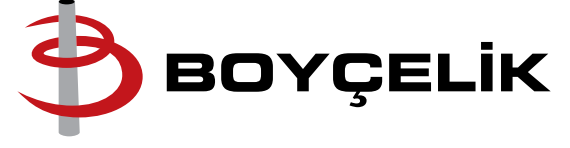




Sustainability Report | 2023

**Hand in hand for a sustainable future!**





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**We are taking steps towards the future.**



ÖNCELİĞİMİZ İŞ GÜVENLİĞİ  
BOYÇELİK

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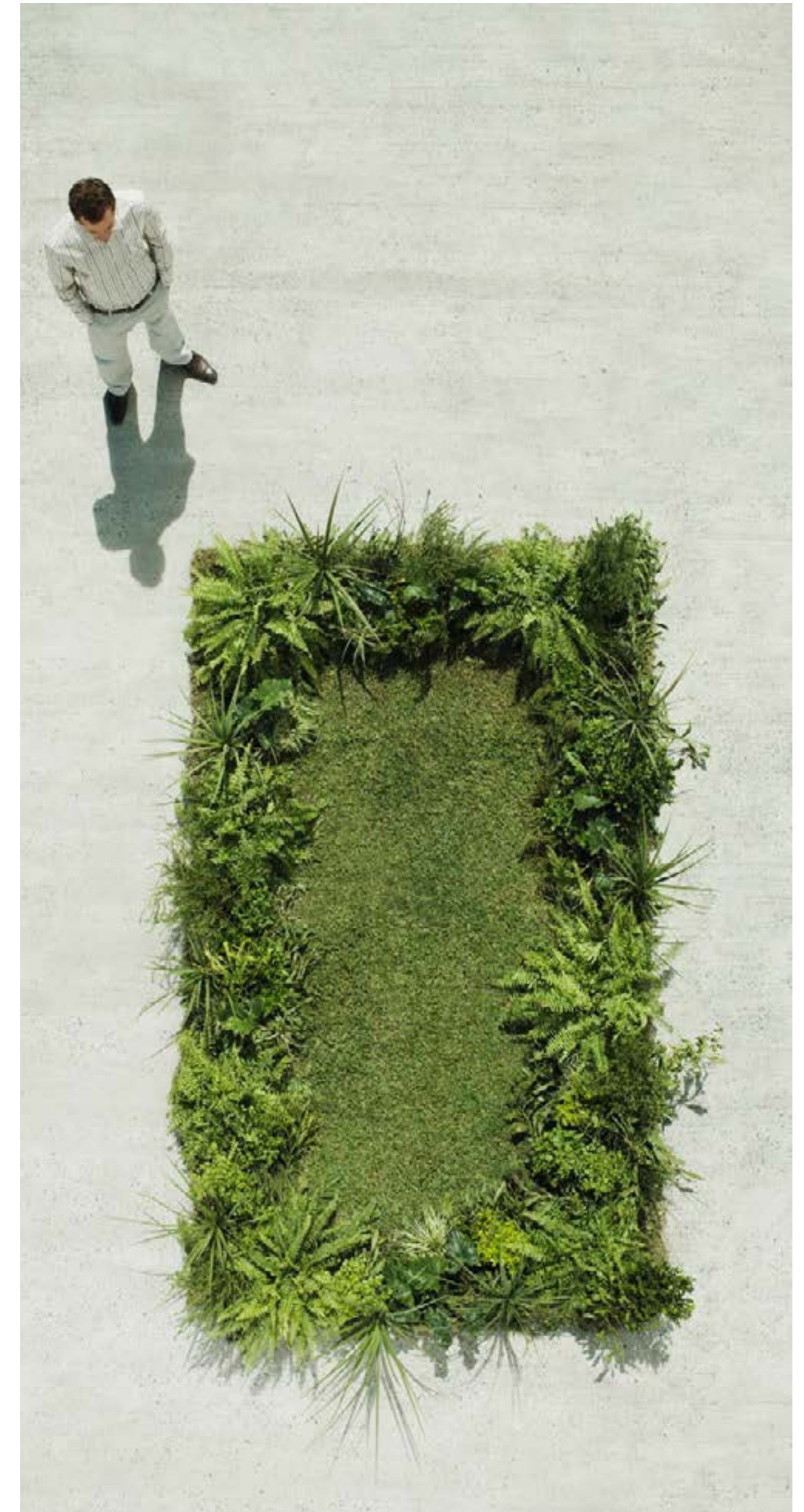
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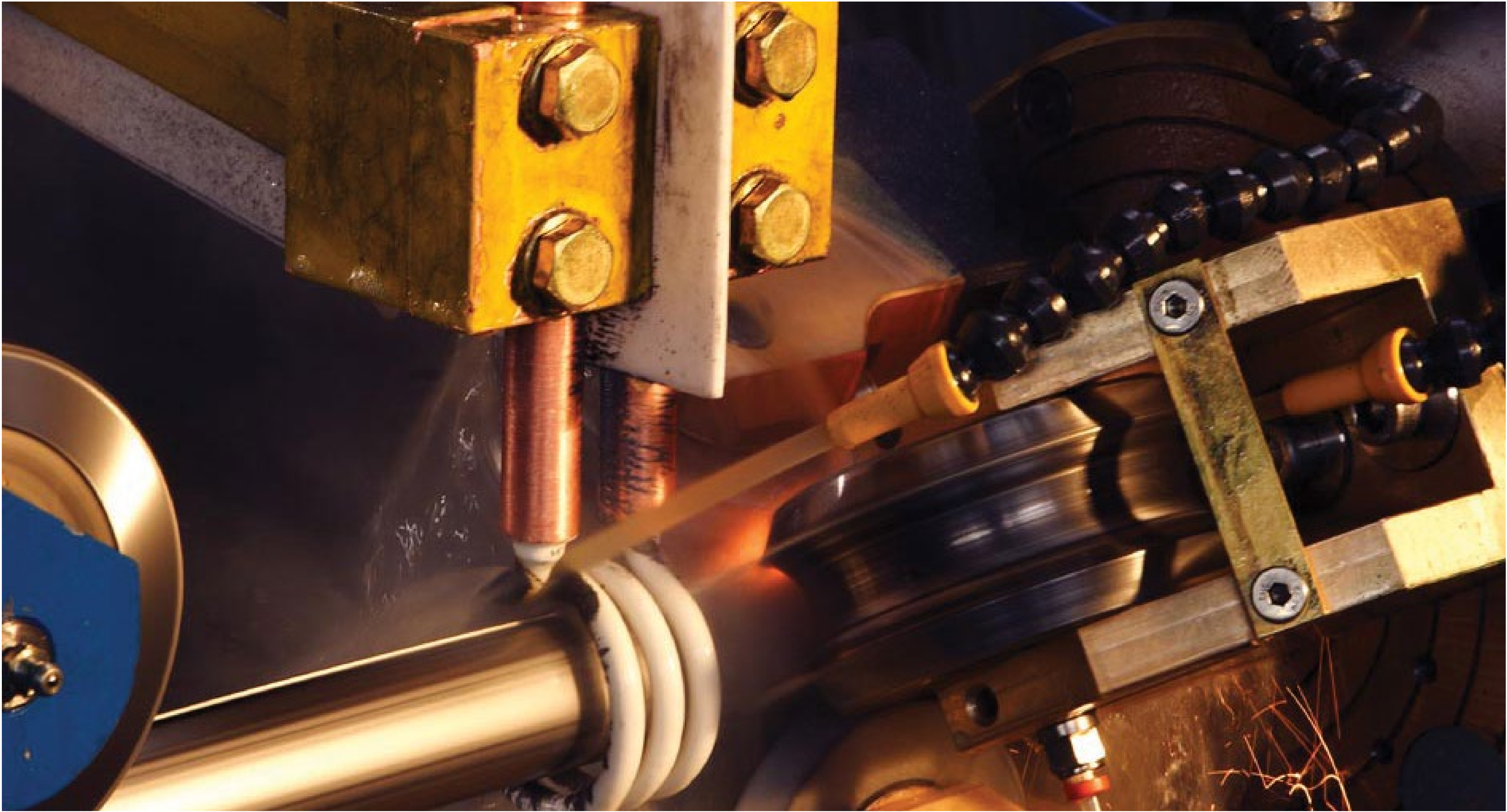
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**We take concrete steps.**





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# 1. About the Report

In line with our 2023 sustainability strategy, we are pleased to publicly present our economic performance and our environmental, social and governance efforts in our sustainability report, published for the first time this year.

Our report covers the period January 1 - December 31, 2023. Data and information shared in the report refer to calendar year 2023 unless stated otherwise. The ongoing activities we initiated in previous years are also addressed in the relevant sections.

In our report prepared in accordance with the GRI Standards published by the Global Reporting Initiative (GRI), we transparently share our sustainability-related risk and opportunity management, strategy, goals and performance indicators in line with the Sustainable Development Goals.

You can send us your questions, comments and suggestions about our sustainability efforts and our report at [surdurulebilirlik@boycelik.com.tr](mailto:surdurulebilirlik@boycelik.com.tr)



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# 1.1. Message from the CEO

Esteemed Stakeholders,

Since the day our company was founded, we have worked hard to create a brand synonymous with quality and innovation in our sector. From where we stand today, we are proud to have become the leading brand in the sector that supports the sustainable development of Türkiye and our region and grows its economic value through its social impact. At Boyçelik, we are aware that our role in the sustainability journey goes beyond financial performance. This is why we promote sustainable practices not only in our own operations, but across our value chain. Problems such as the rapid depletion of natural resources, climate change, loss of biodiversity and environmental pollution show that sustainable development and related practices are more important than ever.

At the heart of our sustainability strategy is the goal of creating long-term value for our stakeholders and employees and supporting the sustainable development of our country. Accordingly, we have aligned our sustainability goals with the United Nations (UN) Sustainable Development Goals (SDGs). 2023 has been a key milestone for our company in terms of our

sustainability strategy. Through the project we launched in 2023, we aim to create a more sustainable business model and integrate it into our corporate culture while contributing to the economic development of both our region and our country. In this context, we established our Sustainability Committee led by our General Manager to ensure that sustainability topics are addressed at the management level. We also developed a comprehensive sustainability strategy.

At Boyçelik, we believe in the need to support our country's combat against climate change and its net zero emission target. Accordingly, we continue to make renewable energy investments in line with SDG 7: Accessible and Clean Energy and SDG 13: Climate Action. Furthermore, we adopt a circular economy approach and carry out resource efficiency projects in line with SDG 12: Responsible Consumption and Production.

Our employees are the main driver behind our success. As we maintain our strong economic performance, we focus on employment and employee development as well as our financial achievements. As part of SDG 8: Decent Work and Economic Growth, we keep increasing our investments in occupational health



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and safety to provide our employees with a healthy working environment where they can realize their potential. We also aim to develop new mechanisms and programs to strengthen equal opportunities within the company in line with SDG 10: Reduced Inequalities. As part of our sustainability strategy, we strongly emphasize stakeholder engagement and transparent communication in line with SDG 17: Partnerships for the

“At Boyçelik, we believe in the need to support our country’s combat against climate change and its net zero emission target.”

Goals. In 2023, we identified our sustainability priorities through a stakeholder engagement study and accordingly shaped our sustainability strategy, which is detailed in our report. In the coming period, we will keep working in cooperation with our stakeholders and strive to achieve our sustainability goals.

At Boyçelik, we are committed to continuously improving our environmental, social and governance performance, creating value for sustainable development and realizing our sustainability goals. Accordingly, I am proud to publicly present our sustainability report and invite all our stakeholders to join us on this valuable journey.

Sincerely,

**Assoc. Prof. Alpaslan Baki Ertekin**

Erciyes Anadolu Holding  
Board Member - CEO



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## 1.2. Message from the General Manager

As one of the pioneering investments of Erciyes Anadolu Holding, which laid the foundations of large industrial organizations, we are the supplier of Europe's largest mattress and furniture manufacturers thanks to the trust, customer satisfaction, quality and innovative products we have created in the sector. Since the first day of our company's establishment, the main driver for our success has been to increase our contribution to the sustainable development of our region and our country. Accordingly, we are expanding our efforts on green transformation and social impact every day, investing in innovation and technology and developing the competencies of our employees.

We have been supporting the industry with our product and service quality, notably with tube section and sheet metal products produced in the Tube Section Plant for the furniture, automotive, white goods and construction sectors, and with steel wire, bonnell spring, S (zigzag) spring, SL (SmartLink) spring, pocket spring, offset spring, special products and spring units produced in the Wire-Spring Plant for the furniture and textile sectors.

We export our products to a total of 54 countries, mainly European countries, the USA, Central Asia, the Middle East and North Africa. We managed to increase our tube section production capacity to 110,000 tons and steel wire production capacity to 100,000 tons in 2015.

Focusing on quality and innovation in our operations, we continuously invest in new products and continue our innovative sustainability efforts. We create new success stories around the world and continue to develop at a

great pace, leveraged by the success of our products in global markets. We recognize the key role of the steel industry in Türkiye's net zero goal. Accordingly, at Boyçelik, we aim to lead the Turkish steel industry in terms of sustainability. Driven by our efficiency and renewable energy investments, we are resolutely moving towards our sustainability goals.

In line with the goal of limiting global warming to 1.5°C as set out in the Paris Climate Agreement and the United Nations Sustainable Development Goals, we keep expanding our efforts on our green transformation and net zero emission journey.

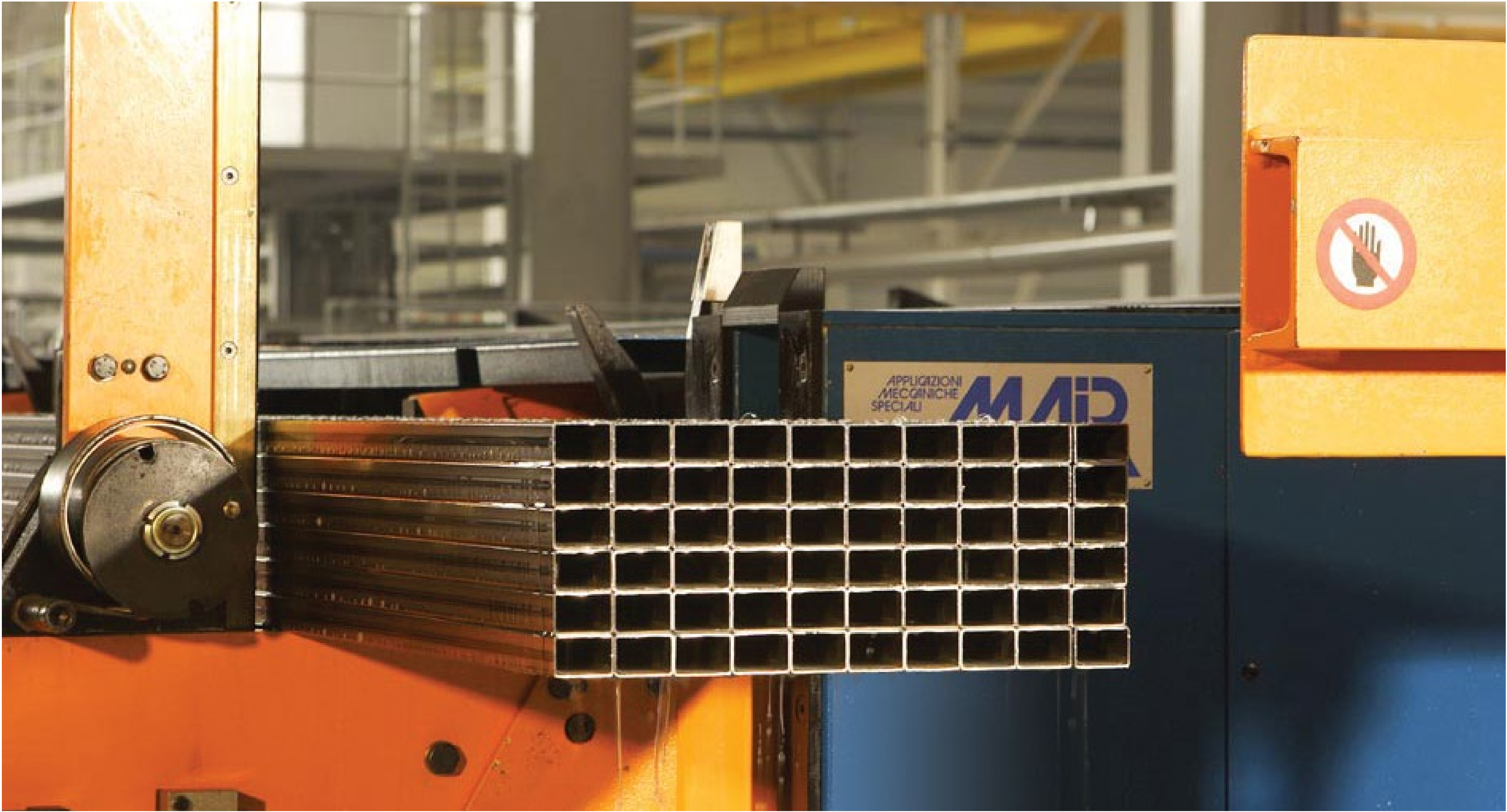
In line with our sustainability vision, we develop sustainable and low-carbon products through our R&D and Innovation efforts, reduce our environmental impact by switching to renewable energy and increase resource and energy efficiency by digitalizing our business processes. We adopt circularity principles in our operations, work on water efficiency in our processes and implement zero waste projects.

