. The road has yellow lane markings and a few cars are visible. A semi-transparent blue square with rounded corners is centered over the road, containing a large white number '3'.

3

**ENVIRONMENTAL
SUSTAINABILITY**



ENVIRONMENTAL MANAGEMENT APPROACH

As Cevher, we acknowledge the significance of natural resources in our operations, and we consistently assess our business practices to enhance our environmental footprint. We meticulously evaluate all processes without exception, making the environment a top priority throughout. Our commitment to environmental sustainability was further validated when we were awarded the first prize in the EBSO Environment-Friendly Industry Facility competition in 2013.

Environmental Sustainability Activities of Cevher is listed below:



Environmental Management Approach



Emission Management



Energy Management



Waste Management



Water and Wastewater Management



Biodiversity

CEVHER

ENVIRONMENTAL

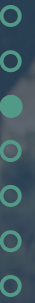
POLICY



As CEVHER JANT, we are dedicated to adopting and executing essential measures, such as training initiatives and monitoring the implementation of the environmental management system. This commitment aims to ensure the creation of a sustainable and habitable environment for future generations, encompassing all stakeholders involved in the automotive industry, throughout all production and service procedures.



As CEVHER JANT, we uphold the principles of lean and continuous improvement in all its endeavors, with the aim of achieving environmental objectives. To support the protection of the environment and promote clean production, we allocate the required resources.





OUR POLICIES

As Cevher, we are dedicated to adopting and executing essential measures, such as training initiatives and monitoring the implementation of the environmental management system. This commitment aims to ensure the creation of a sustainable and habitable environment for future generations, encompassing all stakeholders involved in the automotive industry, throughout all production and service procedures.

We uphold the principles of lean and continuous improvement in all its endeavors, with the aim of achieving environmental objectives. To support the protection of the environment and promote clean production, the company allocates the required resources.

OUR PRINCIPLES



Compliance with laws and regulations



Aim to be a solution partner and increase the sensitivity of our suppliers to the environment by taking into consideration the requests of private and public institutions and organizations related to the environment and to work in parallel with our aims.



Making a livable environment, effective use of natural resources, providing improvements, to ensure that our employees have necessary environmental awareness a living culture.



Constant improvement to our system. As a leader in environmental issues in our environment policy and continuous improvement,

OUR TARGETS



Protection and efficient usage of natural and energy resources



Keeping the environmental aspects under control and managing them to contribute to



Continuous improvement, control our environmental impacts, prevention of our production from direct damage the biodiversity and ecosystem,



Reduction of our waste, result of our activities, at their source within technological opportunities and minimizing amount of our waste.

ENVIRONMENTAL ACCOMPLISHMENTS OF CEVHER

Environmental considerations play a vital role in the strategic planning phase when creating new equipment, facilities, units, or similar projects. Assessing the environmental impact is a crucial factor that is carefully evaluated during this planning process.

We evaluate both internally and externally within the Environment Management System to ensure compliance with our processes, and we consistently monitor and assess their adherence.

All aspects related to legal and other matters, including customer requests, are meticulously monitored to ensure strict compliance, covering areas such as air quality, water management, waste management, and more.

In addition, we evaluate the environmental effects of our suppliers. We also incorporate them into our environmental training programs to enhance their understanding and contribute to our objective of establishing a sustainable environment.

We regularly provide training sessions to our employees to educate them about environmental sustainability. We actively participate in training programs and organize events on World Environment Day to further enhance the environmental awareness of our workforce.

On a monthly basis, we generate environmental reports and disseminate information about our activities to internal staff and relevant stakeholders.

We are actively engaged in reducing the environmental footprint across our projects by implementing Lean 6 Sigma methodologies.

In accordance with the Directive on Controlling Industrial Air Pollution, we conduct validation measurements every two years, as mandated. We also proactively implement appropriate measures to eradicate pollution.

We undertake numerous projects that align with the waste minimization principles established by the Ministry of Environment, Urbanization, and Climate Change. Our "Temporary Waste Storage Area" has received official recognition from the İzmir Directorate of Environment, Urbanization, and Climate Change.

We provide support towards the commission work established under the leadership of İzmir Directorate of Environment, Urbanization and Climate Change.

We actively engage in environmental activities and committee initiatives organized by the associations we are affiliated with, such as the Turkish Foundry Association and the Aegean Region Chamber of Industry, providing our full support to each of them.

We contribute to the research and development efforts of the Environmental Engineering Department at Dokuz Eylül University. We provide support by offering practical experience to students through internships and graduation projects, allowing them to apply their theoretical knowledge in real-world settings.



ENERGY AND CLIMATE MANAGEMENT

At Cevher, we operate within an industry that demands significant energy consumption. With a mission to ensure a sustainable environment for future generations, we prioritize and give maximum importance to energy efficiency throughout our production processes.

OUR ENERGY MANAGEMENT SYSTEM

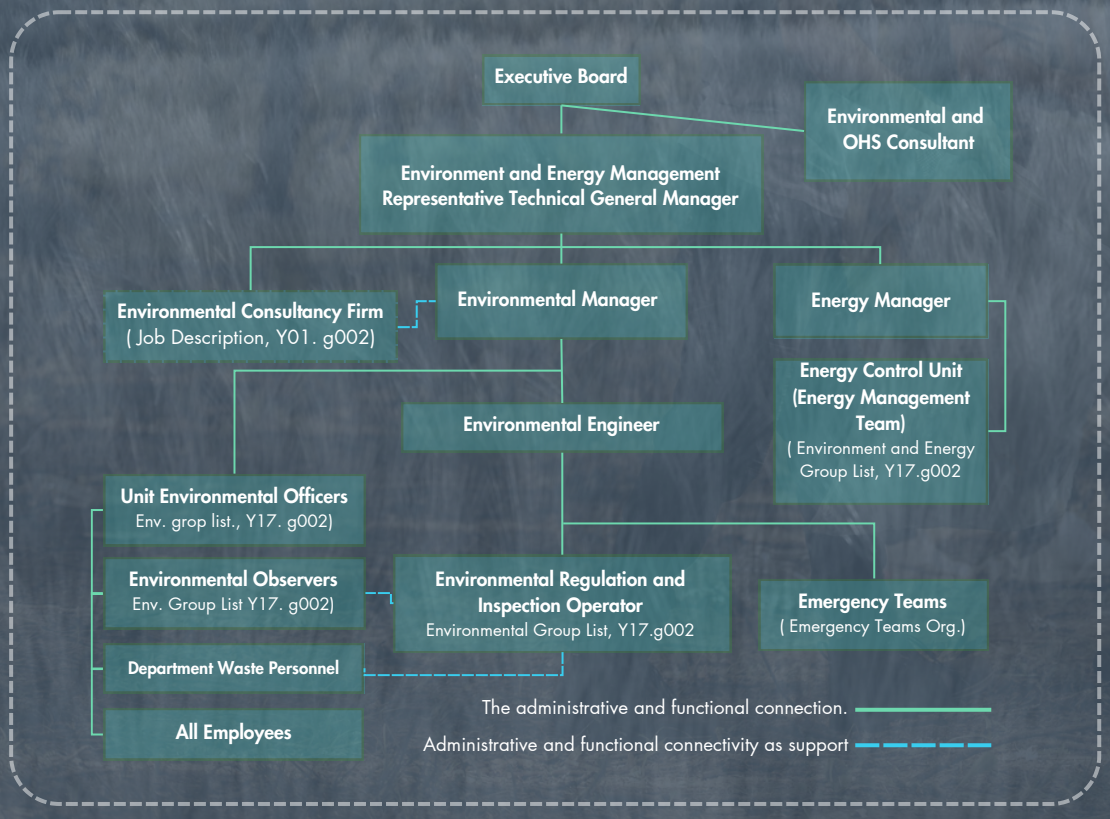
As Cevher, we operate our Energy Management System within the scope of ISO 50001 Energy Management System. Cevher Energy Management Procedure has been prepared within the guidance of ISO 50001.

The purpose of this procedure is to ensure the proper implementation of energy activities, energy reviews, energy performance indicators, energy monitoring and measurement, and the calibration/verification of measurement devices within the scope of the Energy Management System at CEVHER Wheel Manufacturing Co. Ltd. The implementation and modification of this procedure are the responsibility of the Energy Management Representative and the Energy Manager. The department manager/supervisor is responsible for enforcing the control methods, while all employees are responsible for its implementation. This procedure encompasses all activities related to alloy wheel manufacturing, starting from the design phase.

The organization scheme of our Energy Management is listed as below.

Energy objectives and targets should be established and maintained, taking into consideration the following aspects, in order to achieve improvement in Energy Management System and energy performance. Besides that, Objectives and energy targets should be established consistently with the energy policy. They should be measurable/verifiable when implemented, and also Significant energy uses should be taken into account and, if possible, prioritized. Improvement opportunities should be considered.

We obtained I-REC certificates for all of our 2 facilities. For our Facility 1, 31.294.000 KWh renewable energy, and for Facility 2 the value is 5.746.000 KWh. I-Rec Certificate, first obtained by 2021, celebrates and ensures our vision to 100% transformation to Renewable. In near future, we will continue our investments to Energy and Climate Management, by integrating a new Environment and Energy Policy.



WATER AND WASTEWATER MANAGEMENT

We adopt a responsible stance when it comes to the efficient utilization of water, recognizing its significance as a crucial natural resource. Within this framework, we are actively working on initiatives aimed at optimizing our water and wastewater processes, ensuring their effective management, and minimizing water consumption in our operations.

Our Water and Wastewater Management Procedure, aims the reduction of water consumption, and re-usage of water. This instruction is prepared with the purpose of describing the methods for managing and controlling the environmental aspects that may lead to the generation of water and wastewater during the production activities at Cevher Wheel Manufacturing Co. Ltd., within the framework of the Environmental Management System and Environmental Legislation. The implementation and modification of this instruction are the responsibility of the Environmental Management Representative and the Environmental Manager, while all employees are responsible for its implementation.

Water usage at Cevher Wheel Manufacturing Co. Ltd. includes following:

- Staff domestic water usage
- Water usage in production
- Cooling water usage
- Water usage for garden irrigation
- Water usage in washing machines and cleaning oily parts
- Water usage in vehicle, separator, and iron pallet washing

WATER AND WASTEWATER MANAGEMENT

Another aspect that are vital for Water and Wastewater Management is the water consumption. Our primary goal is to consume less amount of water, and implement the mentality, usage of treated water, that means reusage. We aim to lower the amount of water consumed in our facilities within the scope of our Green Journey Project.

YEAR	WATER INTENSITY (m3/ton)
2019	6.25
2020	6.90
2021	7.40
2022	7.69

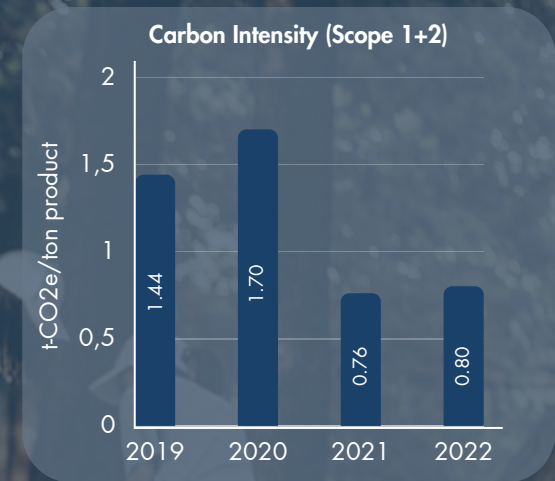
EMISSION MANAGEMENT

As Cevher, Emission Management is one of the key factors in our facilities. With the implementation of ISO 14064-1 Greenhouse Gas Management System to our facilities, Scope 1, 2 and 3 emissions are monitored.

This procedure, the ISO 14064 Greenhouse Gas Calculation and Verification Management Procedure implemented at CEVHER Wheel Co. Ltd., is designed to ensure compliance with the principles of the "ISO 14064-1:2006 - Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals" standard. It aims to be consistent with the intended use, to maintain accuracy and completeness through continuous and appropriate controls, to identify and correct errors and omissions, and to document and archive all inventory records, including information management. It has been developed to ensure continuity and explain the conducted activities.

The maintenance and regular operation of all devices/machines that affect energy efficiency used in the facilities are under the responsibility of the Maintenance and Energy Department, as well as the Special Projects and Investment, according to the "Maintenance and Repair Process" and Machine Commissioning and Relocation Process." According to this process, records regarding machine/device identification, maintenance, and breakdown situations are preserved and monitored.

Sources contributing to greenhouse gas emissions will be examined during annual internal audits according to the Internal Audit Procedure," based on their sources. The consistency with consumption levels will also be verified.



WASTE MANAGEMENT

We recognize the significance of waste management as a crucial step towards promoting sustainable production and consumption patterns and transitioning to a circular economy. Hence, we prioritize the principle of responsible production and consumption in our operations. Through effective waste management practices, we actively reduce waste generation at its source, promote recycling, and ensure proper disposal, aligning with an environmentally conscious philosophy.

Throughout the year, we develop comprehensive waste management plans and legal documents, which we share with the Directorate of Environment and Urbanization. We adhere to regional laws and take into account the unique characteristics of the area to carry out waste management in its entirety. We transport waste to licensed disposal facilities using authorized vehicles. In cases involving new types of waste, we collaborate with stakeholders to meet the requirements and ensure compliance within the legal framework. We also engage accredited laboratories to conduct relevant analyses as needed.