I am delighted to publicly present our sustainability strategy and our first sustainability report for 2023. We will continue to create value for Türkiye's sustainable development together with our stakeholders by realizing our sustainability goals and improving our environmental and social performance.

**Muharrem Bakal**  
Boyçelik General Manager



**We work and produce for our country.**



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## 2.1. About Us

Founded in 2006 as part of Erciyes Anadolu Holding, our company has successfully continued its operations for 18 years as the raw material supplier of Europe’s largest mattress and furniture manufacturers. We manufacture tube sections, steel wires and springs with 548 employees on a total area of 110,000 m<sup>2</sup>, comprising 63,000 m<sup>2</sup> outdoor and 47,000 m<sup>2</sup> indoor space.

We produce tube sections, steel wires, bonnell springs, S springs, SL (SmartLink) springs, pocket springs, offset springs, special products and spring units for a wide range of sectors including but not limited to furniture, automotive, white goods, construction and textiles. We export to a total of 54 countries, mainly European countries and the USA, as well as Turkic Republics, Middle East and North Africa.

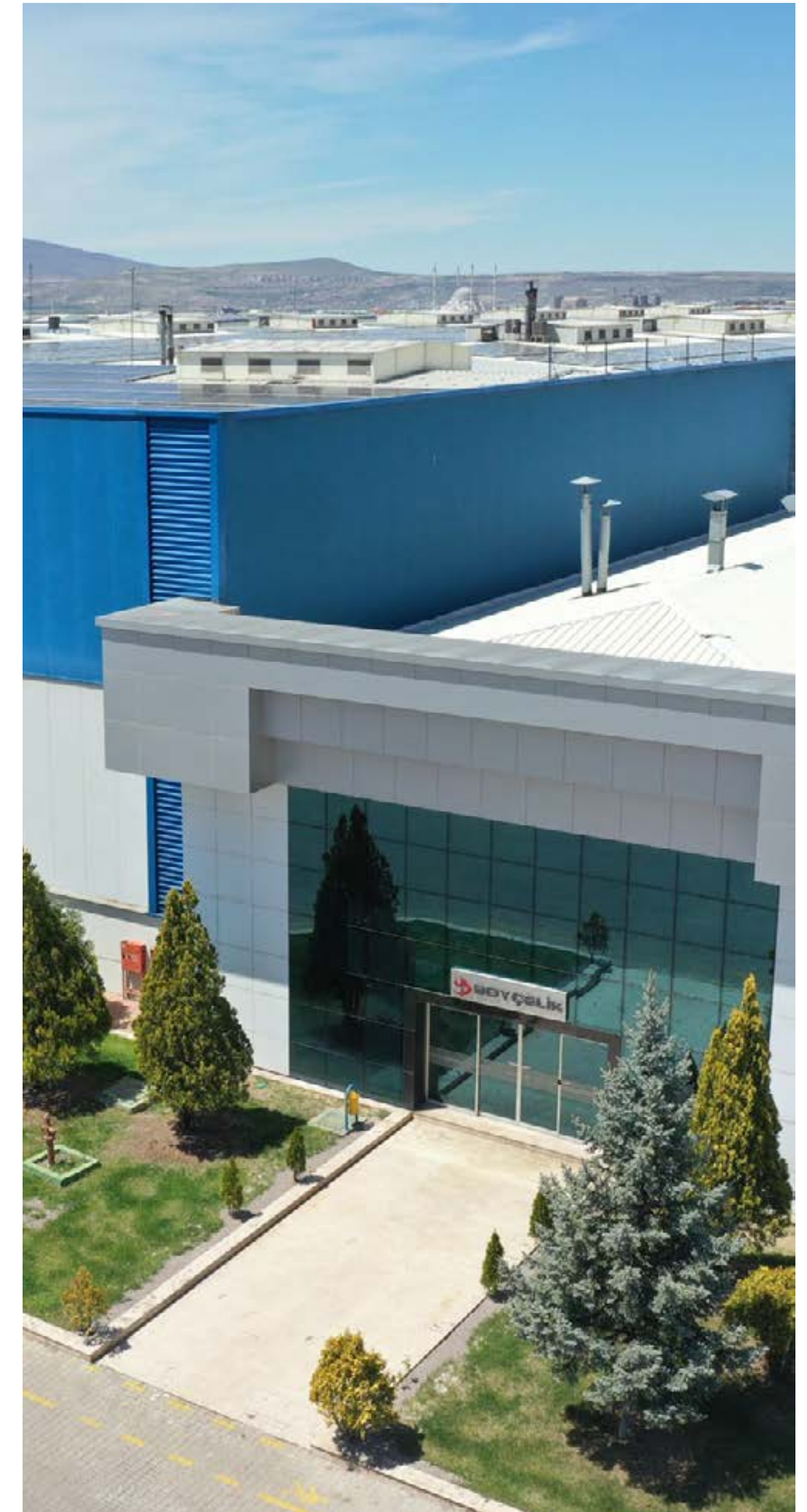
Since the day our company was founded, we have kept customer satisfaction and quality at the heart of our business model. Offering high quality products that meet customer expectations, have a low environmental impact and are produced under fair conditions is a key element making us a preferred brand. Accordingly, we hold TSE EN ISO 9001 Quality Management System, TSE EN ISO 14001 Environmental Management System, TSE-ISO OHSAS-TS 45001 Occupational Health and

Safety Management System, TS ISO/IEC 27001 Information Security and Management System, TSE EN ISO 50001 Energy Management System and CE certificates. All our operations are digitally monitored to ensure that quality standards are followed at any given moment in our production process.

At Boyçelik, knowing that fulfilling our environmental responsibilities also means fulfilling our responsibilities towards our employees, society and humanity, we act with environmental awareness during all our services and activities and operate our plants at standards that will not cause environmental pollution.

We minimize the consumption of natural resources during all manufacturing processes, including construction infrastructure, heating, cooling, electricity and water installations. We make sure the materials used in the process from the manufacturing stage to the delivery of the product are raw materials and materials that harm the environment minimally.

We also include wastes other than domestic wastes in the recycling circle, thus keeping environmental damage at a minimum.



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## 2.2. Boyçelik: From Past to Present

**2006**  
**Wire spring and tube section production** started under the roof of Erciyas Anadolu Holding.  
 —  
**Quality Management System Certificate** was obtained.



**2013**  
**Export operations to almost 60 countries** started.



**2007**  
**Environmental Management System Certificate** was obtained.  
  
**Occupational Health and Safety Management System Certificate** was obtained.



**2014**  
 Bonnell spring unit machinery was renewed, and **production capacity reached 4,000,000 units per year for the first time.**



**2011**  
**Energy Management System Certificate** was obtained.



**2012**  
 Thanks to its investments, Boyçelik increased the number of lines in the tube section plant to 6 and **reached an annual production capacity of 100,000 tons.**



**2015**  
 Following 5 wire drawing investments, **total wire production capacity reached 85,000 tons.**  
 —  
**Boyçelik America** was established in the US as a subsidiary of Boyçelik.





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**2016**  
**Duracoil, SleepTide, Smartlink, Octo, Flexifirm models** were produced for the first time.



**2017**  
 Work under **Industry 4.0** started.



**2018**  
**Information Security Management System Certificate** was obtained.



**2019**  
**Authorized Economic Operator Certificate** was obtained.



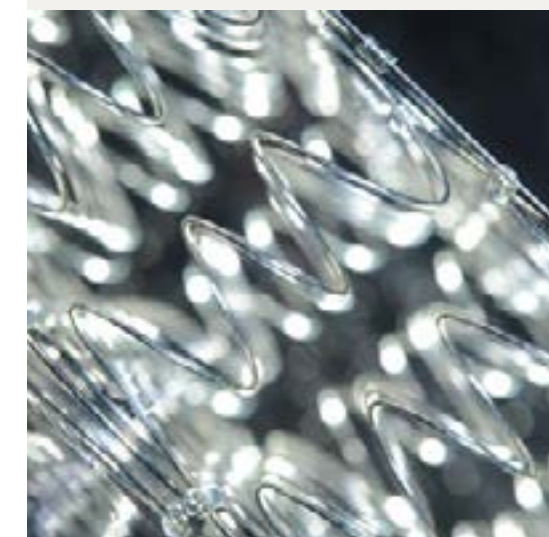
**2021**  
 Following the pocket spring line investments, **the annual capacity reached 550,000 units.**  
 —  
 Following the new bonnell spring line investments, **the annual capacity reached 4,500,000 units.**  
 —  
**Annual capacity was increased to 100,000 tons** following wire drawing line investments.



**2022**  
 Boyçelik added **galvanized tubes** to its product portfolio.



**2023**  
 Boyçelik added **low carbon wires** to its product portfolio.



## 2.3. 2023 in Figures



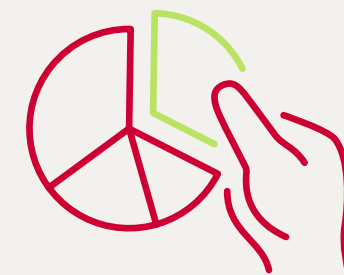
TL **3.6 B**

A turnover of in 2023



**34%**

increase in turnover



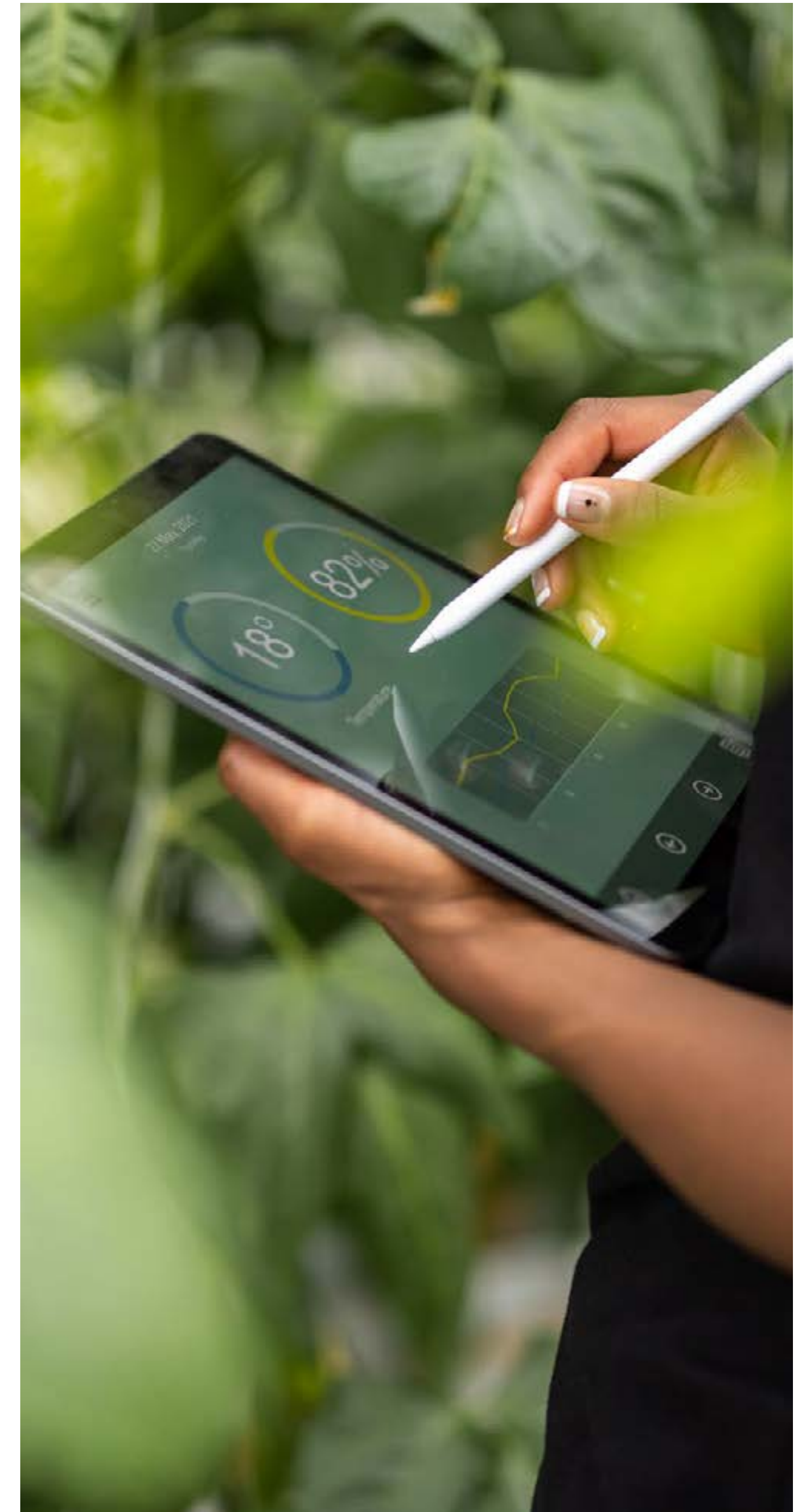
**24%**

An export rate of 2023



**54**

countries as export destinations



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## 2.4 Mission, Vision, Values and Principles

### Mission

To offer services and products in accordance with quality standards to maximize customer satisfaction, to fulfill our responsibilities towards mankind, the environment and universal values, to use technology effectively and efficiently, and to ensure the well-being and satisfaction of our employees.



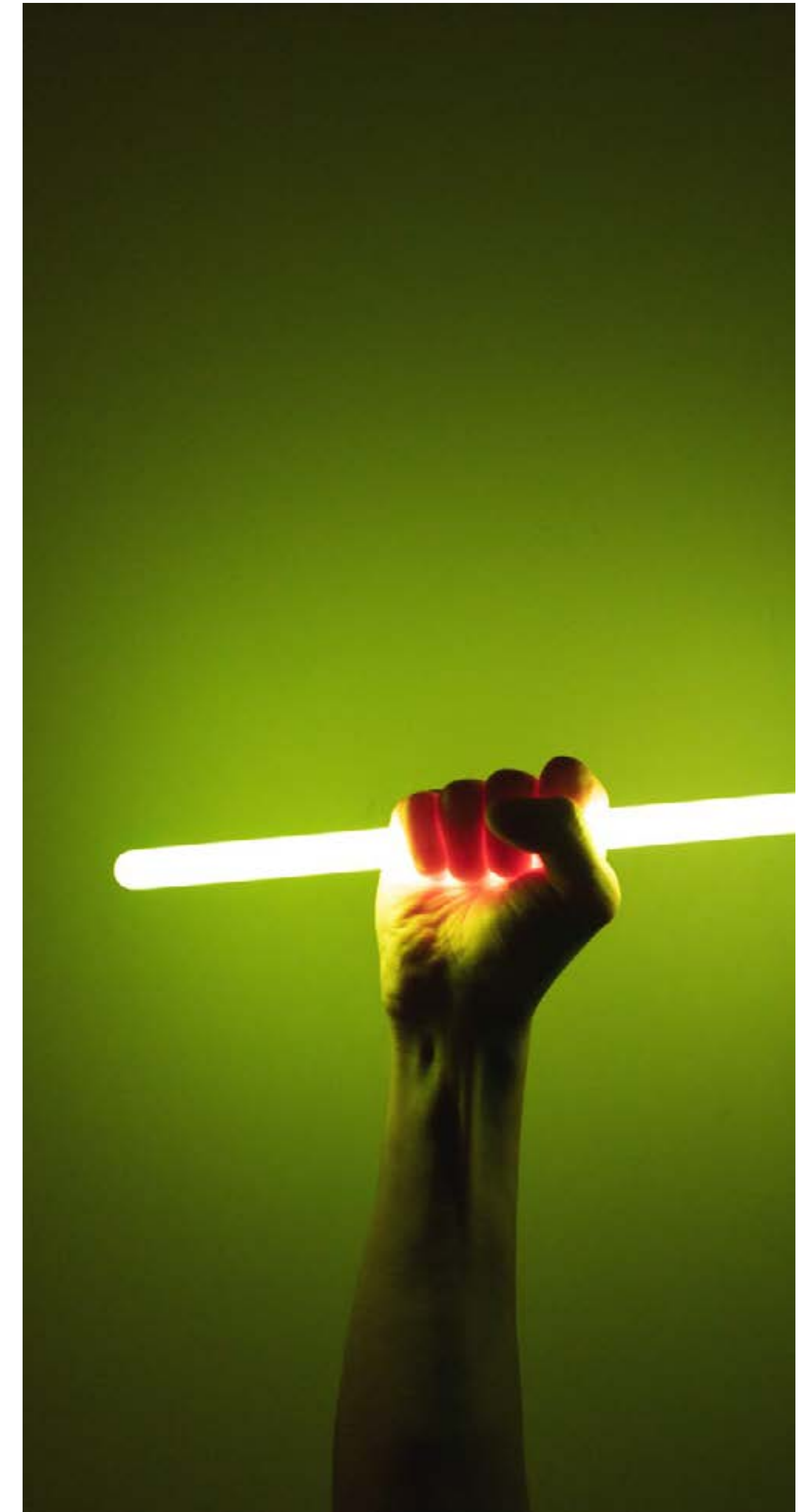
### Vision

To become a brand that is followed by competitors and preferred by customers.