In order to prevent any direct or indirect harm to the environment, we ensure the identification, control, and proper disposal or recovery of various types of waste generated from our operations, in compliance with applicable laws and regulations. Our "Environmental Activities Control Procedure" defines the necessary activities and responsibilities to effectively carry out the waste management process, encompassing solid, liquid, and gaseous wastes produced at Cevher plants.

A classification has been made for waste management, taking into account the waste generated during wheel production and the relevant legal regulations. The waste classification is as follows:

Municipal waste

Hazardous waste

Packaging and non-hazardous inert waste (including packaging waste in this category)

Special waste (such as end-of-life tires, batteries, accumulators, medical waste, and excavation and construction waste)

Pandemic-related waste, such as disposable masks, gloves, etc.

Environmental Activities Control Procedure covers generally Municipal, Special and pandemic-related wastes. Disposal methods, categorisation and handling of these wastes are mentioned in the procedure, while Cevher holds "Hazardous waste procedure" and "packaging and non-hazardous inert waste procedure" separately.

Domestic wastes are collected by ESBAŞ with the necessary vehicles, with a frequency of 1-2 per day. Special wastes are handled by the type of waste. MOTAT procedure (Mobile Waste Tracking System) are utilised for end of life tyres and medical wastes.

WASTE MANAGEMENT

Hazardous Wastes

In Cevher plants, significant amount of hazardous wastes are produced. "Waste filters, felts, and electrodes; paints; mineral oils; cutting (cooling) fluids - including oils removed before pre-processing; waste diesel; expired cartridges and toners; chemicals (such as waste sulfuric acid); contaminated cardboard, paper, fabric, and personal protective equipment materials contaminated with paint, varnish, chemicals, or oil; pallets; leveling materials (contaminated waste); sprays; mixed alloy aluminum shavings, including those with iron or diamond-cut shavings; iron-steel shavings; finished X-ray tubes from X-ray units; fluorescent lamps; electronic waste; waste cables; powder paint waste; wet paint waste; sludge from chemical wastewater treatment plant filter presses; blasting waste from steel and sandblasting plants; filter dust from gas purification units; expired chemicals; refractory waste; gelatinous and dried paints; glass wool; insulation materials" are the hazardous wastes as a result of our operations. All of these have different handling and disposal regulations, that are presented in Cevher Hazardous Waste Procedure, link in below.

Non-Hazardous, Inert and Packaging Wastes

Apart from hazardous wastes, also non-hazardous, inert and packaging wastes are formed in our plants, such as Scrap iron and steel waste, cardboard cups and spoons, aluminum dross (foundry residues), waste cables, aluminum shavings, aluminum swarf, waste cable, 61 and 67 S turnings, iron-steel shavings are the examples for non-hazardous, inert wastes. Packaging materials (nylon, paper, cardboard, stretch film, nylon and iron straps, etc.), wooden pallet are classified into packaging wastes. All of these wastes, and their disposal and storage methods are presented in Cevher Non-Hazardous, Inert and Packaging Waste procedure.

In 2022, we started a Project of the licencing of non hazardous wastes. in spite of accepting scrap wheels and aluminum shavings.

Our ongoing Project of Capacity Increase for Special Alloy Aluminum Wheel and Non-Wheel Part Production, Non-Hazardous Waste Recycling Facility, which has a capacity of 12.000 scrap alloy wheels per year, Chip Recovery 97.92 tons/day, Final Melting: 112,860 tons/year, Final Casting: 62.302 tons/year.

An application for a non-hazardous waste license has been made and the İzmir Provincial Directorate of Environment has conducted an on-site inspection by the relevant unit. Deficiencies within the scope of the audit were also entered on the permit portal on 07.07.2023.

Our next process will be submitted to the Provincial Directorate's letter of conformity for signature. An application will be made to the Ministry of Environment for the Temporary Activity Certificate (GFB). Within a 6-month period, GFB must convert it into an Environmental Permit and License. This Project constitutes generally our Recycling Strategy, and we will work throughout this Project.



WASTE COMMISSION

The Waste Commission is a commission established for the waste to be discharged from ESBAŞ facilities. The Waste Commission meeting is held on the 1st and 3rd Tuesday of each month. The announcement must be made by the Free Zone Directorate in the previous week. Prior to the Waste Commission, the commission officials visit the site to inspect the waste. During this time, the commission officials may have additional requests and are also authorized to request waste reduction.

A formal application letter is prepared by the waste-generating company, clearly stating the quantity of hazardous waste and the waste code. The official waste commission application letters are prepared by the Environmental Operator or Environmental Manager. The form is checked, edited, printed, stamped, and signed by the Environmental Operator or Environmental Manager. The application also includes the Ministry of Environment license and license letter, contract, and other relevant documents belonging to the company responsible for waste disposal or recycling. These documents are attached to the letter and submitted to the Ege Free Zone Directorate, which is the chairman of the commission, by the end of the previous week on Thursday. After all signatures are obtained, the minutes are submitted to the Izmir Provincial Directorate of Environment and Urbanization for approval. Once the official letter of approval for hazardous and solid waste is received at the Free Zone Directorate, with the necessary cover letter written and distributed, waste can be discharged from the Free Zone. However, there is no need to send a letter for excavation/debris waste to the Provincial Directorate of Environment. After the commission is signed by other participants, the waste can be discharged. During waste discharge, a delivery report document is prepared. For the transportation and disposal of hazardous and certain special wastes, the Mobile Waste Tracking System (MOTAT) is used, and the entry is made through the Ministry of Environment - ECBS portal. The carrier and licensed company carry out the procedures based on the received tracking number (TKN).

BIODIVERSITY

As a company, we always prioritize our connection with sustainability when it comes to ore. Therefore, we work with great sensitivity in line with sustainability principles to reduce our impact on biodiversity and preserve natural resources.

By conducting environmental impact assessments, we measure and mitigate the effects of our projects and activities on biological diversity.

The project area for Plant 1 is located within the "Free Zone" designated in the 1/100,000-scale Environmental Plan. It does not have any relation to forest areas.

There are no plant species in the project area or its surroundings that are classified as rare, endangered, or in need of protection according to the Appendix-I list of the "Convention on the Conservation of European Wildlife and Natural Habitats" (Bern Convention). There are no endemic species in the project area or its surroundings.

Project area for Plant 2, the influence of the Mediterranean climate on Gaziemir District and the presence of species belonging to the Mediterranean flora elements can be considered as criteria confirming that the region is within the Mediterranean floristic region. Plant species belonging to the maquis formation are found throughout the district. In terms of fauna, Gaziemir District reflects the general characteristics of the Aegean Region. However, the project area is located within the boundaries of ESBAŞ. Due to intensive industrial activities in the region, the flora and fauna composition of the area has been altered.

The project area is located within the boundaries of ESBAŞ. Therefore, it does not fall within any Wetland, Forested Area, Agricultural Area, National Park, or Special Protection Area. There are no Historical, Cultural, or Archaeological Sites that encompass the project area. Additionally, it is not situated in Erosion Areas, Landslide Areas, Afforestation Areas, or Aquifers that require protection according to the Law on Underground Waters (Law No. 167).

An aerial photograph of a dense green forest. A road runs diagonally from the bottom left towards the top right. A car is visible on the road. In the top left corner, there is a body of water. Overlaid on the center of the image is a large white number '4' inside a dark blue rounded square.

4

SUSTAINABLE PRODUCT MANAGEMENT



SUSTAINABLE PRODUCT MANAGEMENT APPROACH

Sustainable product management holds great importance for Cevher. As a company, we acknowledge our responsibility to minimize environmental and social impacts. Sustainable product management represents a strategic approach to maximizing environmental sustainability throughout the life cycle of our products.

Our company aims to implement sustainability principles in all stages of our processes, starting from product design and continuing through production, distribution, use, and end-of-life. This includes using eco-friendly materials, increasing energy and resource efficiency, reducing waste, and promoting recycling and reuse.

Sustainable product management also supports customer satisfaction. Our customers prefer environmentally conscious products without compromising on quality and performance. Therefore, we strive to provide sustainable product options that align with their environmental values and meet their needs.

By adopting a sustainable product management approach, we reflect our commitment to leaving a sustainable world for future generations. We aim to be a socially and environmentally responsible company by placing sustainability principles at the core of our business strategy.

Sustainable Product Management approach is provided to our personnel via trainings.



INNOVATION

Innovation is one of the most important aspect in today's rapidly evolving and competitive business landscape. It plays a crucial role in driving economic growth, improving productivity, and fostering sustainable development. As Cevher, we adapt Innovation and think in an innovative way to keeping up with the global trends. Our most valuable innovation is CEVHER Digital.

CEVHER Digital was established in 2021 as part of CEVHER Group's sustainable growth strategies, focusing on software development, automation, robotic processes, IoT, and Industry 4.0 investments. It emerged as a result of commercializing applications and digital transformation processes developed in the rim manufacturing plants. Working with a young, dynamic, and passionate team, CEVHER Digital is positioned to meet all software needs of its customers from A to Z. It provides consultancy services in the field of digital transformation and ensures complete control in end-to-end product tracking and traceability processes through its developed domestic software solutions. With its mobile, web, and desktop applications, CEVHER Digital aims to solve problems of both individual and corporate clients with a tailor-made, flexible approach. It continues to grow at an increasing pace at the national and international levels through university-industry collaboration projects and patented software products. To effectively share the knowledge and experience we have gained in digital transformation, we have initiated collaborations with strong companies in the sector, particularly in Izmir and the Aegean Region, to engage with centers of need. These collaborations have expanded our impact within the ecosystem.

We are proud to have achieved our first software export before the end of 2022, within just one year of establishing Cevher Digital Solutions, as we promised.

At Cevher Digital, we are committed to showcasing Turkey's strength and potential in software engineering. We continue to work tirelessly towards our mission, demonstrated by the software we developed for a leading Spanish company in the field of Product & Process Tracking Solutions.

Robotic Process Automation (RPA) technology, which has become an integral part of digital transformation, has been actively utilized in our factories for the past 1.5 years. It enables the automation of repetitive processes in various areas such as finance, procurement, production planning, and logistics, resulting in increased productivity and reduced error rates, ensuring continuity in our business processes.



1 PURCHASING



2 LOGISTICS



3 FINANCIAL CONTROLLING



4 PRODUCTION PLANNING

The processes we have developed for our ongoing workflows are executed at specified intervals using metaphorical software robots. The RPA technology we employ offers several advantages, such as utilizing existing human resources more efficiently, reducing operational burdens, eliminating human errors, and saving time.

AUTOMATION

Automation and robotic production processes have been integrated into our operations, particularly for repetitive tasks and transportation jobs. We strive to maintain as much know-how as possible within our company by utilizing our own Automation project team. We intervene in our Casting, Processing, and Painting processes with our Automation project team to achieve significant outcomes. With conveyor automation, we can handle product transportation, sorting, and casting machine PLC software updates, including writing machine data to the database and making improvements to SCADA software digitally. Improvements have been made to the SCADA software with a shared recipe system to ensure the production of the same type of product in serial production. For robotic solutions, we generally continue with the choice of integrator firms.

With the acceleration of the digitalization process, integration with ERP (SAP) and MES (Promanage) systems has begun in our company, leading to significant accomplishments in internal software development and improvement processes. Both product and batch identification (Barcode/QR code) applications have been developed to enable the reading and processing of this information in the production process. Ongoing efforts are being made to develop traceability software for the entire production area. Both traceability information and process information obtained from the machines used for production are stored in a Relational Database, allowing for information sharing and correlation. This software has been developed and implemented by our company's Digitalization Team, with all improvements being made by this software team and experienced engineers involved in the process. The primary goal of our team and digitalization process is to collect all production data related to products as big data, analyze and interpret this data, and ultimately develop Machine Learning Algorithms that will reduce scrap and rework rates, as well as partially contribute to process data with positive artificial intelligence decisions. In this context, one of the most important aspects of the software we have developed is the ability to utilize and share ready-made data through agile approaches in both MES and ERP software integrations.

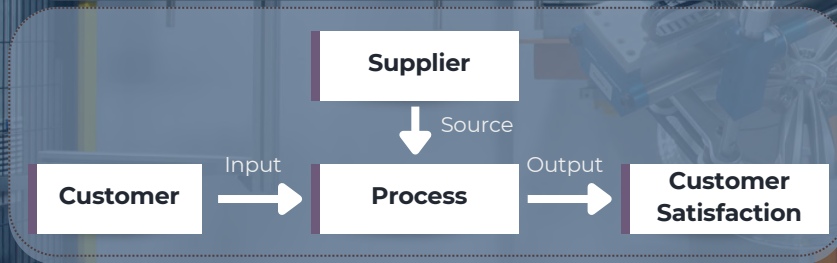
Automation and usage of robots are vital for production processes. Nearly 30-40% of the production consists of automation. Due to the increasing weights of products, automation has become necessary. Automation and robotic solutions are being implemented in handling operations as much as possible in the field. In our PaintShop, there are 6 robots with 6 axes each, and 1 robot is used in machining operations.