### Values

We always protect our values that constitute our corporate culture. Accordingly, we uphold our corporate principles and values and always protect the rights and interests of our company. We fulfill our part in the best way possible to realize the goals and objectives of our company. We never compromise loyalty and integrity towards our company. We are open to innovation and change in our work, and lifelong learning is our core philosophy. We work on a solution-oriented basis and do not regard problems as a source of conflict. We work within a team spirit in cooperation with our team to achieve the right results. We know our strengths and weaknesses, and we take a positive approach to constructive criticism.



## Boyçelik's 9 Principles:

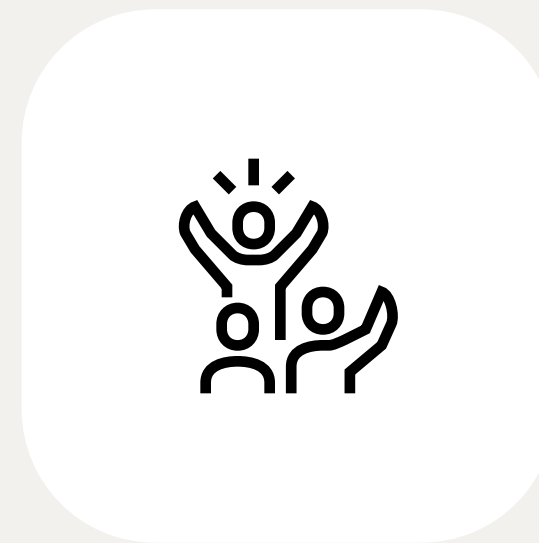
### Assure!

At Boyçelik, we feel that we are responsible to our environment, society and our world on the basis of our common values while continuously achieving successful business results. That is why we put earning others' confidence above everything else.



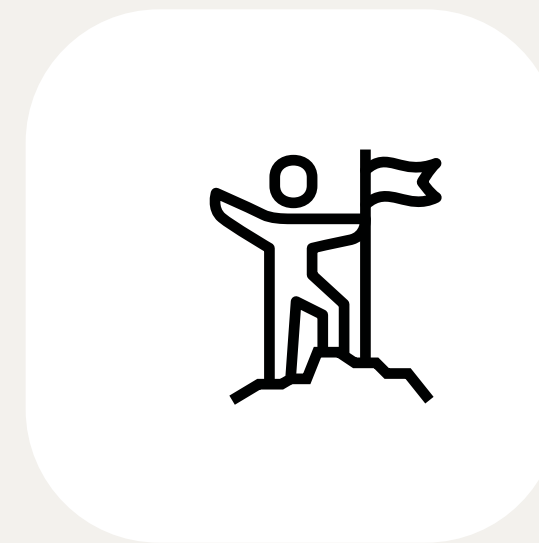
### Be the Best!

If we want to be the best, we have to be aware of how important it is to work with the best. Therefore, Be the Best at What You Do Principle means being the consulted expert in all practices. The best one has deep expertise and performs its task with high standards.



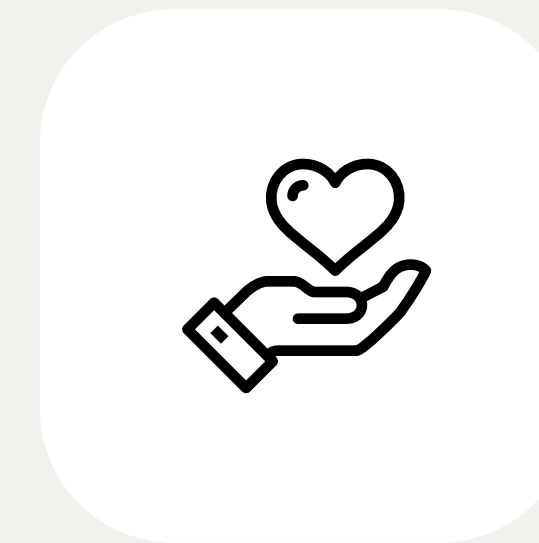
### Add Meaning!

It is not enough to complete our daily tasks in full. Knowing and understanding how each task contributes to the whole is the main source of our motivation. Add Meaning is building the future by seeing the big picture.



### Win Hearts!

Win Hearts principle is to reflect in its behavior the deep culture of tolerance from its original land. It is strengthened by building long, sustainable relationships of being ourselves, and achieving together.



### Seize the Future!

Not a day goes by without a new trend, a different design, a new way of doing business and a new perspective entering our lives. We cannot compromise on the principle of updating oneself to build a stronger future.



## Empower!

Boyçelik managers use the principle of empowerment to facilitate the lives of employees who will carry our company step by step; they develop and strengthen their teams by providing all necessary resources and support for their teams to do their jobs correctly.



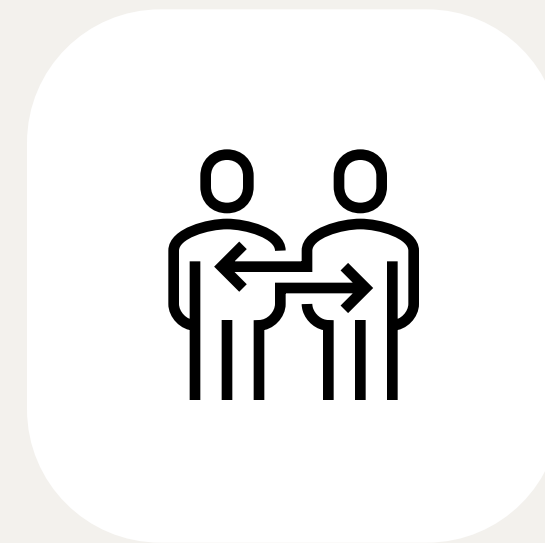
## Produce Results!

At Boyçelik, we take all our dynamism from the goals we have achieved so far and the successful results we have achieved. Produce Results principle is the future guarantee of this dynamic.



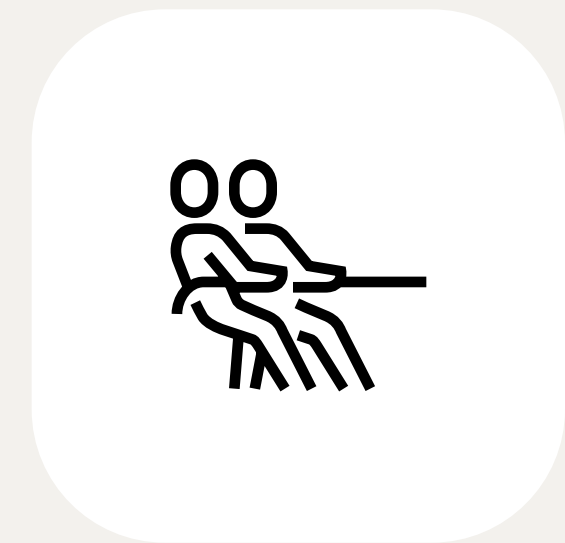
## Understand your Customer!

We are aware that the customer and customer-oriented thinking are the most important criteria for sustainability. Therefore, it is our basic principle to know the value we create for our customers with the work we do and to walk side by side with the customer to carry this value further.



## Provide Guidance!

Boyçelik managers set an example for the generations that follow them. Based on the philosophy that it is necessary to be a guide in order to set an example, they carefully observe and coach their employees to become the leaders of the future and contribute to their development. For them, no task is more important than guiding their team and preparing the organization for the future.



## 2.5 Memberships and Awards

### Memberships



Mediterranean Exporters' Associations



Kayseri Chamber of Industry



Kayseri Chamber of Commerce



International Sleep Products Association (ISPA)



International Bedding Industry Association (IBIA)



SteelOrbis Connecting Markets

### Awards

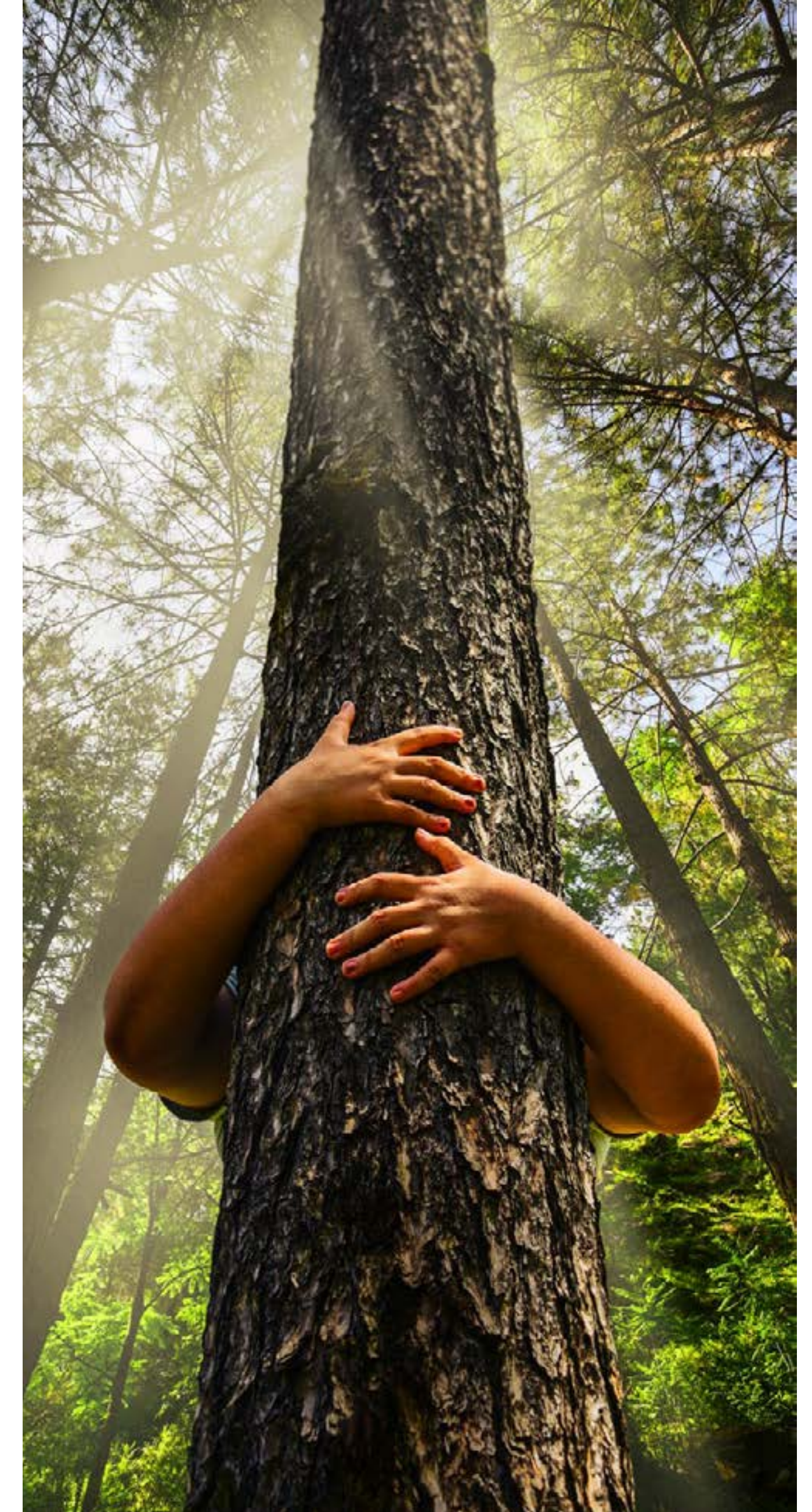


**İSTANBUL SANAYİ ODASI**

**We ranked 406th** in the ISO 500 list for 2023.



**We ranked 950th** in the TİM 1000 list for 2023.



**We join hands for the future of the world.**





## 3.1 Organization

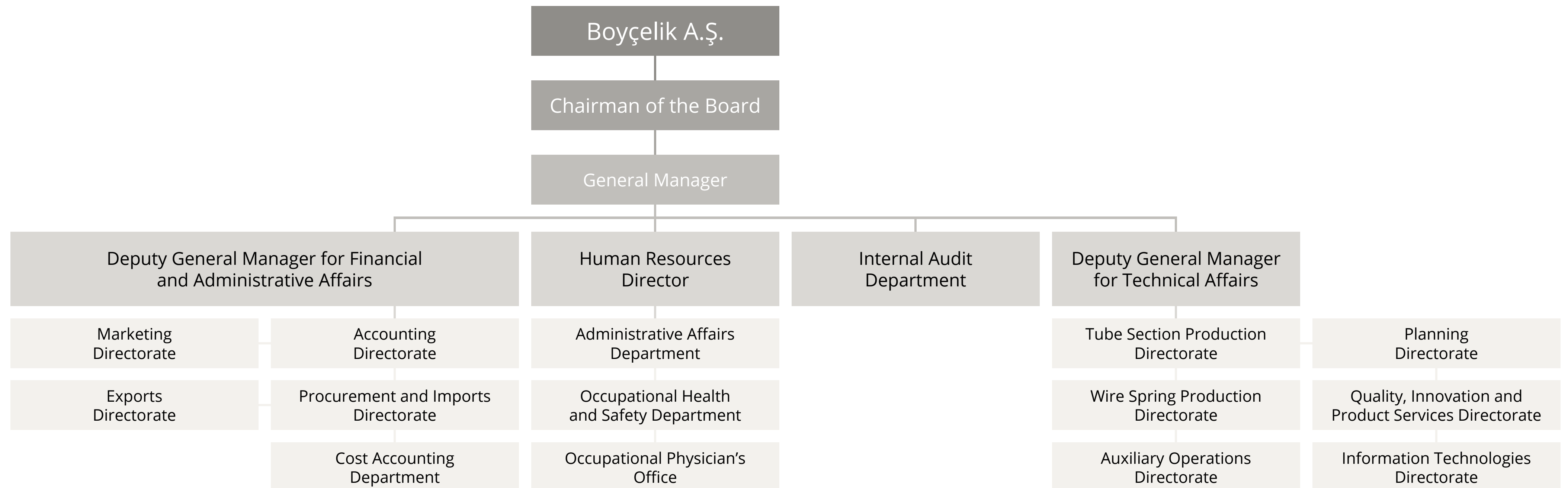
Our Board of Directors consists of 5 members, including our General Manager. Our business strategy, investment decisions and organizational transformation are subject to the approval of our Board of Directors.

Our Deputy General Manager for Technical Affairs, Deputy General Manager for Financial and Administrative Affairs, Human Resources Directorate and Internal Audit Unit report directly to our General Manager. 2 Deputy General Managers take part in the establishment of tailored management systems, and they are primarily responsible for the operation and development of the system.

### Investment Committee

Reporting to the Board of Directors, our Investment Committee undertakes the management of our company's business development processes as well as the

determination and evaluation of investments for strategic targets. Our committee coordinates the financial, regulatory and environmental feasibility analyses for investments and projects and submits appropriate projects to the Board of Directors for approval. The Investment Committee is responsible for identifying investment opportunities that are in line with the company's long-term strategic goals, analyzing these opportunities in detail, assessing the financial feasibility of the investments and their suitability within the framework of relevant legal regulations, examining the environmental impact of the potential investments and ensuring their conformity with sustainability principles. The Investment Committee submits its investment evaluations to the Board of Directors. When investment decisions are to be made, the Investment Committee convenes, makes the necessary evaluations and manages the processes. This body ensures the effective management of our company's investments towards long-term value creation targets in line with sustainability principles.



## 3.2 Enterprise Risk Management

We perform our corporate risk management activities under the guidance of Erciyas Anadolu Holding Risk Management Guidelines. Our risk management approach aims to protect and strengthen the value we create, to integrate a risk management perspective into our decision-making mechanisms, and to maintain our company's resilience to critical risks at the risk appetite level.

Our risk management processes include identifying and evaluating critical risks that may affect the achievement of our company's strategic and operational goals,

making risk decisions, creating and monitoring action plans to mitigate or eliminate risks, and reporting them regularly. In our company, risk management is the shared responsibility of all our employees, starting with the senior management level at the top to the bottom.

We continuously implement, review and improve our risk management processes in line with best practices, and we also regularly assess our risks. We conduct reviews of high-risk activities and processes on a more frequent basis. We consider critical risks in our decision-making processes.



### Basic Steps of the Risk Management Approach

#### 1- Identifying Risks

**1.1 Risk Categorization (External Risks, Internal Risks, Strategic Risks, Operational Risks, Financial Risks, Compliance Risks, Reputation Risks)**

#### 2- Assessing Risks

**2.1 Determination of Natural Risk Levels (Assessment of Impact and Probability Levels of Risks, Evaluation of Existing Controls)**

**2.1 Identifying Natural Risk Levels (Identifying Impact and Probability Levels of Risks, Evaluating Existing Controls)**

**2.2 Determining Residual Risk Level, Prioritizing Risks**

2.3 Making Risk Decisions

2.3.1 Risk Appetite (Avoiding risks, Sharing risks, Accepting risks, Mitigating risks)

2.3.2 Risk Decisions

2.3.3 Key Risk Indicators (KRIs)

**2.4 Monitoring and Reporting Risks**

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## 3.3 Information Security

Our investments in quality and innovation expedite our digitalization processes every day, and the volume of data we process and store is increasing. We fully comply with legal regulations regarding information security and storage of sensitive data. Accordingly, we closely follow the regulations published by the PDPA. Our relevant business units work in coordination to ensure compliance with the PDPL and the Presidential Information Security Guidelines.

**In order to ensure the security and confidentiality of all the data and information we collect, we aligned our Information Security System and Information Security Policy with the ISO 27001 standard in 2023.**

Our Information Security Management System aims to protect high quality, innovation, profitability, competitiveness, legal compliance and business reputation at our company. As part of the system, the security of our information technologies infrastructure and all our assets is ensured, our critical data is protected from cyber threats, risks are managed, and necessary measures are identified and implemented.

We detect suspicious Information Security cases through regular scans, specialized detection software

and penetration tests. Reports on Information Security are issued through the ITSM system and recorded in the ISMS records. This information is reported to the Holding's Information Security Management Unit as well as Boyçelik Senior Management, ISMS Management Representative and IT Manager. In addition, we regularly provide awareness-raising trainings to our employees for reporting suspicious cases. All our employees are responsible for information security. Data access authorizations are already defined. Accordingly, all changes made are recorded, and access to information is ensured by making the data available to authorized users.

Information security training content is identified as an awareness-raising training under the ISMS, and we provide it to all our employees at regular intervals. In addition, information security training is provided to recently recruited employees as part of their orientation training. The training content is supported by informative banners and posters. Moreover, we regularly conduct controlled phishing attacks on our employees during penetration tests and measure the effectiveness of awareness. Training records are kept at the Human Resources and Information Technology department. During the reporting period, there were no complaints or notifications regarding data security and confidentiality.



### 3.4 Internal Audit

Internal audits at our company evaluate the compliance of all our business processes and operations with legal regulations, our code of ethics, policies and procedures. Moreover, issues such as occupational health and safety measures and environmental management are included in the scope of audits, and operational efficiency and risk management performance are evaluated.

**Internal audits are performed in accordance with our annual audit plan prepared by the Internal Audit Coordinator’s Office at the Holding level and are approved by the Holding’s Board of Directors. The internal audit team consists of personnel who are not directly responsible for the activities in the units to be audited, are impartial and trained in internal audit.**

Our audits are conducted in accordance with legal regulations, our ethical principles, Holding and company policies, procedures and the requirements of the certificates we hold. Audit findings are reported to the relevant units and the General Manager’s Office. Non-conformities are analyzed, and improvement decisions are taken in accordance with our Corrective and Preventive Action procedure. Agreed remedial action is recorded in the Action Tracking Plan. The duration of action plans varies according to the subject and importance of the points identified.

In 2023, audit work was conducted within a limited framework, and improvement actions were planned for audit findings.

“The internal audit team consists of personnel who are not directly responsible for the activities in the units to be audited, are impartial and trained in internal audit.”



## 3.5 Business Ethics and Compliance

A quality-oriented and sustainable business model can only be achieved by operating within the framework of ethical principles. At Boyçelik, we aim for full compliance with legal regulations and global ethical principles. We expect our senior management, employees, suppliers and business partners to comply with regulations and our code of ethics.

Our code of ethics is drafted in compliance with the Erciyes Anadolu Holding Ethics Manual and published on our website. It takes national and international best practices as examples and guides all our business operations. In addition to our legal responsibilities, it defines our responsibilities towards society and humanity, the environment, our employees, customers and suppliers, our approach to brand reputation, the framework for the use of corporate resources and our approach to information security.

Our Ethics Committee is responsible for the implementation of our Code of Ethics within our Company. The Ethics Committee consists of our General Manager, Deputy General Managers and Human Resources Manager. The Ethics Committee convenes upon the invitation of any of our Board Members when a notice is received or an opinion is requested. The Committee may invite persons it deems appropriate to the meetings to obtain information on matters deemed necessary. The chairperson of our Ethics Committee is responsible for the implementation of the working principles of the Committee.

Our Ethics Committee is a body where all our employees can consult with any dilemmas they experience regarding ethical issues. All our employees can report their questions about the code of conduct or any suspicious cases to our Ethics Committee through our Ethics Hotline.

### **Ethics Hotline etik@boycelik.com.tr**

Boyçelik Metal Sanayi ve Ticaret A.Ş.

### **Board of Ethics Secretariat**

O.S.B. 37. Cadde No: 4 Melikgazi 38070 Kayseri / Türkiye

The responsibilities of our committee are as follows:

- Investigating complaints and reports of violations of ethical rules within the company,
- Resolving or having resolved the investigated violations of ethical rules,
- Submitting opinions and suggestions for the implementation of the code of ethics,
- Responding to the applications filed for consultation within the scope of Boyçelik code of ethics,
- Ensuring that the code of ethics complies with regulations,
- Being in constant communication with employees in order to inform them about ethical rules and to ensure the comprehensibility of policies, procedures and rules,
- Ensuring that all new hires and employees read the code of ethics and are informed about it.

“A quality-oriented and sustainable business model can only be achieved by operating within the framework of ethical principles.”

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Investigations regarding the notifications made to our Ethics Committee are conducted in confidentiality in a manner that will not have any negative impact on the party making the notification, and each stage is recorded. If deemed necessary, the Committee may receive support from experts and expert witnesses during the investigation, taking into account the principles of confidentiality. An employee against whom a complaint or report is brought on the grounds of unethical behavior is given the opportunity to express themselves regarding the complaint/report.

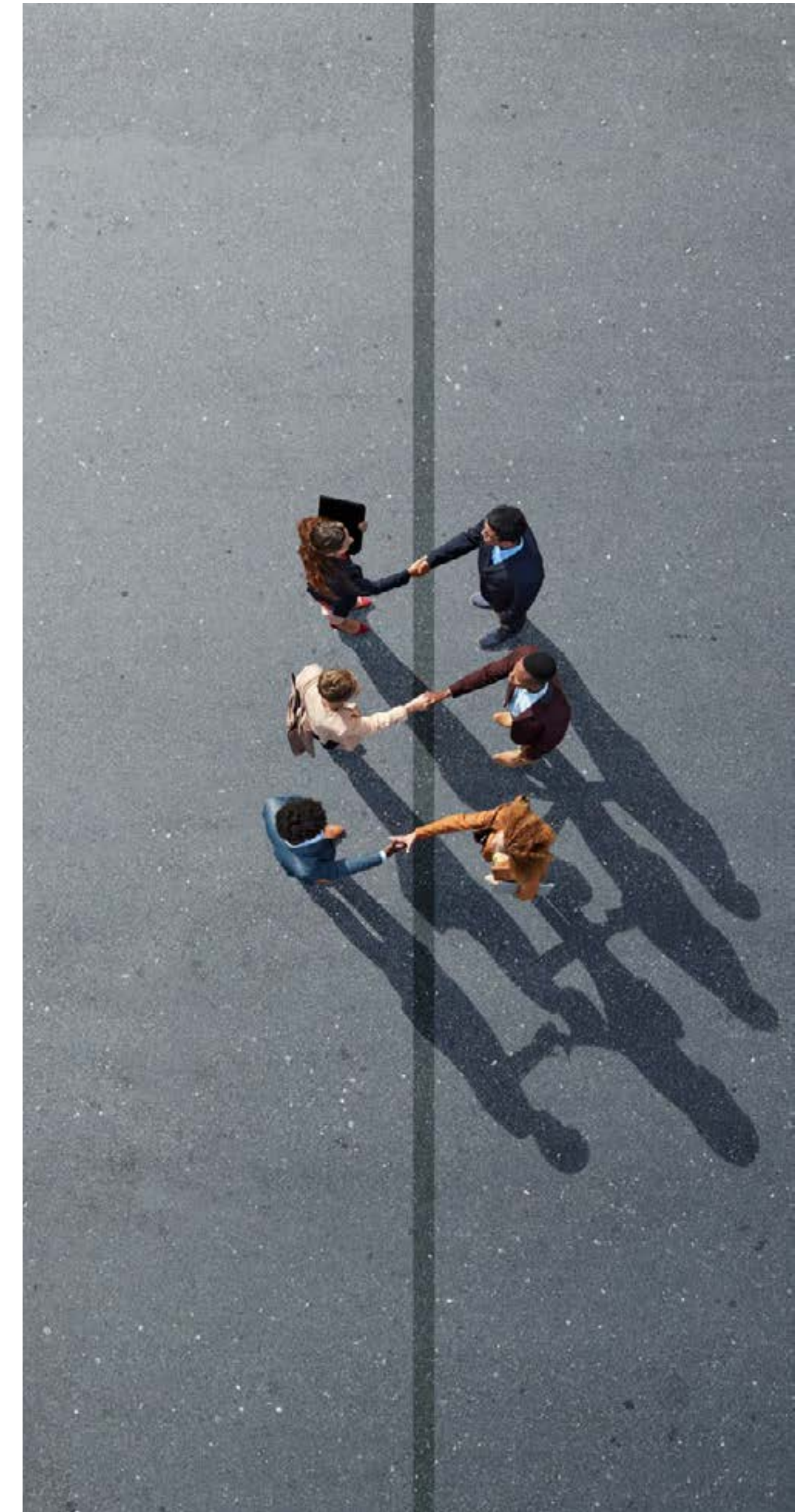
Taking into account their nature and impact, reported

or detected violations of the rules can be resolved by Boyçelik Ethics Committee, or they can be referred to our Disciplinary Board reporting to our General Manager, or to the Holding's Internal Audit Coordinator's Office or to our Ethics Supreme Board by the Ethics Committee Chairperson.

Notifications regarding violations of the ethical rules regarding the company's Ethics Committee and its members can be made directly to the Ethics Supreme Board at **ustetik@erciyes.com**.

You can find details about our Code of Ethics and the functioning of our Ethics Committee [here](#).

“Investigations are conducted in confidentiality in a manner that will not have any negative impact on the party making the notification, and each stage is recorded.”



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## 3.6 Combating Corruption and Bribery

In line with our Code of Ethics and legal compliance processes, we take necessary measures to prevent bribery and corruption. At Boyçelik, we adopt the principle of integrity in our relations with public and private sector organizations we collaborate with. In our business relations, it is unacceptable for our company to try to influence the decisions of our business partners and public officials with gifts, aid, bribes or other unethical offers.

Our Code of Ethics clearly states that corruption and bribery will never be tolerated in our company. In addition, as part of the work started in 2023, our Anti-Bribery and Anti-Corruption Policy was published in 2024.

Our rules, limits and principles of behavior regarding gifts are defined in our Gifts and Promotions Procedure, which is established under our Human Resources Policy. In accordance with the Disciplinary Regulation, disciplinary processes are initiated for employees who do not comply with the rules specified in our procedure.

Suspicious cases of corruption and bribery can be reported through our Ethics Hotline. Keeping the whistleblower’s identity confidential, all reports are investigated by the Ethics Committee, and every stage of the investigation is documented in detail. In 2023, the Ethics Hotline did not receive any reports of bribery and corruption.

“We adopt the principle of integrity in our relations with public and private sector organizations we collaborate with.”



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## 3.7 Combating Anti-Competitive Behavior

We believe in free market and free competition in compliance with the Competition Law and all relevant regulations. Our Code of Ethics defines our responsibilities regarding competition, and our Competition Policy was published in 2024 within the framework of the work started in 2023. Our Legal Counseling Department is responsible for drafting and improving our policy on behalf of the Board of Directors. The implementation of our policy is the responsibility of all our employees, especially our managers.

We aim for full compliance with the Competition Law and related regulations. We avoid agreements and negotiations with our competitors and do not participate in associations that could cripple competition. We do not

use confidential information about our competitors that reaches us outside of legal means. In order to prevent cases that are contrary to the law and our policy, we provide regular trainings to increase the awareness and knowledge of our employees regarding the Competition Law and related legislation.

All our stakeholders can report any suspected anti-competitive behavior to our Ethics Committee through our Ethics Hotline. Our Ethics Committee investigates all incoming notifications in confidentiality and diligence.

During the reporting period, there were no cases of unfair competition against our company.

“We believe in free market and free competition in compliance with the Competition Law and all relevant regulations.”





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### 3.8 Sustainable Supply Chain Management

There are a total of 842 suppliers that our company works with.

Our Procurement and Imports Procedure applies to all procurement within the company. Accordingly, a Supplier Performance Evaluation Form is prepared by the Procurement Department for each supplier to be evaluated, and the supplier’s competence is reported on this form. Supplier performance evaluation is conducted by the Procurement Department when we start working with new suppliers or at certain intervals, and each supplier is assigned scores according to the evaluation criteria. The audit decision is made by the Supplier Evaluation Board consisting of Procurement, Quality Management and Production Departments. Following the year-end evaluation, we stop working for a year with suppliers that score below our company’s standards.

When drafting technical specifications, we take care to ensure that all the equipment we purchase is of high quality, and we expect our suppliers to comply with ethical principles and legal requirements. In addition, as

part of the work started in 2023, our Sustainable Supply Chain Policy was launched in 2024. Along with quality, legal compliance, ethical and OHS criteria, environmental and social criteria were added to our supplier evaluation process. New Supplier Evaluation Forms were created, and an audit and evaluation model covering the business processes of our suppliers was developed.

We evaluate our suppliers twice a year according to the criteria specified in the Supplier Evaluation Form. We terminate working relations with suppliers that fail to meet our standards. We take necessary measures to ensure that all our business partners work in accordance with business ethics and in compliance with the law. If a violation of the rules is detected, we terminate the business relationship or impose sanctions.

**In 2023, we severed business relations with 10 international and 274 domestic suppliers for commercial reasons, while we started working with 20 international and 275 domestic suppliers.**

	Number of Terminated Suppliers	Number of New Suppliers
2023		
Overseas	<b>10</b>	<b>20</b>
Domestic	<b>274</b>	<b>275</b>
2022		
Overseas	<b>14</b>	<b>13</b>
Domestic	<b>317</b>	<b>272</b>
2021		
Overseas	<b>14</b>	<b>15</b>
Domestic	<b>249</b>	<b>295</b>



**We support sustainable development through our business models.**



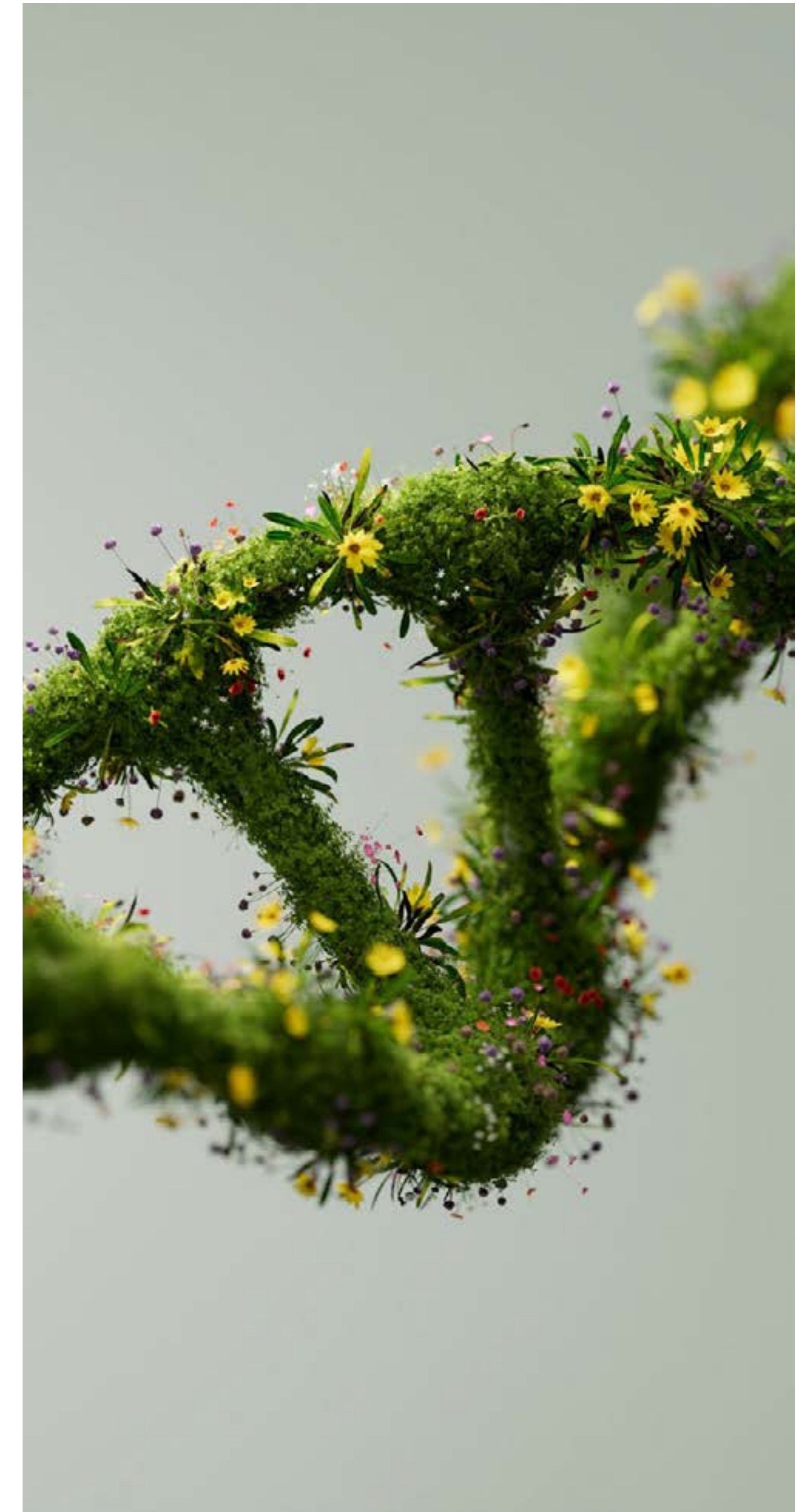
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Driven by our activities, the value we create and the support we extend to sustainable development, we are shaping not only the world of today but also the world of tomorrow. It is part of our corporate mission to fulfill our responsibility to our customers, employees, humanity, the environment and universal values with products combining quality and innovation. Accordingly, we consider as a fundamental component of our business model not only financial sustainability but also building a strong corporate structure with our environmental and social impact. As one of Türkiye’s leading exporters, we see it our responsibility to support the sustainable development of our country and our region and to do our part in the net zero journey. That is how we shape our company’s sustainability transformation.