R&D AND P&D

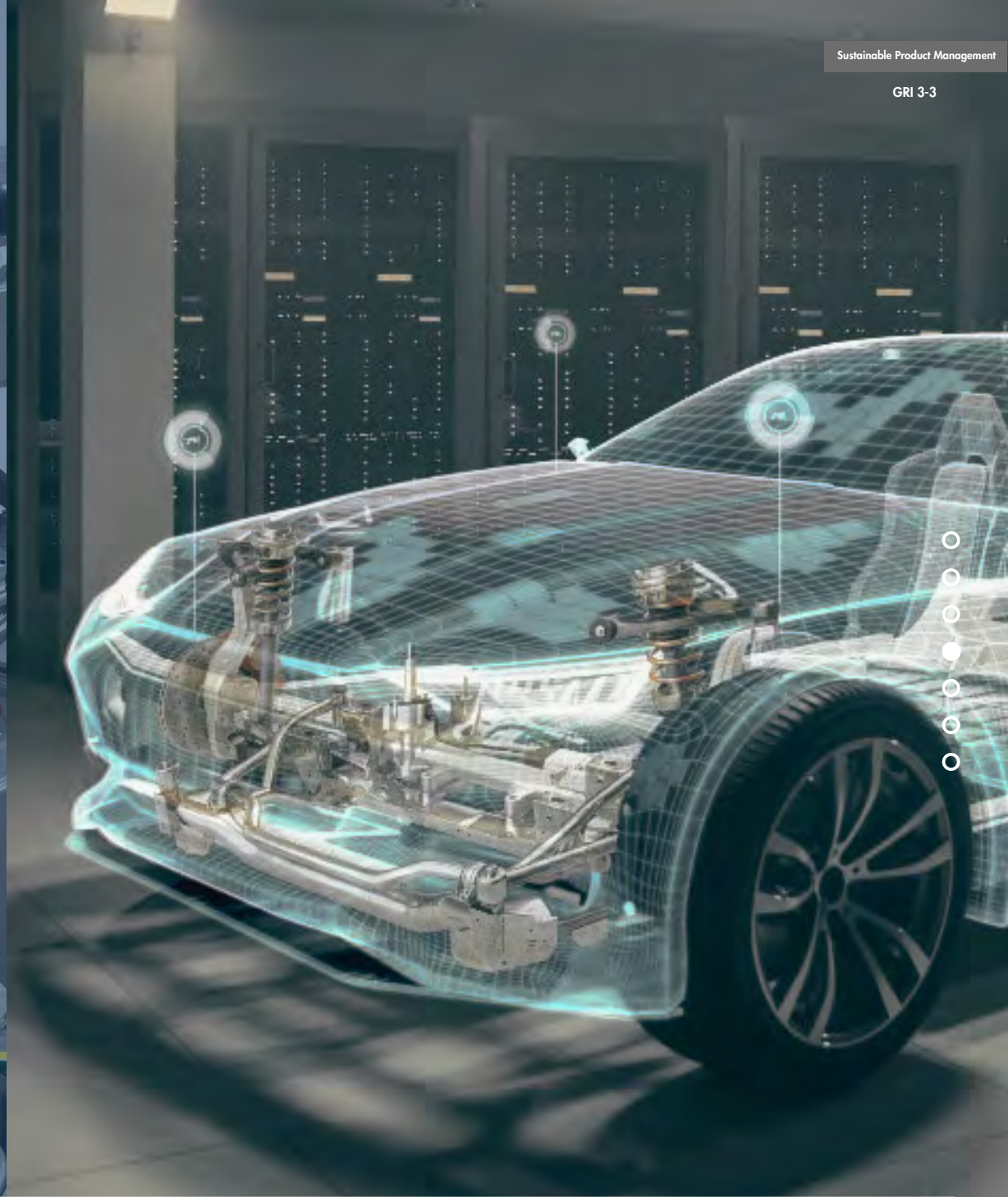
The R&D team at Cevher is dedicated to providing environmentally and socially responsible engineering solutions for the automotive industry. Their main goals include enhancing our organizational knowledge, securing patents for innovative products and manufacturing methods, executing national and international projects, and fostering collaboration between universities and the industry to prepare aspiring engineers for a prosperous future. Through our R&D endeavors, which drive scientific and technological progress, we are making significant strides on our path towards manufacturing excellence, safety, and sustainability.

The Cevher R&D Project Management Process procedure offers significant benefits such as successful project management, achievement of goals, efficient resource utilization, risk mitigation, and fostering collaboration. As a result, the company's R&D activities can be carried out more efficiently and successfully. A basic flowchart of R&D project management is here.



Throughout the year, our R&D projects have continued to win awards and raise global awareness of our CEVHER brand. In 2022, we carried on with our efforts through the projects listed below. In line with our commitment to sustainability, our R&D team will continue to contribute to production in the future.

Product Development (P&D) is of paramount importance in a facility for various reasons, as it directly impacts the success and growth of the organization, and also is vital for a facility's success and competitiveness. It empowers the organization to innovate, meet customer needs, expand markets, and adapt to dynamic business environments. By investing in P&D, the facility can secure its position as a leading player in its industry and drive sustained growth.



FOUNDRY

Our crucial strategy involves the utilization of top-notch aluminum ingots, which are melted in specialized furnaces. The resulting liquid is then degassed to create lightly tempered aluminum alloy wheels, chassis, suspension, and electromobility parts using the low-pressure aluminum alloy wheel casting method. Subsequently, all casted items undergo automatic X-ray inspections to ensure their quality, followed by enhancements to their mechanical and metallurgical properties through heat treatment to boost their physical durability. Looking ahead, a significant aspect of our future investment plan revolves around high-pressure casting.



MACHINING

The machining process consists of five essential operations: machining, deburring, rounding, sealing test, balance control, and diamond cutting. These operations are crucial in guaranteeing the safety, functionality, and visual appeal of the aluminum alloy wheels, meeting the specific demands of our customers. By collaborating with top machine tools producers and utilizing modern CNC machining centers, automated production lines, and rotary transfer systems, we maintain our commitment to providing high-quality chassis, suspension, and electromobility parts to our valued customers.



PAINT SHOP

The painting process consists of three primary steps: pre-treatment, powder coating, and spray finishing. In addition to meeting manufacturers' stringent corrosion resistance standards, this process provides flawless surface quality and aesthetics, offering a wide range of colors and varieties using top-notch metallic paints and high-gloss premium paints.



2022 R&D PROJECTS

Energy Efficient Process and Environmentally Friendly Aluminum Wheel Production

Due to increasing environmental concerns and depleting energy resources worldwide, almost all sectors are required to take measures in these two areas. The manufacturing sector is also taking precautions regarding these two crucial issues, both in the product life cycles they produce and the products they procure. In line with this, the international collaborative project led by our R&D team under the TUBITAK International Cooperation Projects Research Support Group has officially commenced, focusing on energy-efficient process and environmentally friendly aluminum wheel production. This study aims to reduce energy consumption both during the manufacturing process and in the materials used, ultimately lowering the carbon footprint and enabling the production of more sustainable wheels.



Development of a New Product with Improved Mechanical Properties Using an Alternative Alloy Wheel Material

The alternative alloy wheel production project developed by our R&D team is a successfully executed initiative that offers a viable alternative to conventional materials in wheel manufacturing. This project introduces diversity to customers by presenting an alternative to traditional wheel materials. Our work has been recognized with the first prize in the technology category by İztek Innovation Platform. Formun Üstü



Apart from the 2 major R&D studies, we also have 4 other R&D study, which we could not fully explain all of the details due to our Safety Policy.

- Lid Development Project: Development of an alternative, environmentally friendly lid material and process.
- Simulation Studies: Utilization of simulation to develop processes in a computer environment without the need for trial and error methods in the field (heat treatment simulation).
- Grain Refinement Optimization.
- Trial of Next-Generation Environmentally Friendly Flux for Liquid Metal Cleaning.

2022 R&D PROJECTS

R&D and P&D activities provide Cevher with a range of significant benefits, including innovation, competitive advantage, customer satisfaction, sustainability, and technological adaptation. Therefore, it is important for the company to focus on these endeavors for long-term growth and success. In this context, in 2022, Cevher has undertaken numerous projects and collaborations in terms of R&D and P&D.

Our R&D team engages in collaborations with various universities worldwide through national and international projects. These collaborations support academia by providing assistance in the formulation of theses for undergraduate, master's, and doctoral students. Our R&D team believes in the lifelong pursuit of education, and our colleagues in this department continue their academic teaching and learning processes. With a strong academic focus, the completed R&D projects are published in national and international journals, contributing to the literature and aiming for sustainability in education. Alongside our various academic publications, we protect some of the improvements we make in the field through patents and utility models.

- We have collaborations with following universities : Izmir Katip Celebi University, Izmir Institute of Technology, Dokuz Eylul University, Ege University, Marmara University, and Celal Bayar University.
- Our R&D team collaborates with numerous prestigious Turkish and foreign universities, working on projects within consortia such as TUBITAK (The Scientific and Technological Research Council of Turkey) and the European Union. Additionally, our team provides support to students who are pursuing higher education.
- We have collaborated with our university partners on both R&D and Product Development projects, as well as social responsibility initiatives. With Istanbul Technical University, we developed an alternative alloy wheel material, providing diversity to customers and contributing to academic literature. With Izmir Katip Celebi University, we worked on projects related to computational materials engineering and supported a student's graduation project titled "Heat Treatment Simulation of Aluminum Alloy Wheels," which allowed us to explore innovative software. We developed collaborations with Izmir Institute of Technology, organizing various seminars, events, and class visits. We initiated the "Future Cevherleri" project and provided support to undergraduate students in the design of impact testing devices. With Marmara University, we supported undergraduate students and conducted research on sustainable and eco-friendly materials. The student members of these projects received support from TUBITAK. Through collaborations with Bayburt University, we participated in international EU projects. With Ege University, we were involved in working groups focusing on more sustainable and innovative part production. Also, We collaborated with the valuable engineering candidates of Dokuz Eylul University's solar car team to develop projects. With these projects, we successfully completed the production of wheels in different geometries and materials in a mutual manner.



CUSTOMER RELATIONS

Customer relationships are of great importance to Cevher. Customers are vital to the success of the company, and customer satisfaction is a fundamental factor for the sustainability of the business. Effective customer relationship management strengthens the company's reputation, builds a loyal customer base, and generates repeat business opportunities.

The customer complaint evaluation procedure was implemented in 2021 by CEVHER Jant San. A.Ş. This procedure aims to systematically evaluate and resolve complaints related to the products produced, assembled, sold, or serviced by external customers of CEVHER. It covers complaints concerning the product itself or the processes and quality system related to the product. The purpose of this procedure is to ensure effective communication with customers, determine the necessary methods for evaluation and resolution, and maintain customer satisfaction.

In 2022, the customer complaint amount is reduced to 8. And all of the complaints are resolved by our team.

Customer Complaints

Year	Issue Reported	Resolving Ratio(%)
2019	7	100%
2020	13	100%
2021	19	100%
2022	8	100%

We consistently enhance customer satisfaction by implementing a sustainable value chain. To achieve this, we conduct annual customer satisfaction surveys to gather feedback from our customers. We have integrated the principles of lean thinking and management into our business model, encompassing all departments and customer relations. By adopting a lean management approach, we prioritize customer satisfaction and outperform our competitors.

Through the implementation of lean management, we aim to optimize the utilization of our resources, resulting in high-quality products produced with reduced energy, time, and labor. Additionally, we actively monitor emerging technologies to strengthen our digitalization and automation efforts.

SUSTAINABLE SUPPLY CHAIN

At CEVHER, we prioritize the creation of a better environment for future generations as we navigate through our daily operations. We place significant emphasis on adopting sustainable practices and developing supply chain strategies that minimize our ecological impact. Our aim is to build a stronger and more sustainable supply chain, taking into account the well-being of our planet. As part of this commitment, we actively participate in the global EcoVadis platform, which assesses and rates our supply chain performance on a regular basis.

Our newly published Green Purchasing Policy summarizes what we expect from our suppliers, and mentions also our principles and our values throughout the supply chain. We will continue our work and our processes within our existing procedures and policies. The main principles of the policy are listed below;

- Evaluating and improving our suppliers in terms of environmental, social, and governance sustainability
- Prioritizing the selection of suppliers from local and vulnerable groups if the requirements are met
- Respecting human rights, constitutional organization, and the right to collective bargaining
- Not employing or accepting child labor, not supporting or contributing to human trafficking and not tolerating any form of physical or psychological abuse or disciplinary measures
- Complying with environmental laws and regulations
- Being a partner for solutions by taking into account the environmental requests of private and public institutions and organizations they communicate with
- Ensuring that their employees adopt environmental consciousness and responsibility as a principle and integrate it into their lives
- Continuously monitoring the progress of our suppliers in their environmental policy and continuous improvement framework
- Conducting business relationships with fairness, good faith, and understanding to achieve mutual benefits. Not engaging in any activities that result in unfair gains from individuals or organizations, not giving or receiving bribes or facilitation payments
- Treating all physical and intangible assets, including information and information systems, as their own and taking care to protect them against potential losses, damages, misuse, abuse, theft, and sabotage
- Abiding by the confidentiality agreement made between the parties and not disclosing the data specified within the scope of the "KVKK" (Personal Data Protection Law)
- Reporting all data related to materials listed in the restricted or banned materials list

SUSTAINABLE SUPPLY CHAIN

We are currently collaborating with 950 suppliers, both internationally and locally, who source from us across 33 different product categories. Our partnerships with these suppliers, 80% of which are local, greatly facilitate our future endeavors. As CEVHER, we are committed to maintaining these collaborations with our suppliers in 2023 while eagerly looking forward to providing our exceptional service quality to new suppliers as well.

We are providing necessary briefings to our main contractors and subcontractors who conduct field visits regarding Occupational Health and Safety (OHS) and Environmental regulations, and our goal is to provide this briefing to every contractor on site by the year 2025.

Also, we are extremely proud of enhancing our suppliers throughout a very wide range, including suppliers from Earthquake Region.

Supplier selection is one of the most critical issue in our Supply Chain. We have 4 different process for different categories, and also a general evaluation criteria exists. Selection process for Materials affecting mass production, process for OHS, process for ESG and process for Information Security Management System are evaluated separately.

Sustainability Related Criterias

The subsequent clauses relating to sustainability delineate the benchmarks and prerequisites that partners of Cevher need to satisfy. These include conforming to globally acknowledged human and labor rights for employees, the prohibition of child and forced labor, the observance and advocacy of ethical business practices, adherence to legal and environmental standards, as well as proactive environmental conservation efforts, and compliance with regulations safeguarding animal welfare.

- Within our overall assessment, sustainability criteria hold a 20% share.

SUSTAINABLE SUPPLY CHAIN

Supplier Selection Processes for Materials Affecting Mass Production

- If a new supplier is to be onboarded, the "New Product and/or Supplier Acceptance Instruction" is implemented.
- The supplier introduction form is sent to the prospective supplier, and preliminary evaluation is conducted.
- If the supplier holds IATF 16949, 14001, 45001, and sustainability certifications, technical documents (specifications, confidentiality agreements, etc.), required documents are requested from the supplier. Trial batch + PPAP/PPF documents are also requested.
- Sample parts / trial batches and documents are forwarded to the Engineering Unit.
- If the documents are deemed suitable, a process evaluation is conducted, and the prospective supplier is included in the candidate supplier list.
- Suppliers who achieve grade C (80 or above) in the evaluation are included in the approved supplier list. Suppliers below grade C are not eligible for collaboration.

Supplier Selection Processes for ESG Management

- The supplier's compliance with environmental regulations - ISO 14001 certification is inquired about.
- Relevant documents are obtained.
- If the performance evaluation score is below 70(C Grade), collaboration is not pursued. If the score exceeds 70, the supplier is included in the approved supplier list (if necessary).

Supplier Selection Processes for OHS Management

- The documents are reviewed, and Occupational Health and Safety (OHS) information is provided.
- Field observation is conducted, and the Environmental-OHS Assessment Score is checked.
- If the performance evaluation score is below 70(C Grade), collaboration is not pursued. If the score exceeds 70, the supplier is included in the approved supplier list (if necessary).

Supplier Selection Processes for Information Security Management System

- The ISO 27001 certification is checked.
- If the certification is not available, collaboration is not pursued.
- If the certification is available, a service evaluation is conducted, and if the score is greater than 70(C Grade), the supplier is included in the approved supplier list.

Our company adheres to the concept of sustainable development, aligning with globally recognized standards and prioritizing the environment, human rights, labor conditions, and ethical values. We are dedicated to enhancing sustainability throughout our value chain. To achieve this goal, we hold all our current and prospective suppliers accountable to the guidelines outlined in our Supplier Code of Conduct.

The Supplier Quality Requirements Manual is a document that outlines the specific quality standards and expectations that our company has for its suppliers. It serves as a guidebook or reference for suppliers to understand the quality requirements they need to meet in order to maintain a successful partnership with our company. The manual covers various aspects of quality management, such as product specifications, manufacturing processes, inspection procedures, documentation, and compliance with relevant industry standards and regulations. By following the guidelines outlined in the Supplier Quality Requirements Manual, suppliers can ensure that the products or services they provide consistently meet our company's quality standards and contribute to our overall quality objectives.

PRODUCT QUALITY AND SAFETY

At Cevher, we have established a customer-centric approach to defining quality, prioritizing sustainable practices as the core of our philosophy. Our Quality Policy, which is accessible through, defines our vision, mission and our values throughout our supply chain.

Our quality procedure holds immense significance as it forms the backbone of our operations. It serves as a reliable framework to ensure that our products and services consistently meet or exceed the expectations of our customers. By adhering to stringent quality standards, we can build trust with our clients and maintain their loyalty. Moreover, our commitment to sustainable quality not only benefits our business but also contributes positively to the environment and society as a whole. Emphasizing the importance of our quality procedure allows us to drive continuous improvement and innovation, positioning us as a leader in our industry.

In our facilities, the quality policy is published by the quality system unit in QDMS (Quality Document Management System) to ensure its understanding, implementation, and continuity at every level within the company. It is duplicated and displayed on common areas and boards determined within the factory premises. It can also be accessed through the EPC screens at the production area's workstations and quality control points. The quality training sessions conducted within the company include discussions about the Quality Policy. Additionally, during internal daily and system audits, employees are questioned about it. Our Quality Management System Communication Procedure covers generally the distribution and spread of Quality Policy.

Our Quality Vision

- The supplier's compliance with environmental regulations - ISO 14001 certification is inquired about.
- Relevant documents are obtained.
- If the performance evaluation score is below 70(C Grade), collaboration is not pursued. If the score exceeds 70, the supplier is included in the approved supplier list (if necessary).

Our Quality Mission

- As a specialist of our business and solution partner of our customers, to provide safe products that meet the expectations of our customers including product use and comply with legal requirements
- To increase customer diversity and grow sustainably with new customers and new generation projects
- To strengthen R&D and Product Design Development capabilities by keeping up with the developing technology in an intense competitive environment where products and expectations become more complex
- To become a benchmark in the automotive wheel sector with our level of product development, with national and international academic research and publications
- To focus on activities that create added value through lean business processes, to facilitate access to information in a controlled manner
- To determine our future strategies with new technologies in accordance with our context and purpose, meeting the needs and expectations of internal / external parties
- In order to ensure continuous improvement, to determine the quality, process and product suitability targets for measurable, realistic and increasing customer satisfaction
- Our employees and stakeholders; Knowing that it is the most important part of our processes, promoting their participation in an ethical - transparent - safe working environment, developing teamwork and learning culture
- Within the framework of continuous improvement studies, to develop and encourage the competencies of the suppliers in the expectations of increasing 'customers', 'end users', 'legislators', to work in harmony by setting common goals
- To fulfill our responsibilities in accordance with ethical rules against society, environment and laws, to use our resources efficiently, to reduce losses
- Creating added value for our shareholders, employees, suppliers and all our stakeholders

Our Quality Mission

- Integrity / Ethics
- High level of customer and employee satisfaction
- Lean communication and transparency
- Sustainable profitability
- Reliable partnership
- Teamwork

QUALITY TESTS

Mechanical Test Laboratory

- Multi-Axial Fatigue Test (ZWARP)
- Dynamic Fatigue Test
- Radial Fatigue Test
- Radial Impact Test (Radialschlag)
- 13° Impact Test

Dimensional Control

- 3D Measurement Device
- Circular & Plane Displacement and Static Imbalance Meas. Device
- Static and Dynamic Imbalance Measurement Device
- Surface Roughness Measurement Device

Metallurgy Laboratory

- Reduced Pressure Testing Device
- Spectrometer
- Hardness Testing Device
- Macroscop
- Automatic Polishing Device
- Tensile Testing Device
- Precision Balance
- Thermal Analysis Device
- Portable Hardness Testing Device

Production

- Helium Leakage Test
- Static and Dynamic Imbalance Measurement Device
- Portable Hardness Testing Device
- Non-destructive Inspection
- Harmonic Measuring Machine

Paint Laboratory

- Precision Balance
- pH and Conductivity pocketmeter
- Cross Hatch Cutter
- Chemical Titration
- Portable Glossmeter
- Magnetic Mixer with Heating
- Viscosimeter
- Salt Spray and Alternating Climate Test Chamber
- Stone Hammer Blow Testing Instrument
- Drying Oven
- Spectrophotometer
- Coating Thickness Gauge
- Colour-Matching Booth
- Pressure washer Test Machine
- Compact Lighting Booth
- Multi-Angle Spectrophotometer
- Water-Jet Test Machine



Various tests are conducted in the mechanical testing, metallurgy, and paint laboratories to ensure the production and dimensional controls meet high-quality standards and achieve product reliability throughout the stages of product development to serial production, aiming to deliver superior products to customers.

In our facilities, many quality tests are performed under 4 main titles. Product Quality and Traffic Safety are present in our Materiality Matrix, so that these tests are relatively important for Cevher, and we will look forward to improve our performance.



5

**SOCIAL
SUSTAINABILITY**



SOCIAL SUSTAINABILITY

We actively work to contribute to the sustainable development of society and reduce inequalities through our commitments, policies, and projects. We are aware that we are a part of society and recognize the value it provides us.

In this section, under the title of Social Sustainability, based on the prioritization analysis we conducted with our stakeholders, we provided explanations of our activities in 2022 in the following areas: Occupational Health and Safety, Human Rights Approach, Human Resources Management, Employee Rights, and Community Investments.



OCCUPATIONAL HEALTH AND SAFETY

The importance we place on the health of our employees is among the priorities of our company. Creating a safe, healthy, and optimal working environment is part of our responsibility to protect the health of our employees. Our goal is to establish a strong occupational health and safety culture to achieve zero work accidents and occupational diseases.

Our Occupational Health and Safety (OHS) practices are conducted in accordance with the ISO 45001 standards, within the framework of company policy. The Occupational Health and Safety Committee, composed of Occupational Safety experts, occupational physicians, representatives from Human Resources and Industrial Relations, representatives from Maintenance and Energy departments, union representatives, and technical engineers, meets every month to evaluate relevant issues and determine the necessary measures.

The Occupational Health and Safety Committee is formed by expert representatives from different disciplines. By working together, we can identify the necessary precautions to protect the health of our employees and initiate improvement processes by evaluating risks. Our meetings help in assessing relevant issues and determining the measures to be taken.

We organize trainings to raise awareness and educate our employees on occupational health and safety topics, continuously keeping them informed in this regard. Additionally, we provide the necessary resources to ensure that our employees embrace occupational health and safety policies and implement them in their daily work.

The health and safety of our employees are of utmost importance to our company. We continuously strive to make improvements in occupational health and safety to protect the health of each employee and provide a safe working environment. In doing so, we not only aim to be a sustainable business but also support the happiness and productivity of our employees.



OCCUPATIONAL HEALTH AND SAFETY



In spite of the following principles, we are steadily progressing towards our goals:

We raise awareness among all employees through necessary training programs to ensure their compliance with the OHS culture, aiming to make it a lifestyle.

We continuously monitor all hazards that may compromise the health integrity of employees and strive to eliminate them and reduce risks through necessary corrective and preventive actions.

We aim to ensure the highest level of participation from our employees and employee representatives, an important component of the OHS management system, by consulting them.

We ensure compliance with laws and regulations, as well as consider the Occupational Health and Safety (OHS) requirements of the organizations we are affiliated with.

We aim to determine our future OHS strategies in line with our context and purpose while meeting the needs and expectations of internal and external stakeholders.

We focus on improving efficiency by working on the development and sustainability of the Occupational Health and Safety System.

We have appointed Environmental and Occupational Health and Safety (OHS) Management Representatives by top management to ensure the effectiveness and dissemination of the Environmental and OHS Management systems. To promote widespread implementation, we have established separate organizations for Environmental and OHS, incorporating the roles and responsibilities related to these areas into the job descriptions of all employees. This ensures the interaction of the environmental and OHS management systems with all processes.

Within our OHS Management System, we annually evaluate all contractors and add the approved ones to the authorized supplier list based on the evaluation results.

To identify the root causes of potential hazards, near-miss incidents, and accidents within the scope of Occupational Health and Safety during our activities, we have an Incident and Near-Miss Accident Procedure. This procedure defines the conditions for investigating and analyzing incidents and near-miss accidents and taking necessary corrective and preventive actions to prevent their recurrence. Through this procedure, we list corrective actions for hazardous incidents, potential accidents, and near-miss incidents, conduct analyses, and inform our employees about these matters.

RISK ASSESSMENT

When conducting the initial risk analysis, we apply legal obligations and list the hazards to which our employees are exposed based on operational departments. We determine potential risks by consulting individuals affected by each hazard. Taking into consideration factors such as the condition of our operations, previous measures taken, and controls implemented, we identify the hazards using the Fine-Kinney Method. The risk score calculation is based on the multiplication of the likelihood of the risk occurring over time, the severity of the risk the hazard can cause, and the probability of the risk occurring. Once all the work is completed, we document the risk analyses for record keeping.

After the evaluation, we follow the following sequence of actions until we reach the most appropriate solution:



Elimination of hazards at the source.



Substitution of the hazardous with less hazardous alternatives.



Implementation of engineering measures such as automation, isolation, distancing, ventilation, etc.



Implementation of administrative measures such as changes in work schedules or procedures, increased inspections, etc.



Provision and use of personal protective equipment.

DETERMINATION OF OHS PERFORMANCE CRITERIA AND TARGETS

In accordance with the Occupational Health and Safety (OHS) Management System and considering the Risk Analyses we have conducted, we create measurable targets annually based on the Hazard Risk and Opportunity Analysis and Evaluation Procedure. The necessary follow-up for achieving these targets is carried out by our OHS experts. Measurable targets and objectives are established to meet the expectations and other requirements of both the system and, if applicable, our customers, and they are accomplished within the specified timeframes.

OHS TRAINING PROGRAM

We provide necessary training to all employees working in processes with significant Occupational Health and Safety (OHS) risks and keep records of these trainings. These trainings apply to white-collar, blue-collar, apprentices, temporary workers as contractors or suppliers, interns, visitors, and other personnel within the factory premises. All new employees receive OHS orientation training in addition to other orientation programs.

With our Annual Training Plan for Occupational Health and Safety, we ensure that our employees are aware of Health Topics and Technical Issues, as well as the identified preventive measures, rules, instructions, hazardous chemicals, decisions made in the OHS committee, and health and safety provisions. These topics are covered in a total of 12 hours of training each year, provided by OHS experts, to enhance their awareness and ensure their health and safety.