We developed our sustainability strategy in line with the United Nations Sustainable Development Goals.

- SDG 5: Gender Equality**
- SDG 7: Affordable and Clean Energy**
- SDG 8: Decent Work and Economic Growth**
- SDG 10: Reduced Inequalities**
- SDG 12: Responsible Consumption and Production**
- SDG 13: Climate Action**
- SDG 16: Peace, Justice and Strong Institutions**
- SDG 17: Partnerships for the Goals**

have been the Sustainable Development Goals setting the basis for us to establish various strategies and targets in the areas of innovation in production, responsible production, employee development and business ethics.



## 4.1. Materiality Matrix and Stakeholder Engagement

While setting our strategies, we also consider the opinions and expectations of our stakeholders. Formulating our strategies and targets in a way that meets the expectations of our stakeholders and communicating transparently about our performance strengthen our sustainable growth. Accordingly, we communicate with a wide range of stakeholders, from our customers to our suppliers, and from our employees

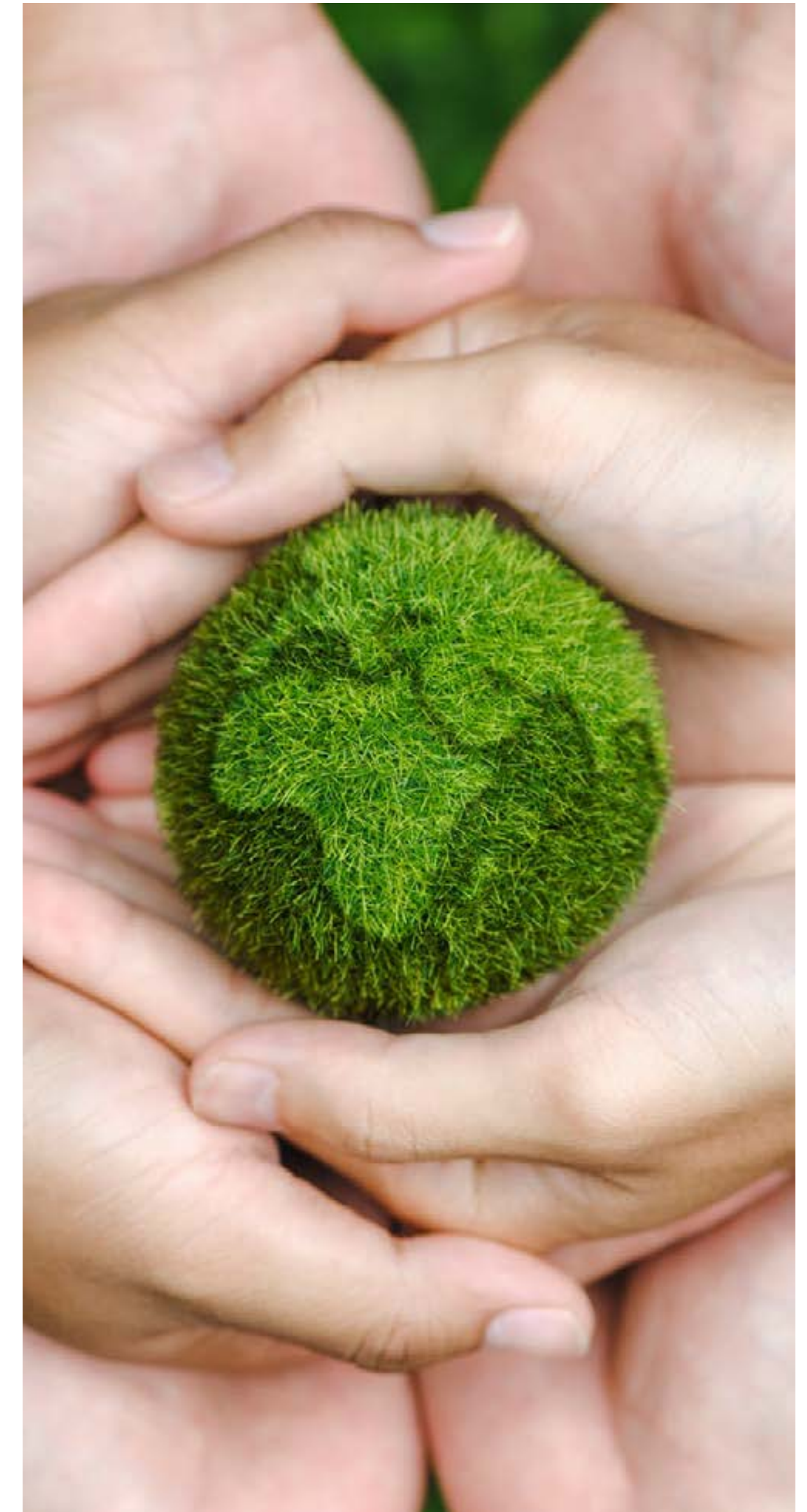
included our employees, customers, suppliers and business partners. Using surveys, we received opinions from 4 different stakeholder groups on our company’s material sustainability topics. We evaluated the results of our stakeholder engagement effort and created our Materiality Matrix to guide our sustainability strategy.

Prepared in 2023 and published in 2024, our Stakeholder Engagement Policy specified our stakeholder

Stakeholder Group	Communication Method	Reason for Communication	Communication Frequency
All stakeholders	Website, e-mail	Requests, suggestions or complaints	Always
All stakeholders	Surveys, online interviews	Sustainability Strategy	When the strategy is developed/ organized
Customers	e-mail, EBA System	Customer satisfaction	When necessary
Employees	Employee Survey Form	Employee satisfaction	Once a year before Internal Audit
Employees	Notice Board, Awareness Trainings	Relevant OHS targets	Once a year after MR
Employees	e-mail, Training Request Form	Demands for new trainings	Once a year after MR or as needed

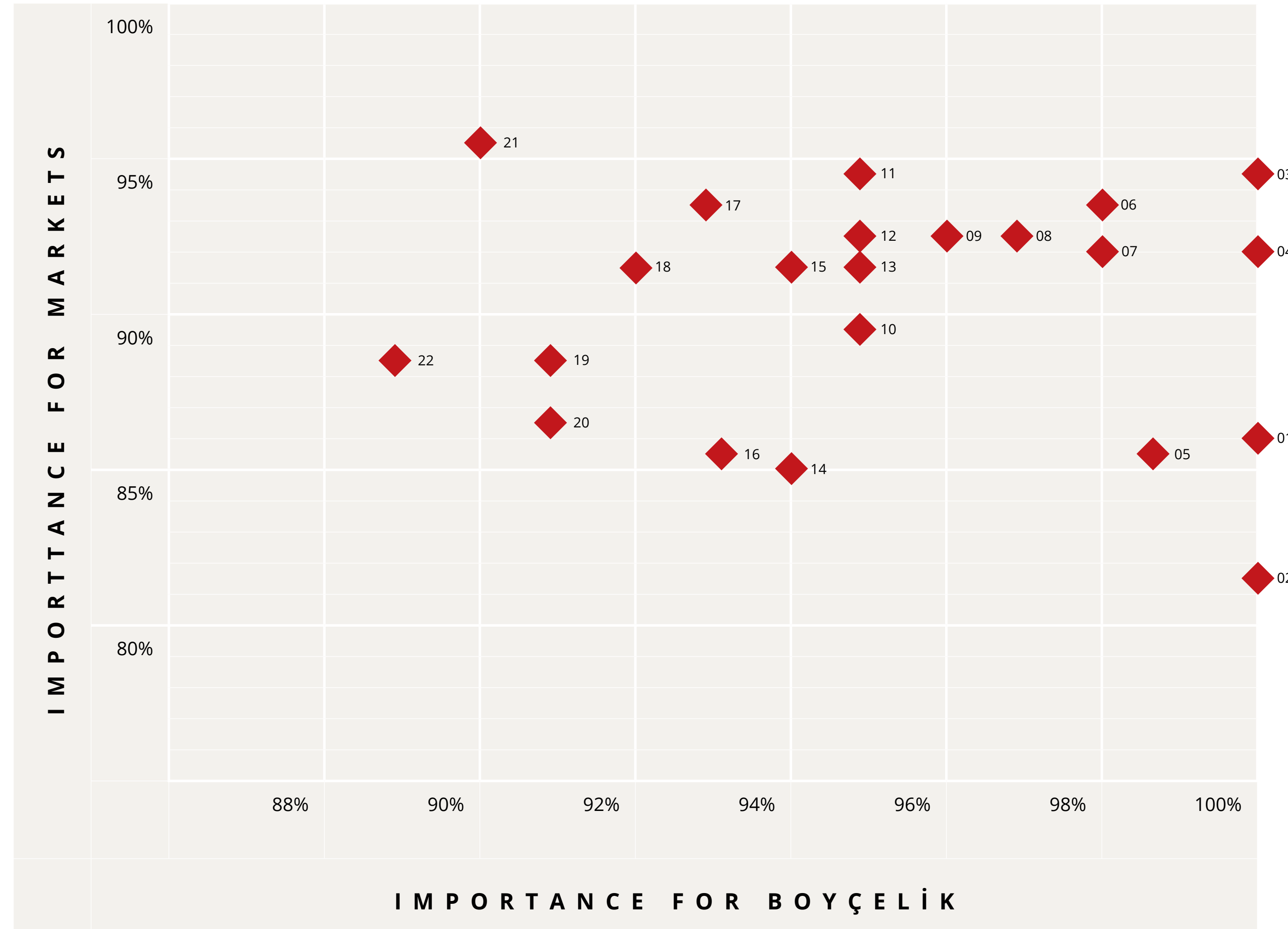
to our business partners. In 2023, we conducted a comprehensive stakeholder engagement as part of our sustainability transformation project. The effort

communication that we carry out via different tools. You can find our stakeholder communication methods in the table above.



In 2023, the materiality analysis conducted with the participation of internal and external stakeholders identified 22 key topics that will guide future strategies. Stakeholders participating in the assessment included

our employees, customers, suppliers and business partners. Materiality analyses will be updated periodically, and the results will be disclosed in the sustainability report.



- 01 Reduction of GHG emissions
- 02 Circular Economy
- 03 Diversity and Equal Opportunities
- 04 Compliance with Regulations
- 05 Business Ethics and Corporate Policies
- 06 Digitalization
- 07 Sustainable Supply Chain
- 08 Energy Management and Use of Renewable Energy
- 09 Effective Use of Natural Resources
- 10 Sustainability Governance
- 11 Management of Environmental, Social and Governance (ESG) Risks
- 12 Occupational Health and Safety
- 13 Employee Development
- 14 Employee Satisfaction
- 15 Conservation of Biodiversity and Restoration of Natural Habitats
- 16 Public Disclosure of ESG Performance
- 17 Data Security
- 18 Business Continuity
- 19 Sustainable Procurement
- 20 Customer Satisfaction
- 21 Social Contribution
- 22 Contribution to Local Economy

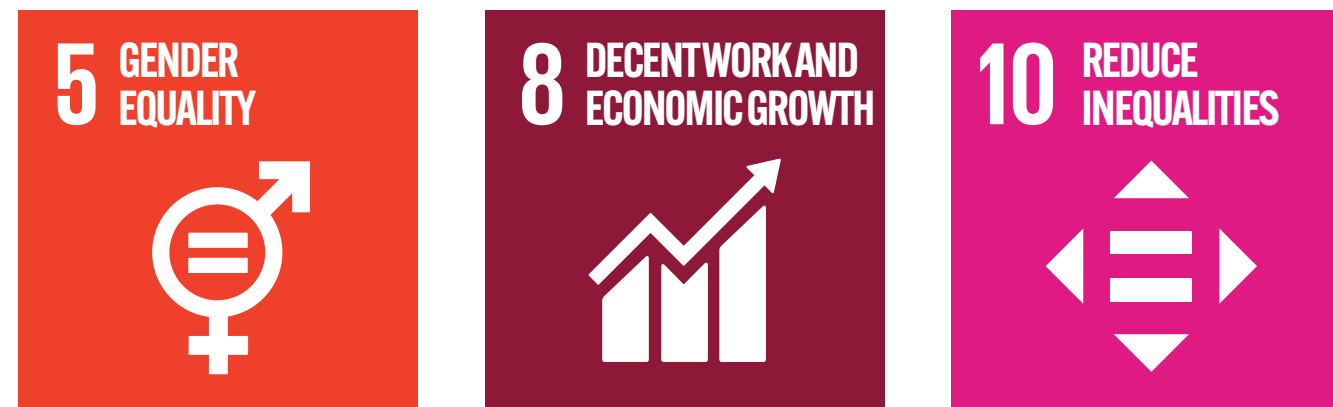
## 4.2. Sustainability Strategy

In line with our governance approach, we aim to carry our company forward on its sustainability journey. Accordingly, we have set achievable and measurable targets for our company that are in line with the Sustainable Development Goals.

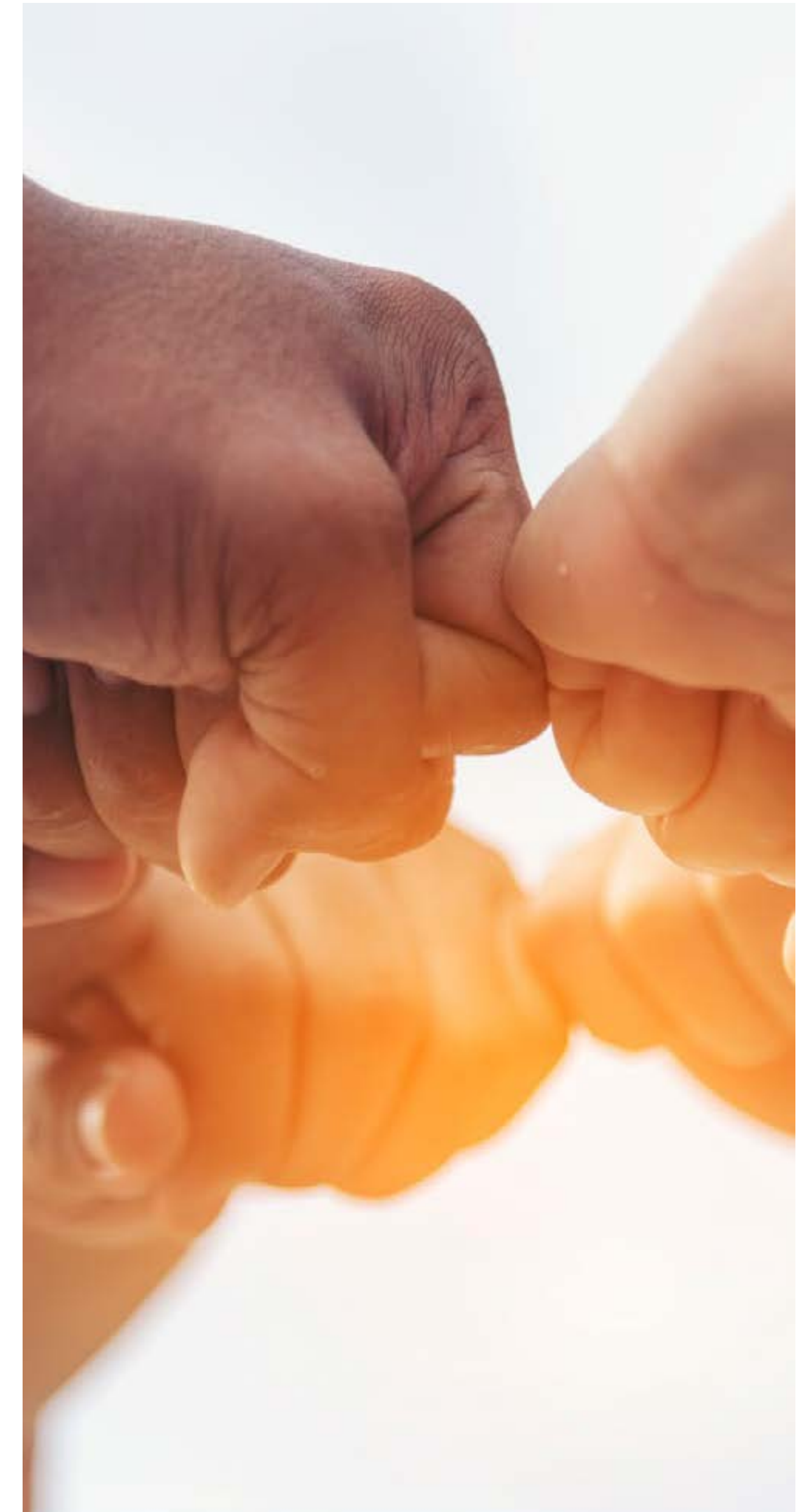
### Environmental



### Social






### Governance



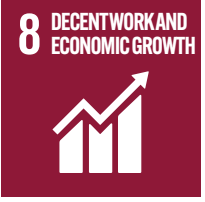






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# Environmental

Material Topic	Term	Target	KPI	Action	SDG
Reduction of GHG Emissions	Short	Reduction of GHG emissions	Reducing scope 2 emissions to zero by the end of 2025	<p>Identifying the activities that produce the highest emissions as a result of emission calculations, and carrying out activities to reduce relevant carbon emissions</p> <p>Diversifying and increasing renewable energy sources</p>	
			-	<p>Replacing all diesel forklifts in enterprises with electric forklifts by the end of 2025</p>	
Circular Economy	Short	Reducing waste	Reducing hazardous wastes in the steel wire preparation unit by 20% compared to 2022 by the end of 2025	<p>Turning waste into resources, sending zero waste to landfills</p> <p>Pioneering the conversion of secondary materials (i.e. reused and recycled materials) into clean and safe resources</p>	
				<p>Sourcing and producing renewable and recycled materials with positive environmental impact</p> <p>Establishing and promoting systems and services that enable a circular economy</p> <p>Increasing and recording recycling and reuse activities</p>	