Upon the return to work after an occupational accident or a long-term leave, we reiterate the OHS training for employees before they resume their duties.

EMERGENCY PREPAREDNESS

As Cevher Jant, we have identified all possible emergencies within the scope of the Environmental and Occupational Health and Safety Emergency Action Plan. These emergencies include work accidents, food poisoning incidents, earthquakes, floods, attacks and sabotage, environmental emergencies, and pandemics (such as Covid-19). Every year, we create, implement, and document emergency plans. Important contact numbers are displayed on boards in the production area and at necessary points for easy access. Assigned employees for emergencies are specified in the Shift-based Emergency Teams List, prepared with visuals. We conduct emergency drills on an annual basis, covering all three shifts.

In 2022, 82 of our employees participated in Emergency Response Team training.

In 2022, we conducted drills on fire, earthquake, chemical leakage/spillage, and evacuation. All of our employees working in the 08:00-16:00 and 16:00-24:00 shifts attended the drill.



EMERGENCY ACTION PLAN

We have an Emergency Action Plan for all of our factories. The Action Plan covers potential emergencies such as fire and explosion, work accidents, the spread of hazardous chemicals, spread from radioactive and nuclear materials, food and other poisonings, potential outbreaks of biological and infectious diseases, natural disasters like earthquakes and floods, sabotage, environmental accidents, and chemical accidents, along with the necessary precautions to be taken in these situations.

In the event of a potential fire, automatic fire suppression systems are in place. Detection and alarm systems are installed throughout the entire factory. Fire detection and extinguishing equipment, fire cabinets, hydrants, emergency exit doors, emergency lighting, etc., are available as required and in accordance with legal requirements. Regular inspections are conducted for all fire suppression systems and devices.

To prevent the risk of spills from hazardous chemicals, containment trays or pools are present beneath them. Absorbents specified in the procedures are used in the

event of spills, and absorbent kits are available at specific locations. All necessary measures have been taken to prevent any harm to the environment, humans, water, soil, air, etc., for chemicals stored in our temporary waste storage areas.

Considering the risk of earthquakes, measures are taken and implemented within the factories and for material stacking.

Scenarios and precautions related to chemical wastewater treatment, non-standard emissions, odor, and other environmental conditions have been identified and documented to address the possibility of environmental accidents.

In areas involving chemical use or storage, there are eye wash stations, full-body showers, or portable washing solutions to address the risk of accidents.



HUMAN RIGHTS APPROACH

We expect all our internal and external stakeholders to respect human rights and fundamental freedoms, and to act in accordance with the UN Sustainable Development Goals. We do not accept or tolerate any conditions or practices within our supply chain that violate human rights. In our operations, we always strive to avoid working conditions and behaviors that infringe upon human rights.

MODERN SLAVERY POLICY

Slavery, human trafficking, and child labor are crimes according to national and international laws. As a company, we adopt a transparent management approach and zero-tolerance policy against modern slavery in our operations and supply chain. As the Cevher Jant Family, we take necessary steps to prevent relevant crimes in all our processes and ensure effective implementation of our policy within our company and among our stakeholders. We review our Modern Slavery Policy annually and work with our employees to ensure that our suppliers also act in line with this awareness.

To ensure compliance with our policies, expectations, and legal requirements and reduce the risk of modern slavery in our commercial activities, we take the following steps:

- Continuously assess our activities and supply chain to eliminate modern slavery risks.
- Provide necessary training to increase awareness and ensure compliance of our employees with the Cevher Jant Code of Conduct
- Commit to reviewing and auditing the practices of our suppliers to ensure their compliance with our Supplier Code of Conduct.

We maintain a fair working environment by upholding the highest level of safety awareness for all our employees. We adhere to the International Labor Organization (ILO) agreements to ensure the non-employment of child labor. In this regard, we closely monitor the compliance of our suppliers with the laws in the countries where they operate.

SOCIAL GENDER EQUALITY

While raising awareness among our workforce on social responsibility and mindfulness through the principle of "Putting People First," we operate in line with the principles of gender equality programs and activities.



The significant contribution of our qualified personnel, who work with knowledge and dedication, lies behind our achievements. Therefore, our employees are always our focus. At Cevher, we value women's employment in the business world and support our female employees.

As of 2022, the proportion of women executives in our management team is 33%



We act by company strategies in job allocation and distribution, ensuring equality without discrimination.



We organize educational programs for our employees to raise awareness of domestic violence and engage in activities to prevent all forms of violence.



We educate not only our employees but also our partner companies and society as a whole on this issue.



We provide information and guidance to employees who experience domestic violence, offering them support.



In cases of domestic violence, we collaborate with various institutions and provide accurate guidance.

Our Human Resources Department refers victims of violence to authorized institutions, monitors their situations, and offers support.

EMPLOYEE RIGHTS

At Cevher, we highly value our employees and systematically demonstrate this through our Code of Conduct.

- Values its employees and respects their rights.
- Seeks for suitability for the job as a single standard in the hiring process and ensures the equality of opportunities without discrimination.
- Aims to maximize the utilization of employees' skills, capabilities, and creativity.
- Provides equal opportunities for education, orientation, and development of employees.
- Aims to increase the loyalty of their employees towards the company ensuring equality of opportunities in respect of advancement and rewarding.
- Maintains a harmonious and peaceful work environment.
- Ensures clean, healthy and safe working conditions for employees.
- Creates and maintains an environment that promotes transparency and mutual respect, which is the basis of cooperation and solidarity, and ensures its sustainability.
- Does not tolerate harassment at the workplace under any circumstances.
- Evaluates its employees' opinions and suggestions, and respond to and perform motivation-increasing studies.
- Does not share private data related to the employees with third parties without the consent of its employees, unless a legal obligation applies.
- Respects human rights, constitutional organization, and collective agreement rights.
- Does not accept child labor and employment.
- Does not support, contribute to, facilitate human trafficking and does not tolerate disciplinary measures involving physical or psychological abuse of any kind.
- Prohibits and does not contribute to forced or compulsory labor, including slavery.

SOCIAL COMPLIANCE POLICY

In line with the value we place on people, especially our employees, we commit to the following principles and rules under the light of our Social Compliance Policy.



Prevention of Child Labor:

We do not engage in contractually obligated, debt-based, clandestine, forced, or involuntary employment of workers. Our approach to overtime work is based on voluntary participation.



Ensuring Occupational Health and Safety:

We pledge to adopt the culture of occupational health and safety as a way of life, embracing a proactive approach. This includes compliance with national occupational health and safety regulations and international standards, implementing necessary measures to prevent work accidents, ensuring the active participation of all employees in occupational health and safety practices, adopting a working system that prioritizes employees' overall health, and providing continuous training.



Respect for Freedom of Association and Collective Bargaining Rights:

We respect our employees' right to freedom of association and collective bargaining.



Prevention of Discrimination:

We employ individuals based on their ability to perform the job, without discrimination based on race, color, language, religion, ethnic origin, political opinion, marital status, age, pregnancy, sexual orientation, or gender. Additionally, all aspects of remuneration, social benefits, promotions, terminations, and disciplinary practices are carried out in line with these principles.



Working Hours:

We treat all our employees with respect and dignity and do not tolerate verbal, physical, or psychological harassment or mistreatment, either within or outside the company.



Supplier Relationships & Gradual Impact:

We measure the social compliance capacity of our product/service suppliers, monitor the results with action plans, and gradually raise their levels of social compliance.



Management System:

We commit to conducting occupational health, safety, and environmental management activities under a management system framework that complies with applicable laws and regulations, customers' workplace behavior standards, and the voluntarily implemented SA 8000:2014 Management System Standard. We will ensure its continuity and strive for continuous improvement.



Wages and Payments:

For our employees; We guarantee to make regular and overtime payments determined by laws and collective bargaining agreements, not to employ workers below the minimum wage, to provide social benefits to the employees as determined in the collective bargaining agreement, and to provide the minimum living standard according to ILO standards.



Protection of the Environment:

We commit to adhering to environmental legislation, preventing and reducing environmental pollution based on environmental dimensions and impact assessment, reducing CO2 emissions from production and services, promoting efficient use of energy, water, and natural resources through continuous improvement efforts, and minimizing our environmental impact through environmentally friendly policies and standards.



Ethical Business Conduct:

We do not tolerate any form of corruption, fraud, or bribery.



Prevention of Discipline/Abuse and Harassment:

We treat all our employees with respect and dignity and do not tolerate verbal, physical, or psychological harassment or mistreatment, either within or outside the company.

HUMAN RESOURCES MANAGEMENT

We embrace the importance of investing in our human resources for long-term success. Each member of our team is an integral part of Cevher. Therefore, our main goal is to invest in our employees' education, development, and well-being to enhance their motivation and productivity.

Under our Human Resources Policy:

- Continuous education
- Performance evaluation
- Flexible organization
- Internal customer satisfaction measurement
- Internal communication



We do not discriminate against our employees based on factors such as religion, language, race, sect, gender, or sexual orientation.



We do not allow discrimination in processes such as recruitment, performance management, promotion and assignment, and compensation, and we strive to prevent discrimination.



Fair treatment and protection of employee rights are fundamental principles for us.



We aim to provide equal opportunities for all employees, ensuring their understanding of responsibilities and fair compensation in line with market conditions.



We support the professional and personal development of our employees.



We respect employees' right to unionize.



We create and sustain a culture that encourages and supports teamwork.

Our Human Resources and Industrial Relations Department conducts the following operations to create a corporate culture that aligns with our goals and enhances employee engagement:



Career planning



Performance management aligned with goals



Continuous education



Performance evaluation



Flexible organization



Internal customer satisfaction measurement



Internal communication

AVITA EMPLOYEE SUPPORT PROGRAM

Psychological Counseling

Psychological counseling covers work-life balance, stress, anxiety and emotional issues, workplace problems, marriage or relationship difficulties, challenging life events, periods of mourning, child-related issues, and similar topics. Our employees can consult AVITA psychologists via phone 24/7 without any restrictions. Based on the nature of the issue discussed during the phone sessions, the counselor will provide guidance for the employee to receive face-to-face or online psychological counseling at AVITA's contracted counseling centers for up to 6 sessions without any cost.

Crisis/Critical Incident Management

To minimize the negative effects of critical incidents (work accidents, sudden deaths, natural disasters, etc.) that may occur from time to time, relevant department managers can request on-site counseling and support services from AVITA's expert clinical psychologists.

Legal, Financial, and Medical Information Services

If our employees have legal, financial, or health problems, they can call AVITA Call Center and ask their questions. In relevant cases, they can be connected with lawyers, financial advisors, doctors, or nurses for consultation.

Office Ergonomics

Our employees may experience complaints such as lower back, neck, and shoulder pain due to posture problems. They can receive information from experts on these issues as well as office ergonomics, including simple daily exercises.

Newborn Care Information Service

Employees who have given birth can consult the Newborn Care Information Service provided by expert nurses, who are available 24/7, for any questions or concerns about their newborn babies after discharge from the hospital.



AVITA EMPLOYEE SUPPORT PROGRAM

Technology Consulting

Through the Remote Access Program, our employees receive services such as program and product installation, software assistance, system optimization, virus removal, backup, and email setup. In addition, they can receive information on all technological products, including home appliances and electronics, upon request.

Home/Garden Plant Consulting

We provide support to our employees in scheduling plant care and addressing any problems encountered during maintenance. We also offer information on indoor plant care, ornamental plants and diseases, landscape arrangement, and design.

Veterinary Consulting

Our employees and their family members can seek advice from expert veterinarians on the care, cleanliness, vaccination, and nutrition of their pets.

Yoga at the Office

We organize yoga workshops at regular intervals, taking into consideration the ergonomics of our employees.

Healthy Eating Counseling

Employees and their immediate family members can seek support from our dieticians regarding healthy eating.

Social Life

To facilitate our employees' social life, we provide emergency service phone numbers, as well as assistance with taxi, flight, hotel, restaurant, cultural, and sports activity reservations.



RECRUITMENT PROCESS

The recruitment process is conducted by the Human Resources Department. After the initial two stages, the two most suitable candidates for white-collar positions undergo a "Personality Inventory" test. Additionally, assessments are made for "Foreign Language Proficiency" and "Professional Qualification Exam" for technical positions based on job requirements. Pre-screening of candidates with positive results is conducted by the occupational physician. The job offer and remuneration determination are made by the Human Resources Manager, relevant department manager, and director. The salaries of blue-collar candidates are determined according to the Collective Bargaining Agreement and job evaluation group/grade criteria. For white-collar candidates, orientation, onboarding, and occupational health and safety training are planned by the respective department and the Human Resources Department in coordination with the starting date. Materials are provided to employees who require workwear and personal protective equipment upon starting their employment.

STUDENT PROGRAMS

At Cevher, we highly value the learning desire, curiosity, energy, and unique ideas of young individuals. As the leading company in the Turkish foundry industry, we work to enable young people to take their first steps in their professional careers and help them transform the theoretical knowledge gained during their education into real-life experiences. In this regard, we implement the following student programs:

- High School Internship Program (Vocational High School)
- Apprenticeship Training Program
- Journeyman Training Program
- University Internship Program
- Part-Time Employment Opportunities
- Graduate Thesis Projects

These programs aim to provide students with practical exposure and opportunities to develop their skills and knowledge in a real work environment.