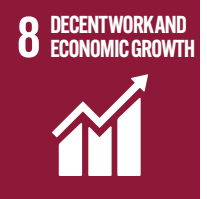









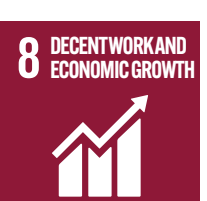
# Social

Material Topic	Term	Target	KPI	Action	SDG
<b>Occupational Health and Safety</b>	Short	Ensuring Occupational Health and Safety	-	Making sure that infirmaries in facilities operating 24/7 also operate on a 24/7 basis	
	Short		By 2025, increasing the rate of female employees by 5% compared to 2022	-	
<b>Diversity and Equal Opportunities</b>	Short	Integrating diversity, equality and inclusion into the corporate culture	-	Adding Diversity, Equality and Inclusion (DEI) training to the mandatory training list for 2024, and ensuring that all employees receive this training	 
	Medium		Increasing the ratio of female managers to total number of managers to 20% by 2025	-	
			Preparing an employee satisfaction survey within the company, and conducting it every year for all employees	Organizing 6 seminars, university lectures and university visits per year	Increasing university collaborations
<b>Employee Development Social Contribution</b>	Short	Establishing a performance evaluation system within the company, and regularly monitoring and evaluating the performance of all employees	Securing a 5% intern-to-full-time employee conversion rate for interns graduating each year	Providing training for new hires as part of onboarding training programs	
		In order to invest in the development of employees' skills and well-being, Boyçelik will determine the minimum competency development training hours for employees as part of Human Resources KPIs.	Offering 6 hours of training per employee per year (Professional and personal development trainings)	Maintaining the current trainings and increasing the total number of training hours with new trainings	
		It transfers its know-how through collaborations with universities and associations and is involved in efforts to increase cooperation. Accordingly, it supports various social and economic development projects in local communities.			

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# Governance

Material Topic	Term	Target	KPI	Action	SDG
<b>Sustainable Procurement</b>	Short Medium	Ensuring a sustainable supply chain	Ensuring that by 2025, the rate of suppliers to get sustainability assessments done is 30% of the top 20 suppliers	Establishing a Supplier Code of Conduct encompassing ESG topics and evaluating suppliers according to the established Supplier Code of Conduct	   
				Making sure suppliers periodically report to the Supplier Evaluation System twice a year, and checking the compliance of the reporting with Boyçelik's ESG criteria	
				Adding Supplier Code of Conduct training to the 2024 mandatory training list, and ensuring that all employees receive this training	
<b>Business Ethics and Corporate Policies</b>	Short	Integrating the concept of sustainability into corporate culture through policies	-	Integrating the ESG concept into all existing sustainability-related policies and procedures. In addition, establishing and publishing the following policies: - Sustainability Policy - Employee Rights and Diversity Policy - Circular Economy Policy - Establishing and publishing the Sustainable Supply Chain Policy	   
				Establishing a Sustainability/ESG committee reporting to Boyçelik Board of Directors	
<b>Sustainability Governance</b>	Short Medium Long	Sustainability reporting according to global/local standards	-	Regular sustainability reporting every year Conducting CDP, LCA and SBTi efforts	
				Ensuring that Boyçelik collaborates with global organizations in its sustainability journey	Becoming a UNGC signatory by 2025
<b>Innovation</b>	Medium	-	By 2025, increasing the share of sustainable production (C-Cycle and Fit-Pocket System) to 20% of total production	Performing activities to increase the sales of the specified products	

## 4.3. Sustainability Management

In 2024, we published our Sustainability Policy, which we developed through studies we started in 2023. Our Sustainability Policy is prepared in line with our corporate culture, basic working principles, understanding of business ethics and Sustainable Development Goals and guides us in realizing our short-, medium- and long-term sustainability goals. You can access our Sustainability Policy [here](#).

We established our Sustainability Committee in 2024 to monitor the integration of our sustainability strategy into company processes as well as our performance against the targets we set as part of our roadmap.

Our Sustainability Committee reports to our Board of

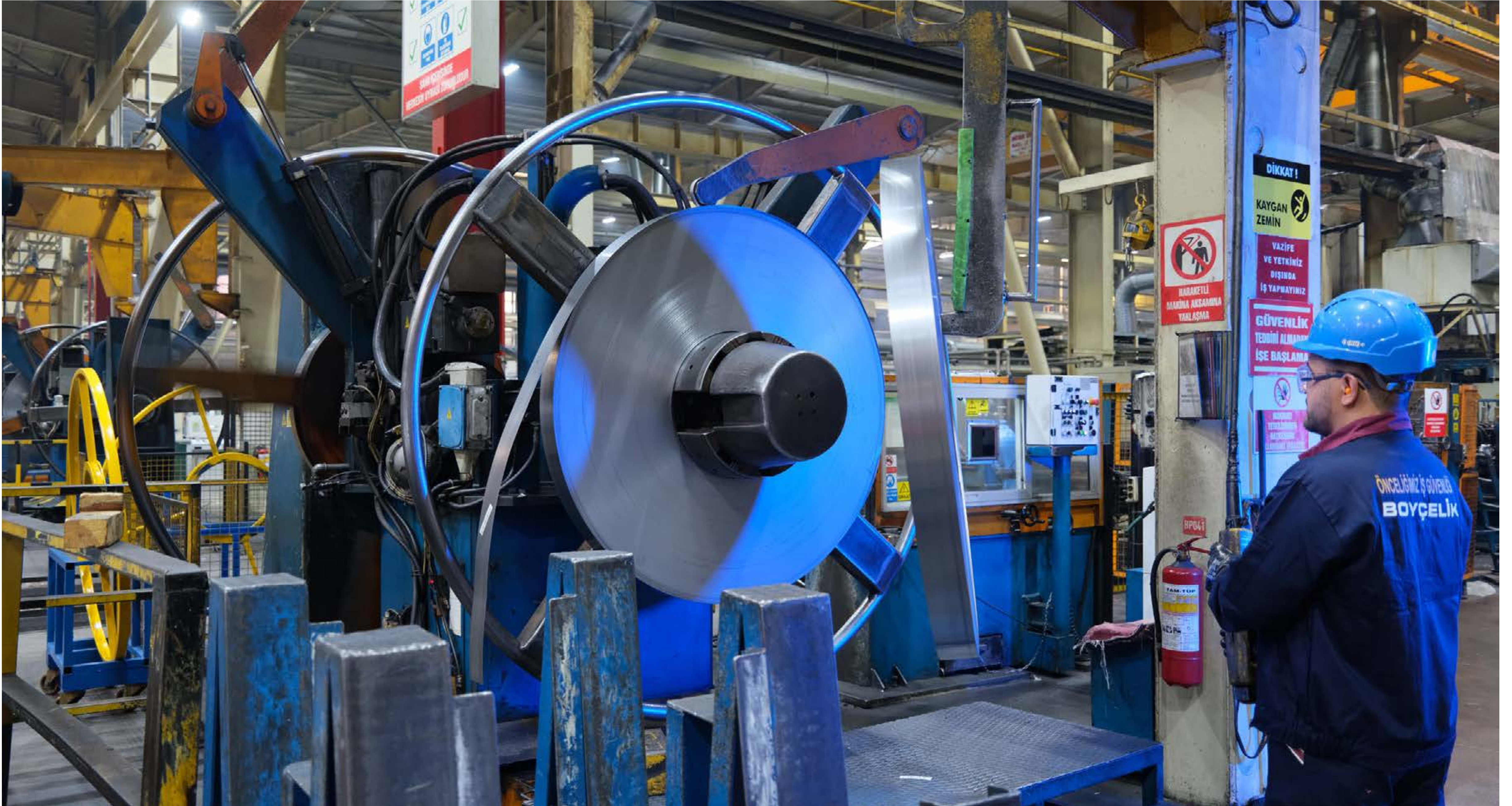
Directors. It has 12 members, including our Deputy General Manager for Technical Affairs: Human Resources Manager, Purchasing Manager, Quality-Innovation Manager, Marketing Manager, Export Manager, Environment-OHS Chief, Auxiliary Operations Manager, Accounting Chief, Information Technologies Manager, Production Managers. Our committee meets twice a year. When necessary, subject matter experts from departments not represented in our committee or from outside the company may be included in the meetings. All activities and projects as part of our sustainability goals are subject to the evaluation and approval of our Sustainability Committee.

“Our Sustainability Policy guides us in realizing our sustainability goals in the short, medium and long term.”

### Sustainability Committee Organization Chart



**We always aim for better.**



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## 5. Economic Performance

At Boyçelik, we aim to take into account our environmental and social impacts in line with our sustainability mission as well as continuously improving our economic performance.

Beyond our financial success, we prioritize both our environmental and social responsibilities by aiming to achieve our long-term sustainability goals.

The year 2023 was marked by economic imbalances caused by the Russian-Ukrainian war, the February earthquake that caused one of the worst cases of destruction in history, the fall in demand and price instability triggered by developments in the Middle East, as well as the rise in energy prices and the inflationary environment. **Despite all these challenges, the strategies we developed to increase our operational efficiency and control our costs enabled us to export to 54 different countries and increase our total revenues from net sales by 34% from TL 2.7 billion in 2022 to TL 3.6 billion in 2023.** In addition, our digital transformation projects and innovative product development efforts helped us hedge against demand downturns, supporting our growth in line with our sustainability principles.

Export		
	Export Increase Rate	Number of Export Countries
2021	28%	60
2022	28%	59
2023	34%	54

We are likely to see the effects of current economic imbalances in the coming period. On the other hand, regulations coming into force in the EU under the Green Deal, in particular the Carbon Border Adjustment Regulatory Mechanism (CBAM), will increase both operational and financial costs for exporters in the coming years. The introduction of the fiscal dimension of CBAM from 2026 onwards will require affected sectors to reshape their business model and pricing structure. In the face of these challenges, as a company, we consider not only financial success, but also how we can adapt our strategies for a sustainable future, even under these extraordinary circumstances.

To that end, we prioritize quality and innovation as well as investments that reduce energy costs and strengthen our company's environmental and social performance.

Economic Value Created	
Year	Revenues
2021	1.8 Billion
2022	2.7 Billion
2023	3.6 Billion

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## 5.1 Investments

Our investments are decided by the Investment Committee reporting to the Board of Directors. Investments that strengthen our environmental performance, particularly those that reduce energy consumption and costs, are prioritized in the areas of quality, customer satisfaction, R&D and innovation. Our R&D and innovation investments continue to increase. Our investment rate of **0.50%** in 2021 increased to **5.91%** in 2022 and to **8.64%** in 2023.

Climate change stands out as a major problem of our time. CO2 levels in the atmosphere have risen from 310 ppm in 1960 to about 420 ppm today, and the increase continues apace. Quick action is required to prevent lasting damage from climate change. As one of Türkiye's bold and innovative companies, we take significant steps to combat climate change with our clean energy investments and continue our efforts for a sustainable future.

As part of our renewable energy investments, roof-type SPPs were commissioned at our Tube & Section production plant in Kayseri OIZ in May 2023. The project capacity is **2,600kWe / 3,237kWp**, and the projected annual electricity generation is **4,607,000 kWh**. In 2023, the amount of energy generated through SPPs amounted

to **3,089,378 kWh** and met 48% of the total electricity consumption at our tube & section plant. To that end, the project's impact on our scope 2 emissions is **1,289.90 tCO<sub>2</sub>**, while its impact on our scope 3 emissions is **123.58 tCO<sub>2</sub>** and its impact on total emissions is **1,479.81 tCO<sub>2</sub>**. This investment will not only reduce our energy costs but will also contribute to our company's sustainability goals as well as national and global carbon mitigation targets by reducing our environmental impact in the long term.

To increase our SPP capacity, Boyçelik Wire & Spring Unlicensed Land SPP works are ongoing in Van. The capacity of this project is **12,000kWe / 14,951kWp**. Moreover, Boyçelik Tube & Section Additional Capacity Unlicensed Land SPP in Şanlıurfa is expected to be commissioned in 2024. The capacity of this project is estimated to be **2,970kWe / 4,010kWp**.

In addition, we have investments underway to increase our production capacities in 2024. We aim to increase our weekly production capacity by approximately 50% by investing in 5 spring and 3 typesetting machines in our pocket spring line. We also estimate that our weekly production capacity will increase by approximately 31% with the pending additional investment in our S Spring line in 2024.





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## 2. R&D and Innovation

In our research and development activities, the mainstay of our business model, we focus on developing high quality products that both minimize environmental impact and offer innovative solutions to our customers' needs. **In 2023, we produced 702,184 units of C-Cycling, 19,541 units of Dura Coil, 4 units of Ready to Sleep (R2S), 21,560 units of Fit Bonnell, 41,539 kg of low carbon wire, 1,855 units of Maxi Bonnell and 2,994,487 kg of galvanized pipe.** In 2023, we developed 3 new products and offered 2 of them on the market for sale. Approximately 0.1% of our sales were generated from the new products we launched in 2023.

### C-Cycling

In 2023, we launched a major innovation in pocket spring production. To reduce the environmental impact of our product, we added a recyclable pocket spring unit construction. In the same year, we launched C-Cycling, which is made entirely from recyclable materials, including wire, interlining and adhesives.

### Ready to Sleep (R2S)

In 2023, through R2S, which we designed for our export customers, we are taking the processing of unit structures even further and carrying out the next stages such as pooling and felting in-house. This allows us to ship our semi-finished products to our customers at a quality that is much closer to the quality of the finished product.

### Fit Pocket Spring and Fit Bonnell Spring

One of the most fundamental matters in production processes is energy and resource efficiency. Resource efficiency is essential, particularly in the production of products from high emission raw materials such as steel production. In our Fit Pocket Spring and Fit Bonnell Spring products that we have developed accordingly, we have increased the product stiffness while reducing the number of spins in the pocket spring and bonnell spring, thus ensuring resource efficiency.

### Maxi Bonnell

At Boyçelik, we developed our Maxi Bonnell spring system in 2023. This system offers a better sleep experience compared to traditional bonnell spring systems. In this system, mattresses offer more support and comfort thanks to the increased number of springs. We have also achieved a significant advantage in product cost. We stand out thanks to the long life offered by our Maxi Bonnell springs made of high quality Boyçelik steel wire. In addition, unlike conventional systems, our springs have a smaller head diameter, allowing us to offer superior comfort by providing more springs per square meter. These innovative approaches enabled us to respond better to the needs of our customers and gain a competitive advantage in the market.



### Low Carbon Wire

To expand our product range in wire production, we started to use our existing machinery to produce low carbon wire, which is easier to shape and is particularly used in the white goods and construction sectors.

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## 5.2.1. Digital Transformation

At Boyçelik, we advance our digital transformation processes in parallel with our sustainability goals. In 2023, we took advantage of the power of technology and conducted various digitalization projects to make our way of doing business and processes more efficient.

Data management and analytics processes are the cornerstones of our digital transformation efforts. User reporting through data warehouses instead of the system reduces our system load and increases our operational efficiency by further accelerating

our system with a single-job data warehouse. **While in our previous system we could access several years of data within hours, we can now access the same data within seconds thanks to the data warehouse system.**

This process has ISO 27001 Information Security Management System integration, enables access to information independent of location and allows us to maximize the accuracy and security of information.

### Business Intelligence and Data Analytics System

As part of the system we developed with Power BI Pro, we use comprehensive reporting, dashboards and analysis tools in an integrated manner. These tools support all our departments in making data-driven decisions by transforming information collected from various data sources into meaningful and interactive visuals. Our business intelligence applications increase operational efficiency, strengthen our strategic planning and make our decision-making processes data-driven and dynamic. This allows us to increase our competitiveness by improving internal efficiency.

### Robotic Process Automation (RPA)

Through our RPA project, we identify routine operations which are performed periodically by our employees, are repetitive and do not support competency development, and we make sure these are performed faster and more accurately by software robots. In the coming period, we aim to analyze the performance of automated transactions and processes with the process mining method and to identify improvement and development opportunities more quickly. As part of the project, our employees will be able to save time and focus on more creative, innovative and development-oriented work.

One of our project goals is to enable all our employees with the necessary competence to handle their own processes first-hand without IT support through the 'do-it-yourself' model. To that end, we provided a total of 26 hours of RPA training to 10 volunteer employees in 2023.

### Sharepoint Enterprise Sharing and Collaboration Portal

We are working on the digitalization and standardization of our management systems by facilitating our document management, collaboration and information gathering processes with the MS SharePoint system. Accordingly, processes such as the management of our ISO certificates, document approval processes and form collection are managed centrally and regularly through SharePoint. In addition, with features such as internal announcements, news and common calendar provided by SharePoint, we strengthen our internal communication and ensure that our employees are constantly updated about their projects and tasks. Through this integrated platform, we aim to strengthen fast and effective decision-making in a dynamic business environment, thus enabling continuous improvement of our internal operations.

## 5.3 Product Responsibility and Customer Satisfaction

The quality, safety and customer satisfaction of our products form the basis of our competitiveness. We put the concepts of 'Product Responsibility and Customer Satisfaction' at the core of our business model. To that end, we focus on 3 areas: continuous improvement of our production processes, R&D and innovation, and customer satisfaction.

To keep our production processes at global standards and maintain high quality production, we established our Quality Management System by obtaining our ISO 9001 certificate in 2006, and we continue our efforts to improve our processes every day. While improving our production processes, we also work on improving our environmental performance and resource efficiency.

**To that end, we have ISO 14001, ISO 45001, ISO 27001 and ISO 50001 certificates.**

In addition to our ISO certificates, we hold product certificates such as **TS EN 10270-1, TS EN 10219-1, TS EN 10305-3:2016, TS EN 10305-5:2016** to prove the quality of our products internationally and to provide our customers with high service standards. We also have the OEKO-TEX certificate, which certifies that our products undergo environmentally friendly production

processes, as well as the CE Certificate of Conformity, which confirms compliance with the European Union norms. These certificates stand out as an indicator of our understanding of continuous improvement and innovation in our production processes.

Our after-sales services are meticulously carried out by the Customer Technical Services team within our Quality and Innovation Unit. Our team offers a wide range of services, from pre-sales product trials to clarifying technical details and handling customer feedback after sales. Customer feedback is analyzed in detail and recorded in our EBA document system to identify root causes and necessary corrective actions. Any improvements are communicated to our customers in detail. If an error is detected on our side, the product is returned, and corrective actions are taken quickly to prevent the same problem from happening again. Our entire customer notification process is monitored through the EBA system.

As part of our continuous improvement culture and our goal to continuously improve the quality of our products, customer feedback and improvements are regularly reported to our senior management.



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## 5.4 Tax Approach

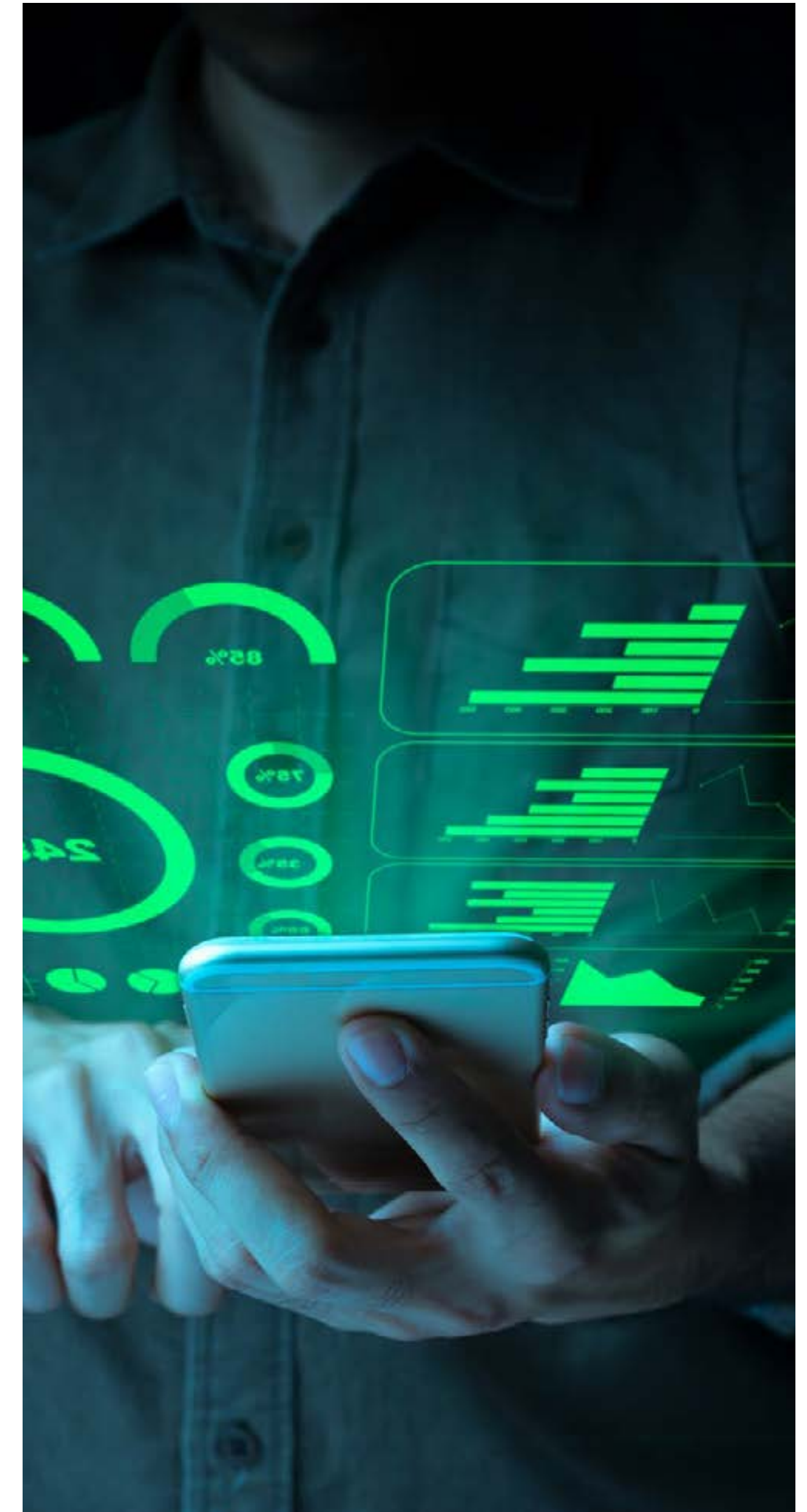
As with all our operations, we conduct our tax processes within the framework of ethical principles, adhering to the principles of transparency, accountability, social responsibility and fairness. We aim for sustainable success by designing our tax processes in line with the objectives of our business units and our overall business strategy.

Adopting a fair and ethical attitude in tax practices is one of the fundamental principles of our company. In our supplier selection processes, we prefer companies that value tax ethics.

Tax management is the responsibility of our company's accounting department and includes a process that requires the approval of our Deputy General Manager for Financial and Administrative Affairs and of our General Manager. This process is carried out by a team of 6 specialists led by a department manager and a department chief, and tax returns are handled by approval from department managers. In addition, we receive audit services from independent firms for full certification audits for provisional tax periods every quarter.

Our financial statements are audited annually by independent auditors.

“We aim for sustainable success by shaping our tax processes in line with the objectives of our business units and our overall business strategy.”



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## 5.5 Contribution to Local Economy

As a part of Erciyes Anadolu Holding, one of the leading groups in our region and Türkiye, as well as being a strong exporter, we are proud to support the sustainable development of the local economy. By creating significant employment for the local economy, working with local suppliers and collaborating with local communities, we aim to contribute to a sustainable development model.

In 2023, 3 people started to work full-time in our company under our Young Talent Program. We also share our sectoral knowledge and experience with students through seminars at universities. We give university students the opportunity to realize their compulsory projects in our company, accompanied by a mentor.

3 university students are mentored as part of our mentoring program, which we have been running since 2023. Within the framework of the on-site learning programs of universities, we organize factory tours for students and support them in putting their theoretical knowledge into practice.

In addition, since 2018, we have been offering scholarships to the children of our employees studying at university, thus contributing to their competency development by offering internship opportunities to high school and university students. Our scholarship program provides scholarships to 49 students.

**In 2023, we increased our support for the local economy by significantly increasing the number of local suppliers and our procurement volume year on year. As of 2023, 788 of our total 842 suppliers are local businesses. We have also increased our direct contribution to the local economy by increasing our local procurement amount to TL 3 billion.**

In addition to the employment we create, we support local young people in developing their competencies and preparing for business life. Since 2023, we have been offering students the opportunity to work on our projects as part of our Young Talent program, which we have been conducting together with universities, and we offer successful young talents with job opportunities at our company.

Year	Local Supplier Ratio
2021	93%
2022	96%
2023	96%

Year	Suppliers			
	By Country or Region		By Type (Transporter, Consultant, Wholesaler, etc.)	
	Domestic	Overseas	Domestic	Overseas
2021	832	45	214	17
2022	787	44	236	17
2023	788	54	260	19

Approximate value of payments made to suppliers			
Year	Amount of imports	Amount of domestic purchases	Total
2021	TL 100 Million	TL 1.4 Billion	TL 1.5 Billion
2022	TL 100 Million	TL 2.3 Billion	TL 2.4 Billion
2023	TL 130 Million	TL 3 Billion	TL 3.1 Billion

# ACİL DURUM NOKTASI

**YAKARICI  
ELEKTRİK  
MUKAVİMLİK**



A poster titled "YAKARICI ELEKTRİK YARIMININ 1. ADIMI" (First Aid Steps for Severe Electric Shock) with a red triangle warning symbol. It lists steps for first aid, such as "1. Enerjiyi Kes" (Cut the energy) and "2. Yaralıyı Uzaklaştır" (Remove the victim). It also includes a small diagram of a person being treated.

A poster with emergency contact information. It features a green section with the number "112" and a red section with the number "110". It also includes a small diagram of a person being treated.

Two small, rectangular informational posters. The top one is red and white, and the bottom one is blue and white. They contain text and small diagrams, likely related to safety or emergency procedures.

A clipboard with several papers attached to it. The papers appear to be forms or checklists, possibly for safety inspections or emergency drills.

An orange first aid kit with a white label. The label includes the text "EMER KAZ" and "İLK YARDIM SETİ" (First Aid Kit). It also features a red crescent moon symbol.

2

A small, red, rectangular button with a white symbol on it. It is mounted on the wall, likely serving as an emergency alarm or stop button.

A poster with a red border and a white background. It features a fire icon and the text "YANGIN ALARMI BUTONU" (Fire Alarm Button). It includes instructions on how to use the button and what to do in case of a fire.

A red fire alarm button with a white hand icon pointing to it. The text "YANGIN ALARMI BUTONU" is visible on the button.



TY020

TY021

TY022

TY023



**We embrace environmentally sensitive practices.**





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## 6.1. Environmental Management

We developed a comprehensive Environmental Policy to achieve our sustainability goals, minimize our environmental impact and fully comply with relevant legislation. You can access our Environmental Policy [here](#). The processes of calculating, monitoring and reporting

our environmental impacts are carried out through our Environment and OHS Department. The department is also responsible for our environmental projects and efforts to raise environmental awareness within the organization.



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## 6.2. Energy Management

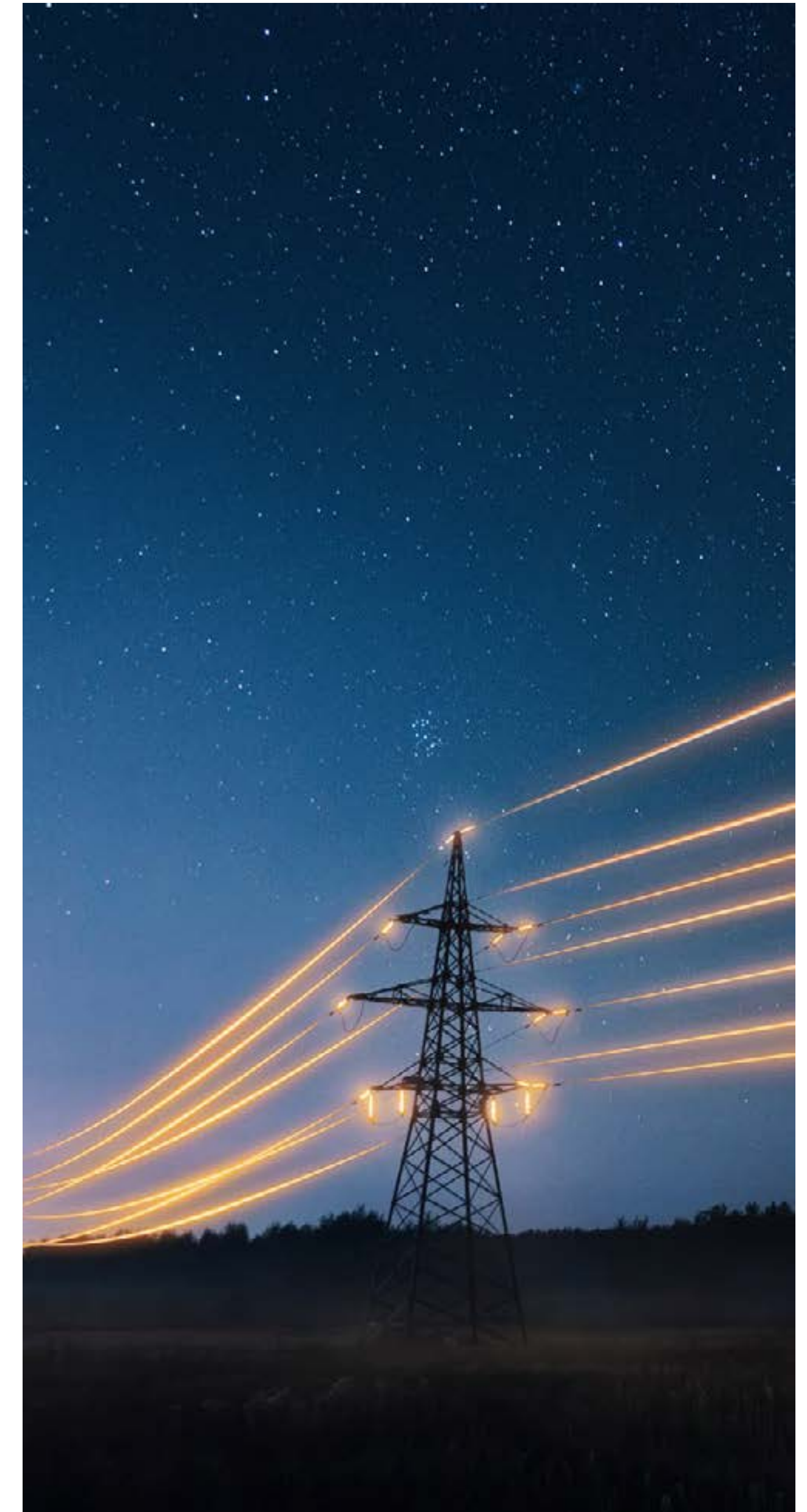
Energy efficiency and greenhouse gas management are fundamental aspects of our sustainability strategy. We handle energy management in accordance with the relevant national legislation such as the Regulation No. 28097 on Increasing Efficiency in the Use of Energy Resources and Energy and update it in the light of developments. You can access our Energy Policy [here](#).

We manage energy within the organization through our Auxiliary Operations department. The Energy Team at our company records our energy consumption and monitors performance in coordination with our business

units and in accordance with the ISO 50001 Energy Management System, for which we received certification in 2011. Our energy team consists of 7 members including Deputy General Manager for Technical Affairs, Production Managers, Auxiliary Operations Manager, Quality-Innovation Manager, Planning Manager and IMS Representative. The team reports directly to our General Manager.

Our Energy Team convenes 4 times a year and evaluates the existing and potential work regarding the energy management system.