CEVHER ACADEMY

To emphasize leadership qualities and nurture the future leaders of Cevher, we have established Cevher Academy, offering long-term training plans for all employees. If employees have training requests, they can fill out the Training Request Form, obtain approval from their department manager, and submit it to the Human Resources and Industrial Relations Department. In order to support the continuous development of our employees, the training programs provided at Cevher Academy are listed below:

- Vocational and technical training
- Quality training
- Continuous improvement training
- Personal development training
- Occupational Health, Safety, and Environment training
- Interactive training sessions with experts
- Online e-learning programs

TRANSPORTATION

All employees can benefit from the company shuttle services. The shuttles depart from in front of the factory entrance 10 minutes after the end of working hours.

ANNUAL LEAVE APPLICATIONS

Our employees have the following annual leave entitlement: 18 days for up to 5 years of service, 22 days for 6-15 years of service, and 26 days for 15 years and beyond.

EXCUSE LEAVE APPLICATIONS

We strive to provide all necessary support and accommodations to our employees in situations such as marriage or bereavement leave. In this regard, we grant leave to our employees while also considering their legal rights.



REMUNERATION MANAGEMENT

Remuneration payments are made to all employees on the first business day of the following month. Advance payments, equivalent to one-third of the gross remuneration, are made on the 15th of each month. All employees within the scope of our coverage are members of the union. As per the Annual Collective Labor Agreement, remuneration increases are implemented in January of each year. Additionally, employees whose functional competencies exceed their current levels and grades are evaluated for promotion based on job evaluation studies, and their salaries are adjusted accordingly. For employees outside the scope, remuneration increases are evaluated in January based on their current grades and performance. The remuneration increase matrix is determined based on market data, budget, and job evaluations. In our company, all employees undergo a probation evaluation at the end of the second month and a performance evaluation within the sixth month. These evaluations are conducted by the department managers to whom the employees are assigned.

- Social Rights
- Health Applications
- Marriage Allowance
- Maternity Allowance
- Child Allowance
- Education Allowance
- Clothing Allowance
- Food Allowance
- Supplementary health insurance
- Meal and transportation assistance
- Heating assistance
- Leave allowance
- Holiday allowance (twice a year)
- Funeral assistance

In our company, our Occupational Health Physician is present in the infirmary on a full-time basis, five days a week. Additionally, our Health Officer provides first aid services six days a week. Regular periodic check-ups of all employees are closely monitored and conducted. Periodic check-ups include SFT (Spirometry), EKG (Electrocardiogram), complete blood count, liver function test, eye examination, carrier test, chest X-ray, audiometric tests, laboratory tests, and preventive medical services. In case of work accidents or illness, employees are required to consult our Occupational Health Physician after the reporting period. However, they can return to work after the return-to-work examination.



TRAININGS IN CEVHER

Within the framework of Total Quality Management, we have an Education Procedure in place to identify, plan, implement, evaluate the effectiveness, monitor the results, and particularly enhance the competencies of our stakeholders involved in tasks that affect product quality. This procedure aims to meet the training needs of all our employees.

Orientation Trainings

As part of the Orientation Training Program, newly hired employees receive department-specific training sessions where each department provides training on their respective work processes. These trainings cover various topics including familiarization with the factory and departments, Human Resources practices, ISO 14001-Environmental, ISO 45001-Occupational Health and Safety, and ISO 14064-Greenhouse Gas Emissions systems, product knowledge, customer-specific requirements and special characteristics, the consequences of not meeting quality requirements on customer satisfaction, the importance of branding, calibration, traceability, product/material flow, and wheel product safety. Additionally, trainings on topics such as IATF 16949 and QMS, ISO 27001 information security, as listed in the Annual Quality Training Schedule, are also provided.

On the Job Trainings

On-the-job trainings should be conducted at least once a year for workers and technicians engaged in production and production-related services. These trainings aim to enhance work efficiency and remind employees of safety measures by focusing on production, quality, and work standards, customer-specific requirements, special characteristics, and potential issues that may arise if quality requirements are not met. These trainings cover topics directly related to the job and can also be conducted as development trainings on any subject related to the job.

Occupational Health & Safety Trainings

In accordance with our OHS Policy, all training and awareness-raising activities necessary for informing all employees, contractor employees, interns, apprentices and visitors, together with the persons included in the OHS Organization Chart, are organized by the HR department.



TRAININGS IN CEVHER



ISO 14001 Environmental Management System and ISO 14064 Greenhouse Gas Calculation and Verification Trainings

Turkish-English handbooks are given to visitors to Cevher Jant to inform them about the rules and environmental policy regarding the environmental management system. The accompanists following the visitors are responsible for complying with the environmental rules. There are also documents aimed at increasing environmental awareness on the notice boards inside the factory.

Before starting work, the contractors who will work in the factory are briefed by the employees of the Environment and OHS department about the environmental management system and the rules applied, and their records are kept. EMS training and awareness raising of approved suppliers is carried out by the Environment, Quality Continuous Improvement and Purchasing departments by inviting them to supplier audits or environmental trainings. In particular, waste companies are informed through interviews made during waste collection or applications. If a new company is to be worked with, information is given about the demands and process operation at the pre-contract meeting.

Quality Trainings

The trainings related to Quality Management System are based on the topics determined by the Annual Quality Training Table, which is revised and created according to the plan every year. These trainings are shared with all employees and aim to increase their awareness of product quality. For newly hired White-Collar employees, group quality trainings are planned on a quarterly basis.

Weekly Error, Environment, OHS and SGHD Information Trainings

Quality errors, customer complaints, waste situations, corrective actions, environment, occupational health and safety, negative situations, risks, near misses, work accidents, OHS Board decisions, new practices, legal changes, standards, policies and similar issues. It is a weekly information training that is shared and disseminated with the employees. This training can be given by subject experts or consultants when necessary.

TRAININGS IN CEVHER

Bench / Facility Commissioning Trainings

After a new facility or bench is commissioned, trainings are organized by the manufacturer on the operation, use and maintenance of the facility/bench. Managers and employees working in the department where the facility/bench is set up, maintenance and repair units and other departments can attend these trainings.

Trainings on Task / Job or Equipment Change

In cases of temporary or permanent department transfer, job rotation, or equipment change, the employee is allowed to proceed with their work after receiving on-the-job training. The operational capabilities of newly hired or reassigned operators, including which operations they can work on, are planned by the respective department managers, and the employees undergoing job changes receive the necessary training. If there is a need for Occupational Health and Safety (OHS) related training during the job change process, it is renewed. Information regarding risks, safety precautions, work accidents, and compliance with work rules is provided by OHS experts.

Information Security Trainings

The Information Security Management System awareness training is conducted in collaboration between the Information Technology department and the Human Resources & Industrial and Administrative Relations department. This training aims to raise awareness about the Information Security Management System (ISMS) policy, its contributions to the organization, and the potential consequences of non-compliance with the system.

We attended an average of 18 hours of training per person.

In 2022, our employees working in the technical department participated in a total of 5,404 hours of training, the administrative staff received 5,016 hours, and the employees in production received 4,880 hours of training.

Training	Total Hour	Number of Employees
OHS	2120	2006
Self-Improvement	788	101
Technical Trainings	5404	2912
Total	8312	5019

Since 2015, we regularly conduct employee satisfaction surveys for our employees. Our employee satisfaction rate increased from 87% to 91.5% when compared to the beginning in our survey covering Environment, Social and Governance.



CODE OF CONDUCT

Competition

We refrain from engaging in agreements or concerted actions that aim to prevent, violate, or restrict competition beyond the limits permitted by regulations, whether directly or indirectly. We avoid activities such as negotiating or sharing information with competitors to determine market and competitive conditions. We also steer clear of contacts and transactions in special or professional meetings that may trigger such situations while representing the company.

Global Responsibility

We act for the benefit of our country and the world in accordance with the rules of the United Nations Global Compact, and we strive for our employees and suppliers to comply with them.

Environmental Responsibility

One of our main goals is to ensure that our employees adopt environmental awareness and responsibility and make it a part of their lives. We become a solution partner by complying with the laws and regulations, taking into account the environmental demands with the private and public institutions we communicate with. At the same time, we strive to improve environmental awareness and carry out continuous improvement studies in accordance with the goals and objectives of our environmental policies.

Occupational Health and Safety Protection

All employees must know and follow the safety rules and ensure that they comply with others. Employees are expected to set an example by strictly following the rules, being alert to accidents and risks, and quickly addressing potential hazards.

Quality

All employees must know and follow the safety rules and ensure that they comply with others. Employees are expected to set an example by strictly following the rules, being alert to accidents and risks, and quickly addressing potential hazards.

Counterfeit Parts

We require our suppliers to develop and implement effective methods to detect and reduce the risk of counterfeit products. If counterfeit products are detected, we expect our suppliers to establish effective processes to quarantine the product and notify buyers.

Security and Crises Management

We take the necessary measures to protect company employees, information and data systems, factories and administrative facilities against natural disasters and malicious attempts. In addition, it makes the necessary crisis planning related to emergency crisis management to be created; In this way, we ensure business continuity with minimum loss in such a crisis..



CODE OF CONDUCT



We expect our employees to comply with the following rules under Business Ethics.

- Obeying the rules,
- To fulfill their duties within the framework of basic moral and humanitarian values,
- To act fairly, in good faith and with discretion to provide mutual benefit in business relations.
- Avoiding any form of improper personal gain, such as obtaining personal gains, receiving or making bribes or facilitating payments,
- To act by the Company's Code of Conduct and all implementation principles that support them, in order to avoid any business or private life behavior that may damage the company's reputation,
- Refrain from any action, statement or written speech that may bind the company, unless expressly authorized,
- Avoiding any action that may disturb and/or harm other employees and affect work compliance,
- To protect all kinds of tangible and intangible assets, including the company's data and information systems, as their private assets; to protect against possible loss, damage, misuse, abuse, theft, and sabotage.

CODE OF CONDUCT



Avoiding Conflicts of Interest

Avoiding Performing Any Transaction to The Benefit of Themselves or Relatives

To prevent unfair personal benefits through their position and authority,

To avoid conflicts of interest with Cevher Jant,

If an employee's first-degree relative holds a key position in a company that is a customer or supplier in the same industry, the employee should inform their supervisor.

Participation to Representation and Organization Invitations

Participation in decision-making events or activities organized by business partners or potential partners requires company approval. Cevher Jant manages its support activities (e.g., sponsorship, scholarships) institutionally.

Accepting and Giving Presents

When dealing with individuals or organizations, whether private or official, who are seeking to establish or maintain a business relationship with Cevher Jant:

- Except for promotional items, any gifts that may create an impression of irregularity, dependency, or impropriety should not be accepted or offered.
- Any discounts or favors from suppliers, customers, affiliated companies, or third parties that may be perceived as inappropriate should not be requested, offered to others, and should not be accepted if offered.

IMPLEMENTATION OF CODE OF CONDUCT

If the employees learn or suspect that the laws, regulations or rules to which the company is subject are violated, they are obliged to convey this to their top manager or Human Resources Manager via "etik@cevherwheels.com" e-mail address or in writing.

The information of the notifying person will not be shared with third parties in a way that may adversely affect the peace in the workplace or business relations.

It is extremely important that the reporter is free from any intentions such as gossiping or negatively affecting his career. For this reason, confidentiality, impartiality and compliance with ethical rules are extremely important in the reporting and investigation process. Any retaliation if an employee honestly reports a problem or violation constitutes a violation of the Code of Ethics.

When deliberate notices of false and/or slanderous nature are detected, they are interpreted by our company as a violation of the code of ethics.

SOCIAL INVESTMENTS

As the Cevher family, we are aware of our responsibilities towards society and we attach importance to supporting activities on various issues in order to create positive effects in different areas of the society. We adopt it as one of our main duties to contribute to the society by taking an active role in important fields such as education, health, environment, animal rights, culture and art. We strive to fulfill our responsibilities with our social investments and efforts to increase the welfare and quality of life of society.

Nursing Home Visit

In 2022, we increased the number of visitors to İzmir Governor's Office Buca Nursing Home and Elderly Care Rehabilitation Center, which we visited with few people in the past, and shared our conversation and happiness with our elderly people.



From Waste to Tree

We sent 2,300 kg of hazardous electronic waste to the licensed İzmir Environment Company with a commission. With the decision we took within the scope of sustainability projects; We donated to the Aegean Forest Foundation as much as the material value of the waste. In this context; We created the Cevher Jant Sanayii A.Ş Grove with the donation of 500 saplings to the Manisa-Soma Işıklar Grove.



We Collect Favors for Children with Leukemia

We were involved in collecting and packaging tangerines as guests in the gardens of LÖSEV, where the income generated by growing natural satsuma tangerines with pesticide-free agriculture, which was implemented in 2018, is reserved for the free treatment of children with leukemia.



We Support UpCycle

To develop people's competencies and support upcycling; sewing courses, we have planned basic repair trainings to meet domestic repair needs. While planning these studies, we were in cooperation with Public Education Centers.



Seedling Planting

We have transformed a total of 230 m2 of land into agricultural land in our factories. We planted seedlings of vegetables such as tomatoes, peppers, and eggplants with our volunteer friends. As part of our efforts to reduce water consumption for a sustainable environment, we used the drip method during irrigation.



Scholarships for Students

We gave scholarships to 6 students, mainly from disadvantaged groups.

Cevher's of Universities

We came together with our students in cooperation with the University-Industry and gave the young people the opportunity to do internships.



SOCIAL INVESTMENTS

On the birthdays of our employees, we donate to the Aegean Forest Foundation on their behalf.



We donate to Darüşşafaka on behalf of our newly recruited employees.



We distributed thermos to all our employees to reduce the use of paper cups in the factory.



We reduced color printouts by 32% by converting colored printouts to black and white with the informational texts we hung on the photocopiers.



Urla Bağ Yolu Meeting



We feed the pets with the leftovers collected in the cafeteria. We regularly donate food to stray animals.



Pizza Workshop



EARTHQUAKE MOBILIZATION

As Cevher Jant, we are in deep sorrow due to the 7.8 and 7.5 magnitude earthquake disasters in Kahramanmaraş on February 6, 2023 and February 7, 2023.

During this period, we gave priority to the applications of our earthquake victims, who were affected by the disaster in the earthquake region and who are looking for a job in Izmir, for all positions. Likewise, we provided job opportunities to university students by prioritizing their internship needs. Suppliers located in earthquake zones were included in our purchasing processes with positive discrimination.

While providing financial support to our children whose families lost their homes in the earthquake, we sent aid boxes to the earthquake zones. While making donations to authorized institutions and organizations that took an active role in this process on behalf of Cevher Group employees, we also worked to raise awareness of all our employees on this issue.

CEVHER Grubu olarak, afetin ilk günleri kadar, ilerleyen aylarında da desteğe devam edilmesi gerektiğinin bilincindeyiz.

Bu yüzden yardım projelerimizi tüm yıla yayarak toplumun farklı gruplarına yönelik günbegün ortaya çıkacak ihtiyaçlara kademeli olarak el uzatacağımız uzun vadeli destek paketleri oluşturduk.

İlk adımı bebek depremzedelerimiz için atarak çalışanlarımız adına çok sayıda bebek bezi, maması, battaniyesi, hijyen ürünü ile yetişkin kışlık giysileri ve havlularını AFAD ve İzmir Valiliği koordinasyonu ile deprem bölgelerine ulaştırmak üzere yola çıkardık.

AFAD, AKUT ve AHBAP'a nakdi bağışta bulunarak sene boyunca düzenli olarak sürdüreceğimiz Sivil Toplum Kuruluşu yardımlarını başlattık.

Yerel yönetim birimleri ve STK'larla koordineli çalışmalarımıza devam edeceğiz.

HEM BUGÜN HEM DE YARIN BİR OLUP İYİLEŞECEĞİZ.





6

PERFORMANCE INDICATORS



PERFORMANCE INDICATORS

EMISSIONS

Scope 1 Greenhouse Gas Emissions (tCO₂e)

2019	2020	2021	2022
9,671.4	9,150.1	10,924	14,216.6

GRI 305-1, GRI 305-2, GRI 305-3

Scope 2 Greenhouse Gas Emissions (tCO₂e)

2019	2020	2021	2022
12,138.7	10,039.7	0	0

*Electricity-related emissions have been zeroed through IREC certificates. GRI 305-1, GRI 305-2, GRI 305-3

Scope 3 Greenhouse Gas Emissions (tCO₂e)

2019	2020	2021	2022
-	-	-	159,232.9

*Scope 3 Greenhouse Gas Emissions have started to be calculated as of 2022. GRI 305-1, GRI 305-2, GRI 305-3

Total Greenhouse Gas Emission Intensity (Scope 1+2) (tCO₂e)

2019	2020	2021	2022
1.44	1.7	0.76	0.8

GRI 305-4

Greenhouse Gas Emission Reduction (tCO₂e)

2019	2020	2021	2022
-	-	12,407.2	16,072.7

*As of the year 2021, greenhouse gas emissions are being reduced through IREC certification. GRI 305-5

ENERGY

Energy Consumption within the Organisation (GJ)

	2019	2020	2021	2022
Natural Gas	184,361	162,190	219,023	274,913
Diesel	-	-	76.89	154.08
Total	184,361	162,190	219,101	275,067
From Non renewable Sources				
From renewable sources				
Total	0	0	0	0

GRI 302-1

PERFORMANCE INDICATORS

ENERGY

Energy Consumption within the Organisation				
	2019	2020	2021	2022
Electricity Consumption (GJ)	93,755	78,232	101,514	133,599
Total Energy Consumption (GJ)	278,117	240,422	320,615	408,666
				GRI 302-1
Energy Intensity (GJ/ton product)	18.4	21.2	22.4	22.9
				GRI 302-3

WATER AND WASTEWATER

Water Withdrawal (m3)				
	2019	2020	2021	2022
Other Network (m3)	94,603	78,206	106,141	120,743
Total Withdrawal Amount	94,603	78,206	106,141	120,743
				GRI 303-3
Water Discharge (m3)				
	2019	2020	2021	2022
Third party water (ESBAS Sewage)	55,078	45,532	61,796	70,140
Total discharge amount	55,078	45,532	61,796	70,140
				GRI 303-4
Water Reuse (m3)				
	2019	2020	2021	2022
Recovered /reused water amount (m3)	4,020	3,420	4,620	4,440
Total consumed water amount (m3)	39,525	32,674	44,345	50,603
				GRI 303-5

PERFORMANCE INDICATORS

RAW MATERIAL

Raw Material Types (kg)					
	Raw Material Type	2019	2020	2021	2022
Recyclable Raw Material	AlSi11	4,917,490	3,330,259	3,455,160	2,961,748
	AlSi7	10,919,885	8,486,213	11,651,042	16,225,057
Non Recyclable Raw Material	Paint Powder	260,739	194,767	25,523	312,756
	Wet Paint	69,661	49,971	75,452	100,725
	Powder Varnish	24,298	30,729	44,071	5,949
	Wet Varnish	55,831	34,954	40,504	57,402

GRI 301-1

Recycled Raw Material Usage Ratio (%)			
2019	2020	2021	2022
97.47%	97.44%	98.79%	97.58%

GRI 301-2

Recycled packaging materials (kg)				
Recycled Packaging Materials	2019	2020	2021	2022
Plastic	126,186	80,619	100,911	137,463
Cardboard	57,496	61,063	63,114	97,444
Wood	123,118	27,014	27,014	25,344
Fiber	1,951	1,841	1,715	2,138

GRI 301-3

AIR POLLUTING EMISSIONS (KG/YR)

	2019	2020	2021	2022
Dust Emission Amounts (kg/year)	2,191		1,519	
Sox (Kg/year)	643		696	
Nox (Kg/year)	8,375		26,316	
Particulate Matter (PM10)	-		-	
Total	11,209		28,531	

GRI 305-7

HAZARDOUS WASTE AMOUNT (KG)

	2019	2020	2021	2022
Landfilled (kg)	67,200	74,100	95,600	83,500
Incineration (For obtaining energy) (kg)	133,580	137,520	107,700	184,660
Other (recycling) (kg)	1,782,560	229,000	287,500	327,110
Total (kg)	1,983,340	440,620	490,800	595,270

GRI 306-3

PERFORMANCE INDICATORS

NON HAZARDOUS WASTES (KG)

	2019	2020	2021	2022
Other (recycled) (kg)	1,084,100	1,407,260	1,028,530	1,562,720
Total	1,084,100	1,407,260	1,028,530	1,562,720

GRI 306-5

EMPLOYEE NUMBER WITH RESPECT TO CATEGORIES

Percentage of individuals within the organization's governance bodies by genders (%)

	2019	2020	2021	2022
Women	20%	20%	33%	33%
Men	80%	80%	67%	67%

GRI 405-1

Percentages of individuals within the organization's governance bodies by age groups

	2019	2020	2021	2022
Age <30	-	-	17%	17%
30-50 Age	40%	40%	33%	33%
> 50 Age	60%	60%	50%	50%

GRI 405-1

Percentage of employees by genders (%)

	2019	2020	2021	2022
Women	6%	6%	5%	4%
Men	94%	94%	95%	96%

GRI 401-1

Percentage of employees by age groups (%)

	2019	2020	2021	2022
Age <30	26%	25%	21%	32%
30-50 Age	70%	70%	75%	63%
> 50 Age	4%	4%	4%	4%

GRI 401-1

EMPLOYMENT TYPES OF EMPLOYEES

Amount of employee by employment type

		2019	2020	2021	2022
Total	Full Timer	99%	99%	99%	99%
	Part Timer	1%	1%	1%	1%
Executive	Full Timer	100%	100%	100%	100%
	Part Timer	0%	0%	0	0%
Operational Level	Full Timer	99%	99%	99%	99%
	Part Timer	1%	1%	1%	1%

GRI 2-8, GRI 403-8

PERFORMANCE INDICATORS

NEWLY HIRED EMPLOYEES DURING THE YEAR BY GENDER AND AGE

New employee hires by age group and gender									
		2019		2020		2021		2022	
		Head Count	Percent	Head Count	Percent	Head Count	Percent	Head Count	Percent
Age <30	Women	21	95%	2	50%	2	33%	11	55%
	Men	137	82%	67	58%	73	70%	230	65%
30-50 Age	Women	1	5%	2	50%	3	50%	9	45%
	Men	30	18%	46	40%	31	30%	122	34%
>50 Age	Women	0	0%	0	0%	1	17%	0	0%
	Men	0	0%	2	2%	1	1%	3	1%
Total	Women	22		4		6		20	
	Men	167		115		105		355	

GRI 401-1

EMPLOYEES LEFT WORK WITH RESPECT TO AGE AND GENDER

Employees left the job with respect to age and gender									
		2019		2020		2021		2022	
		Head Count	Percent	Head Count	Percent	Head Count	Percent	Head Count	Percent
Age <30	Women	2	67%	0	0%	2	22%	3	27%
	Men	28	56%	30	56%	75	58%	66	50%
30-50 Age	Women	1	33%	3	75%	5	56%	8	73%
	Men	21	42%	22	41%	46	36%	63	48%
>50 Age	Women	0	0%	1	25%	2	22%	0	0%
	Men	1	2%	2	4%	8	6%	3	2%
Total	Women	3		4		9		11	
	Men	50		54		129		132	

GRI 401-1

Employees left work with respect to age and gender									
		2019		2020		2021		2022	
		Head Count	Percent	Head Count	Percent	Head Count	Percent	Head Count	Percent
Employees who left work intentionally	Women	2	4%	1	2%	4	3%	6	4%
	Men	12	23%	24	41%	35	25%	84	59%
Position filled with Rotation	Women	1	100%	0	0%	1	100%	1	50%
	Men	0	0%	1	100%	0	0%	1	50%

GRI 401-1

PERFORMANCE INDICATORS

EMPLOYEE NUMBER WITH SENIORITY LEVEL

Employee number with seniority level					
		2019	2020	2021	2022
0-5 Years	Women	13	19	15	21
	Men	225	273	238	460
5-10 years	Women	13	15	12	10
	Men	188	189	157	155
10 years+	Women	12	4	7	8
	Men	149	163	207	211

GRI 401-1

PARENTAL LEAVE

Parental Leave					
		2019	2020	2021	2022
Employee number who used parental leave	Women	0	3	0	2
	Men	16	11	32	44
Employees returned to job after parental leave	Women	0	3	0	2
	Men	16	11	32	44

GRI 401-3

PERSONNEL TRAININGS (HOURS)

Average hours of training that the employees have undertaken				
	2019	2020	2021	2022
Average (personnel/hour)	26	11	30	13
Total (hours)	25,923	10,058	22,116	15,301

GRI 404-1

	2019	2020	2021	2022
Total training hours (without OHS training) (hour)	24,576	8,056	9,185	13,181
Average hour of training per employee(hour)	43	15	35	18
OHS training (hour)	1,347	2,002	7,529	2,120

GRI 404-1, GRI 403-5

PERFORMANCE INDICATORS

PERSONNEL TRAININGS (HOURS)

Trainings given to women employees

	2019	2020	2021	2022
Average (personnel/hour)	4	11	24	20
Total (hours)	1,574	671	1,300	1,208

GRI 404-1

Trainings given to men employees

	2019	2020	2021	2022
Average (personnel/hour)	28	12	26	13
Total (hours)	24,349	9,387	20,817	14,093

GRI 404-1

Training hours per employee group

	2019	2020	2021	2022
Technical	13,964	4,350	6,261	5,404
Executive	5,572	3,517	13,140	5,016
Production	6,387	2,191	2,716	4,880

GRI 404-1

EXECUTIVE NUMBER BY GENDER AND AGE GROUPS

Percentage of individuals within the organization's governance bodies by genders (%)

	2019	2020	2021	2022
Women	20%	20%	33%	33%
Men	80%	80%	67%	67%

GRI 401-1

Percentages of individuals within the organization's governance bodies by age groups

	2019	2020	2021	2022
Age <30	-	-	17%	17%
30-50 Age	40%	40%	33%	33%
> 50 Age	60%	60%	50%	50%

GRI 401-1

Percentage of employees by genders (%)

	2019	2020	2021	2022
Women	28%	26%	29%	30%
Men	72%	74%	71%	70%

GRI 401-1

Percentage of employees by age groups(%)

	2019	2020	2021	2022
Age <30	0%	0%	0%	0%
30-50 Age	90%	93%	86%	76%
> 50 Age	10%	7%	14%	24%

GRI 401-1

PERFORMANCE INDICATORS

OCCUPATIONAL HEALTH AND SAFETY PERFORMANCE

The number and ratio of fatalities as a result of work related injury

	2019		2020		2021		2022	
	Number	Ratio (200000 hours)	Number	Ratio (200000 hours)	Number	Ratio (200000 hours)	Number	Ratio (200000 hours)
Personnel	0	0	0	0	0	0	0	0
Subcontractor	0	0	0	0	0	0	0	0

GRI 403-10

The number and rate of work related injuries

	2019		2020		2021		2022	
	Number	Ratio (200000 hours)	Number	Ratio (200000 hours)	Number	Ratio (200000 hours)	Number	Ratio (200000 hours)
Personnel	2	13.51	6	35.56	2	16.14	2	19.64
Subcontractor	0	0	0	0	0	0	0	0

GRI 403-9

Rate of recordable work related injuries(%) TRC

	2019		2020		2021		2022	
	Number	Ratio (200000 hours)	Number	Ratio (200000 hours)	Number	Ratio (200000 hours)	Number	Ratio (200000 hours)
Personnel	79	534	64	379.36	88	710.12	146	1,433.68
Subcontractor	0	0	0	0	0	0	0	0

GRI 403-9

The number of fatalities of work related injuries

	2019	2020	2021	2022
Personnel	0	0	0	0

GRI 403-10

Recordable work related injuries

	2019	2020	2021	2022
Personnel	0	0	0	0
Subcontractor	-	-	-	-

GRI 403-9

OHS PERFORMANCE (SUBCONTRACTORS)

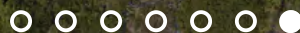
	2019	2020	2021	2022
Accident Number	79	64	88	138
Fatality Number	-	-	-	-
Absence (Lost days)	708	682	1,145	1,634
Lost days due to work related injuries (LTI)	64	35	82	96
Accident Frequency Ratio (LTIF)	9.47	5.90	10.16	9.78
Accident Seriousness Ratio	524	575	709	839
Work related injury ratio	-	-	-	-
Lost Days Ratio (LDR)	0.52	0.58	0.71	0.83
Absent Ratio (AR)	2.72	8.43	5.83	4.78

GRI 403-2



7

GRI CONTENT INDEX





GRI CONTENT INDEX

Cevher JANT has reported in accordance with the GRI Standards for the period January-December 2022.

"For the Content Index - Essentials Service, GRI Services reviewed that the GRI content index is clearly presented, in a manner consistent with the Standards, and that the references for disclosures 2-1 to 2-5, 3-1 and 3-2 are aligned with the appropriate sections in the body of the report."

GRI Standard	Disclosure	Page Number, Reference and/or Direct Answers
GRI 1: FOUNDATION 2021		
GENERAL DISCLOSURES		
GRI 2: General Disclosures 2021	2-1 Organizational details	• About the Report p.1
	2-2 Entities included in the organization's sustainability reporting	• About the Report p.1
	2-3 Reporting period, frequency and contact point	• About the Report p.1
	2-4 Restatements of information	• Material Topics p.24
	2-5 External assurance	• Our Governance Body p.19 • Sustainable Supply Chain p.55,56,57
	2-6 Activities, value chain and other business relationships	• 2022 Overview p.8 • Product Groups p.11 • Sustainable Supply Chain p.55,56,57
	2-7 Employees	• Human Resources Management p.70
	2-8 Workers who are not employees	• Human Resources Management p.70 • Performance Indicators p.90
	2-9 Governance structure and composition	• Our Governance Body p.19 • Board of Directors p.20 • Board of Directors Committee p.21 • Sustainability Committee p.21 • Sustainability Governance p.21
	2-10 Nomination and selection of the highest governance body	• Corporate Governance Approach p.18

GRI CONTENT INDEX

GRI Standard	Disclosure	Page Number, Reference and/or Direct Answers
GRI 2: General Disclosures 2021	2-11 Chair of the highest governance body	• Our Governance Body p.19
	2-12 Role of the highest governance body in overseeing the management of impacts	• Corporate Governance Approach p.18 • Our Governance Body p.19
	2-13 Delegation of responsibility for managing impacts	• Corporate Governance Approach p.18 • Our Governance Body p.19
	2-14 Role of the highest governance body in sustainability reporting	• Sustainability Committee p.22
	2-15 Conflicts of interest	• Business Ethics p.27
	2-16 Communication of critical concerns	• Business Ethics p.27
	2-17 Collective knowledge of the highest governance body	• Board of Directors p.20
	2-18 Evaluation of the performance of the highest governance body	• Board of Directors p.20
	2-19 Remuneration policies	• Remuneration Management p.75
	2-20 Process to determine remuneration	• Remuneration Management p.75
	2-21 Annual total compensation ratio	• Confidentiality Constraints : Not Public Information
	2-22 Statement on sustainable development strategy	• Sustainability Governance p.21 • Sustainability Strategy p.24
	2-23 Policy commitments	• Business Ethics p.27
	2-24 Embedding policy commitments	• Business Ethics p.27
	2-25 Processes to remediate negative impacts	• Business Ethics p.27
	2-26 Mechanisms for seeking advice and raising concerns	• Business Ethics p.27

GRI CONTENT INDEX

GRI Standard	Disclosure	Page Number, Reference and/or Direct Answers
GRI 2: General Disclosures 2021	2-27 Compliance with laws and regulations	• Business Ethics p.27
	2-28 Membership associations	• Memberships and Partnerships p.14
	2-29 Approach to stakeholder engagement	• Stakeholders Engagement p.29,30
	2-30 Collective bargaining agreements	• Human Resources Management p.70
MATERIAL TOPICS		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	• Materiality Analysis p.22
	3-2 List of material topics	• Material Topics p.24
CORPORATE GOVERNANCE		
GRI 3: Material Topics 2021	3-3 Management of material topics	• Materiality Matrix p.23 • Our Governance Body p.19 • Board of Directors p.20 • Board of Directors Committee p.21
OPERATIONAL ECO EFFICIENCY		
GRI 3: Material Topics 2021	3-3 Management of material topics	• Materiality Matrix p.23 • Sustainable Production Management Approach p.47
GRI 301: Materials 2016	301-1 Materials used by weight or volume	• Performance Indicators p.89,90
	301-2 Recycled input materials used	• Waste Management p.42,43,44 • Performance Indicators p.89,90
	301-3 Reclaimed products and their packaging materials	• Waste Management p.42,43,44 • Performance Indicators p.89,90

GRI CONTENT INDEX

GRI Standard	Disclosure	Page Number, Reference and/or Direct Answers
RECYCLING STRATEGY		
GRI 3: Material Topics 2021	3-3 Management of material topics	<ul style="list-style-type: none"> • Materiality Matrix p.23 • Waste Management p. 42,43,44
ENERGY MANAGEMENT (ENERGY CONSUMPTION, ELECTRICITY PRODUCTION)		
GRI 3: Material Topics 2021	3-3 Management of material topics	<ul style="list-style-type: none"> • Materiality Matrix p.23 • Energy Management p.37,38
GRI 302: Energy 2016	302-1 Energy consumption within the organization	<ul style="list-style-type: none"> • Performance Indicators p.87,88
	302-3 Energy intensity	<ul style="list-style-type: none"> • Energy Management p.37,38 • Performance Indicators p.87,88



GRI CONTENT INDEX

GRI Standard	Disclosure	Page Number, Reference and/or Direct Answers
CLIMATE CHANGE ADAPTATION STRATEGY		
GRI 3: Material Topics 2021	3-3 Management of material topics	<ul style="list-style-type: none"> • Materiality Matrix p.23 • Energy Management p.37,38
BIODIVERSITY		
GRI 3: Material Topics 2021	3-3 Management of material topics	<ul style="list-style-type: none"> • Materiality Matrix p.23 • Biodiversity p.45
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	<ul style="list-style-type: none"> • Biodiversity p.45
LOW CARBON STRATEGY (EMISSION REDUCTION)		
GRI 3: Material Topics 2021	3-3 Management of material topics	<ul style="list-style-type: none"> • Materiality Matrix p.23
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	<ul style="list-style-type: none"> • Performance Indicators p.87
	305-2 Energy indirect (Scope 2) GHG emissions	<ul style="list-style-type: none"> • Performance Indicators p.87
	305-3 Other indirect (Scope 3) GHG emissions	<ul style="list-style-type: none"> • Performance Indicators p.87
	305-4 GHG emissions intensity	<ul style="list-style-type: none"> • Emission Management p.41 • Performance Indicators p.87
	305-5 Reduction of GHG emissions	<ul style="list-style-type: none"> • Emission Management p.41 • Performance Indicators p.87
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	<ul style="list-style-type: none"> • Performance Indicators p.87

GRI CONTENT INDEX

GRI Standard	Disclosure	Page Number, Reference and/or Direct Answers
WASTE AND HAZARDOUS MATERIALS MANAGEMENT		
GRI 3: Material Topics 2021	3-3 Management of material topics	<ul style="list-style-type: none"> • Materiality Matrix p.23 • Waste Management p.42,43,44
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	<ul style="list-style-type: none"> • Waste Management p.42,43,44
	306-2 Management of significant waste-related impacts	<ul style="list-style-type: none"> • Waste Management p.42,43,44
	306-3 Waste generated	<ul style="list-style-type: none"> • Performance Indicators p.89,90
	306-5 Waste directed to disposal	<ul style="list-style-type: none"> • Performance Indicators p.90
SUSTAINABLE FINANCE AND INVESTMENTS		
GRI 3: Material Topics 2021	3-3 Management of material topics	<ul style="list-style-type: none"> • Materiality Matrix p.23 • Sustainable Supply Chain p.55,56,57 • Sustainable Production Management p.47 • R&D and P&D p.50 • Innovation p.48 • Automation p.49
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	<ul style="list-style-type: none"> • Sustainable Supply Chain p.55,56,57
	308-2 Negative environmental impacts in the supply chain and actions taken	<ul style="list-style-type: none"> • Sustainable Supply Chain p.55,56,57
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	<ul style="list-style-type: none"> • Sustainable Supply Chain p.55,56,57
	414-2 Negative social impacts in the supply chain and actions taken	<ul style="list-style-type: none"> • Sustainable Supply Chain p.55,56,57
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	<ul style="list-style-type: none"> • Customer Relations p.54

GRI CONTENT INDEX

GRI Standard	Disclosure	Page Number, Reference and/or Direct Answers
TRAFFIC SAFETY (PRODUCT QUALITY & SAFETY)		
GRI 3: Material Topics 2021	3-3 Management of material topics	• Materiality Matrix p.23
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	• Product Quality and Safety p.58,59
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	• Employee Rights p.68
	401-3 Parental leave	• Performance Indicators p.92
PRODUCT DESIGN & LIFE CYCLE MANAGEMENT		
GRI 3: Material Topics 2021	3-3 Management of material topics	• Materiality Matrix p.23 • Product Groups and Life Cycle Assessment p. 11
OCCUPATIONAL HEALTH AND SAFETY		
GRI 3: Material Topics 2021	3-3 Management of material topics	• Materiality Matrix p.23 • Occupational Health and Safety p.62,63
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	• Occupational Health and Safety p.62,63
	403-2 Hazard identification, risk assessment, and incident investigation	• Performance Indicators p.94
	403-3 Occupational health services	• Emergency Action Plan p.65 • Emergency Preparedness p.65
	403-4 Worker participation, consultation, and communication on occupational health and safety	• OHS Training Program p.64
	403-5 Worker training on occupational health and safety	• OHS Training Program p.64

GRI CONTENT INDEX

GRI Standard	Disclosure	Page Number, Reference and/or Direct Answers
GRI 403: Occupational Health and Safety 2018	403-6 Promotion of worker health	• Occupational Health and Safety p.62,63
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	• OHS Training Program p.64
	403-9 Work-related injuries	• Performance Indicators p.94
	403-10 Work-related ill health	• Performance Indicators p.94
DIVERSITY AND EQUAL OPPORTUNITY (WOMEN'S EMPOWERMENT)		
GRI 3: Material Topics 2021	3-3 Management of material topics	• Materiality Matrix p.23 • Employee Rights p.68 • Human Resources Management p.70 • Code of Conduct p.79
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	• Board of Directors p.20 • Performance Indicators p.93
GRI 406: Non Discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	• Employee Rights p.68
LABOR PRACTICE INDICATORS/PRACTICES		
GRI 3: Material Topics 2021	3-3 Management of material topics	• Materiality Matrix p.23 • Human Rights Approach p.66 • Materiality Analysis p.22
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	• Human Rights Approach p.66 • Sustainable Supply Chain p.55,56,57

GRI CONTENT INDEX

GRI Standard	Disclosure	Page Number, Reference and/or Direct Answers
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	<ul style="list-style-type: none"> • Human Rights Approach p.66 • Sustainable Supply Chain p.55,56,57
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	<ul style="list-style-type: none"> • Human Rights Approach p.66 • Sustainable Supply Chain p.55,56,57
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	<ul style="list-style-type: none"> • Social Investments p.83,84 • Student Programs p.75
PRODUCT QUALITY & RECALL MANAGEMENT		
GRI 3: Material Topics 2021	3-3 Management of material topics	<ul style="list-style-type: none"> • Materiality Matrix p.23
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	<ul style="list-style-type: none"> • Product Quality and Safety p.58,59

For More Information About the Report, Your Opinions and Suggestions:

www.cevher.com



CEVHER Group

Address: Kürşad Sokak No:10 Ege Serbest Bölgesi, 35411 Gaziemir – İZMİR / TÜRKİYE

Phone: +90 (232) 298 20 00

Fax: +90 (232) 298 20 98

E-mail: info@cevherwheels.com

Enexion Türkiye

Enexion Group A.Ş.

Address: Konaklar Mah. Gökkuşuğu

Sokak No: 29 4. Levent 34330

İstanbul / Türkiye

Phone: +90 212 280 0705

E-Mail: bilgi@enexion.de

Website: www.enexion.com.tr

Reporting Consultancy & Design

enexion
group

Enexion Germany

Enexion GmbH

Address: Am Kronberger Hang 2 a

65824 Schwalbach am Taunus

Frankfurt / Germany

Phone: +49 (0) 61 73 93 59 0

Fax: +49 (0) 61 73 93 59 55

Website: www.enexion.de