Energy Consumption			
Direct energy from fossil fuel	2021	2022	2023
Diesel/Diesel Oil	6,354 L	4,404 L	4,121 L
Natural Gas	1,758,895 sm <sup>3</sup>	1,419,322 sm <sup>3</sup>	1,430,862 sm <sup>3</sup>
Direct energy from fossil fuel	2021	2022	2023
Electricity	28,995,331 kWh	24,710,852 kWh	25,589,914 kWh
Energy Supplied from Renewable Energy Sources	2021	2022	2023
Solar Energy	-	-	3,089,378 kWh



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We invest in renewable energy sources to reduce our dependence on foreign energy and to realize our sustainability goals. Thanks to our rooftop SPP project, which we commissioned at our tube & section production plant in May 2023, we provided 48% of the energy we consumed at our tube & section production plant from renewable energy in 2023.

**We are working on 2 unlicensed land SPP projects in Van and Şanlıurfa to be commissioned in 2024.**

**According to the feasibility studies for the projects, electricity consumption provision is provided in the table below.**

Our SPP Projects are sized in line with our company's growth strategies and at a scale to support the conversion of fossil fuels to electric systems. In addition, in case of surplus generation, the surplus can be fed into the grid to generate revenues.

“We invest in renewable energy sources to reduce our dependence on foreign energy and to realize our sustainability goals.”

Project Name	Project Location	Projected Electricity Consumption Provision*	Total Projected Mission Impact (tCO <sub>2</sub> e)
Boyçelik Wire & Spring	Van	156%	13,975.10
Boyçelik Tube & Section Additional Capacity	Şanlıurfa	128%	3,940.75

\* Calculated based on projected SPP generation and our company's electricity consumption values for 2023.



## 6.3. Greenhouse Gas Management

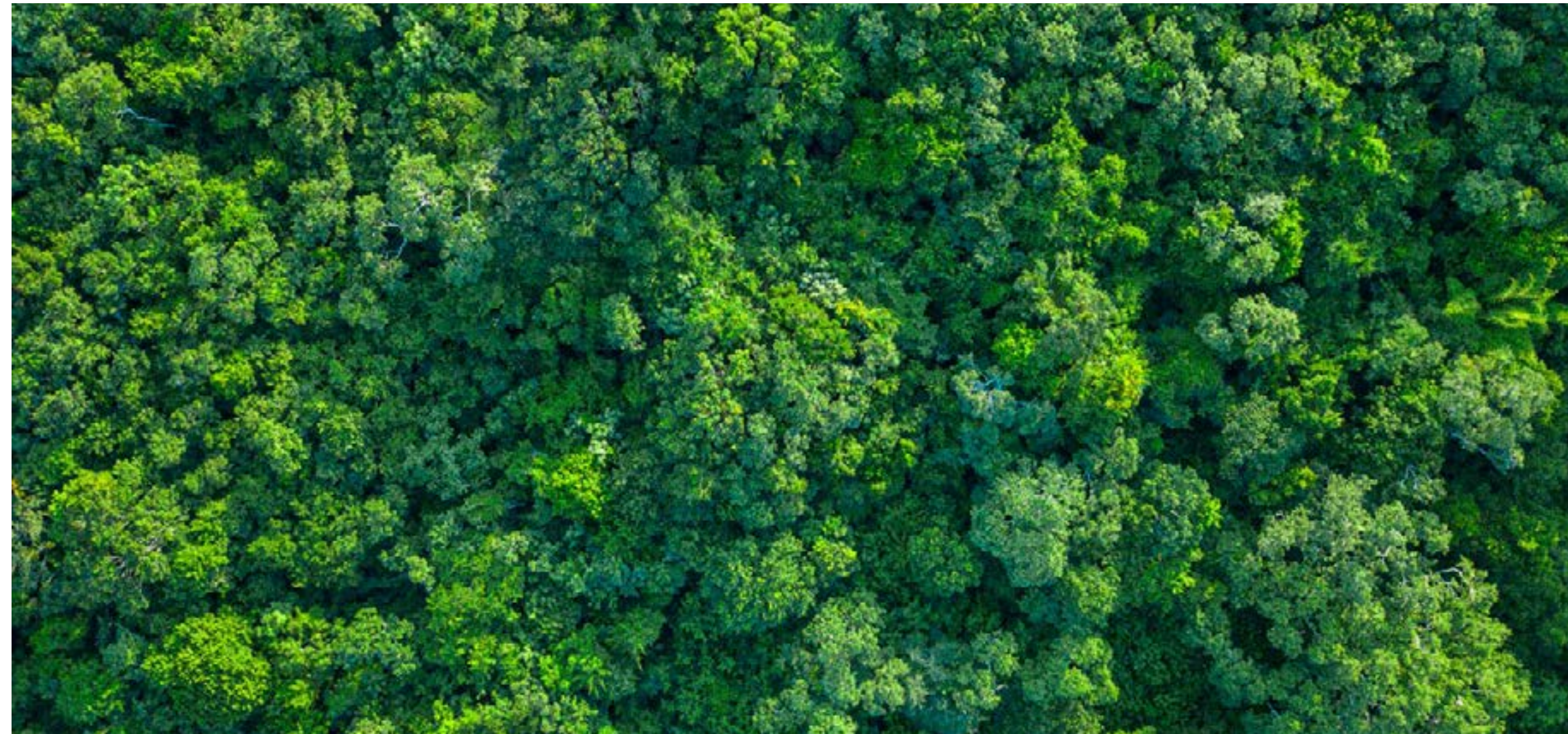
As part of our sustainability strategy, we aim to be net zero in terms of our scope 2 greenhouse gas emissions by 2025. Regular monitoring of greenhouse gas emissions is the first step in reducing the carbon footprint.

We have been calculating our carbon footprint within the framework of ISO 14064 Standard for 3 years and have it accredited and verified.

As part of our sustainability strategy, we invest in renewable energy to reduce our dependence on fossil fuel resources, increase the share of renewable energy in our energy consumption and reduce our greenhouse gas emissions. We achieved a total reduction of 1,648.73 tCO<sub>2</sub>e in our Scope 2 and 3 emissions thanks to the rooftop SPP project we commissioned in May 2023 at our tube and section production plant.

**We are working on 2 unlicensed land SPP projects in Van and Şanlıurfa to be commissioned in 2024.**

**We anticipate that the SPP projects we plan to commission will enable a total annual reduction of 17,916 tCO<sub>2</sub>e.**



GHG Emissions (tCO <sub>2</sub> e)	2021	2022	2023
Category 1	4,756.77	3,491.45	3,967.08
Category 2	12,757.95	10,872.77	10,216.82
Category 3	40,475.92	48,871.22	14,352.77
Category 4	378,638.22	304,129.59	304,658.77
Category 5	2,509.59	3,474.04	3,307.21
Category 6	4,972.53	172.98	4,562.83
<b>Total</b>	<b>444,110.95</b>	<b>371,012.05</b>	<b>341,065.47</b>

GHG Emissions (tCO <sub>2</sub> e)	2021	2022	2023
Scope 1	4,756.77	3,491.45	3,967.08
Scope 2	12,757.95	10,872.77	10,216.82
Scope 3	426,596.23	356,647.83	326,881.58
<b>Total</b>	<b>444,110.95</b>	<b>371,012.05</b>	<b>341,065.47</b>

Project Name	Project Location	Total Projected Mission Impact (tCO <sub>2</sub> e)
Boyçelik Wire-Spring	Van	13,975.10
Boyçelik Tube-Section Additional Capacity	Şanlıurfa	3,940.75

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## 6.4. Water Efficiency and Wastewater Management

Water is a vital resource. However, climate change, drought, increasing population and pollution pile up the pressure on water resources. Therefore, it is critically important to use water resources efficiently and effectively, to protect the cleanliness and quality of water, and to distribute it in a fair and sustainable manner.

In our production processes, water is used for diluting acid solutions as needed, preparing boron oil emulsions and performing the welding cooling process. We also use water for air conditioning, cooling, lawn irrigation and fire extinguishing. The water we consume is mainly municipal water.

While discharging the wastewater from our operations, we comply with the discharge standards set by Kayseri

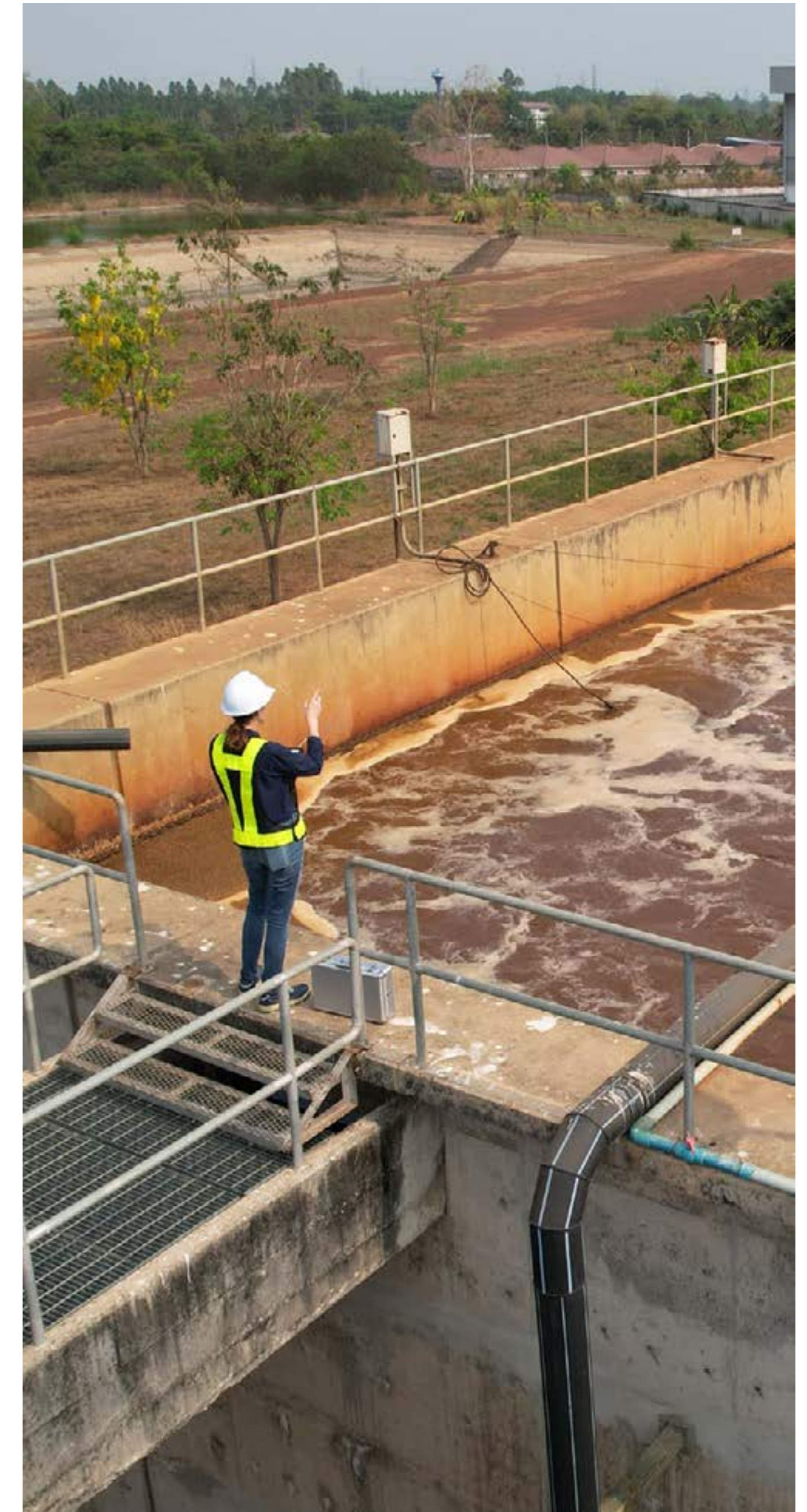
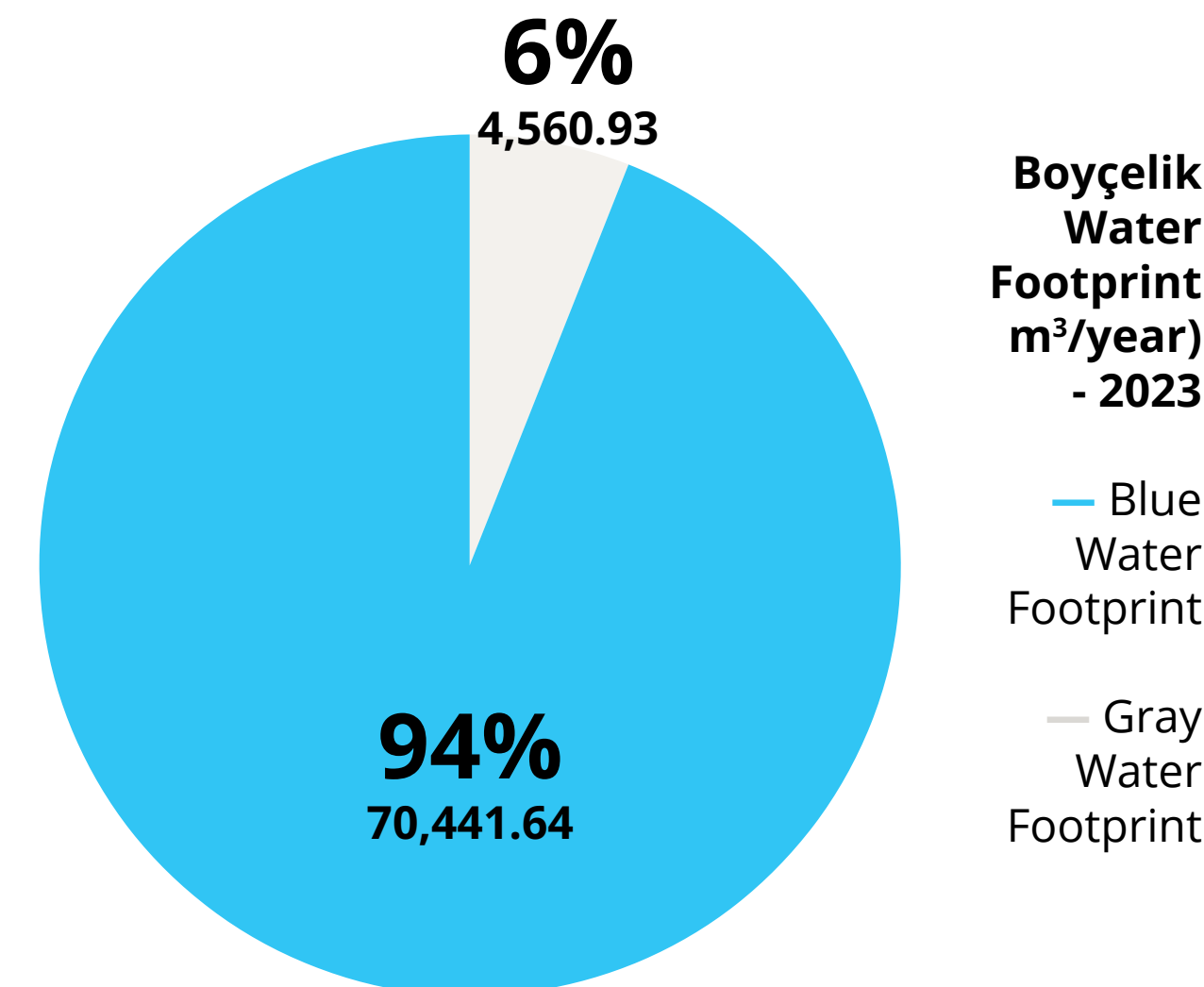
1st Organized Industrial Zone (OIZ), where we are located. After neutralizing the pH level of the wastewater coming out of the acid unit at our wire & spring production plant, we discharge it to the wastewater line.

To raise awareness within the company, Water Footprint Training was provided to our administrative employees working in the Production, Quality and Auxiliary Operations Departments. The training aimed to increase the in-house water consumption sensitivity of the unit supervisors attending the training.

**Since 2022, we have been calculating and verifying our water footprint in accordance with the ISO 14046 Water Footprint Standard. The details of calculations for 2022 and 2023 are provided in the table below.**

Year	Water Footprint	Quantity
2023	Blue Water Footprint	70,441.64 m <sup>3</sup>
	Gray Water Footprint	4,560.93 m <sup>3</sup>
2022	Blue Water Footprint	75,376.00 m <sup>3</sup>
	Gray Water Footprint	48,845.00 m <sup>3</sup>

Water Use per Unit of Production (m <sup>3</sup> /ton)	
2021	0.51 m <sup>3</sup>
2022	0.56 m <sup>3</sup>
2023	0.55 m <sup>3</sup>



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## 6.5. Circularity and Waste Management

We see waste not only as a process output, but also as a raw material that needs to be brought into the economy. Therefore, we established a comprehensive waste management system in accordance with national standards and regulations and received the Basic Level Zero Waste Certificate in 2021. As part of the waste hierarchy, we first aim to prevent, reduce and reuse our wastes, and in cases where this is not possible, we aim to bring them back into the economy through recycling. Accordingly, we established our Waste Management Policy.

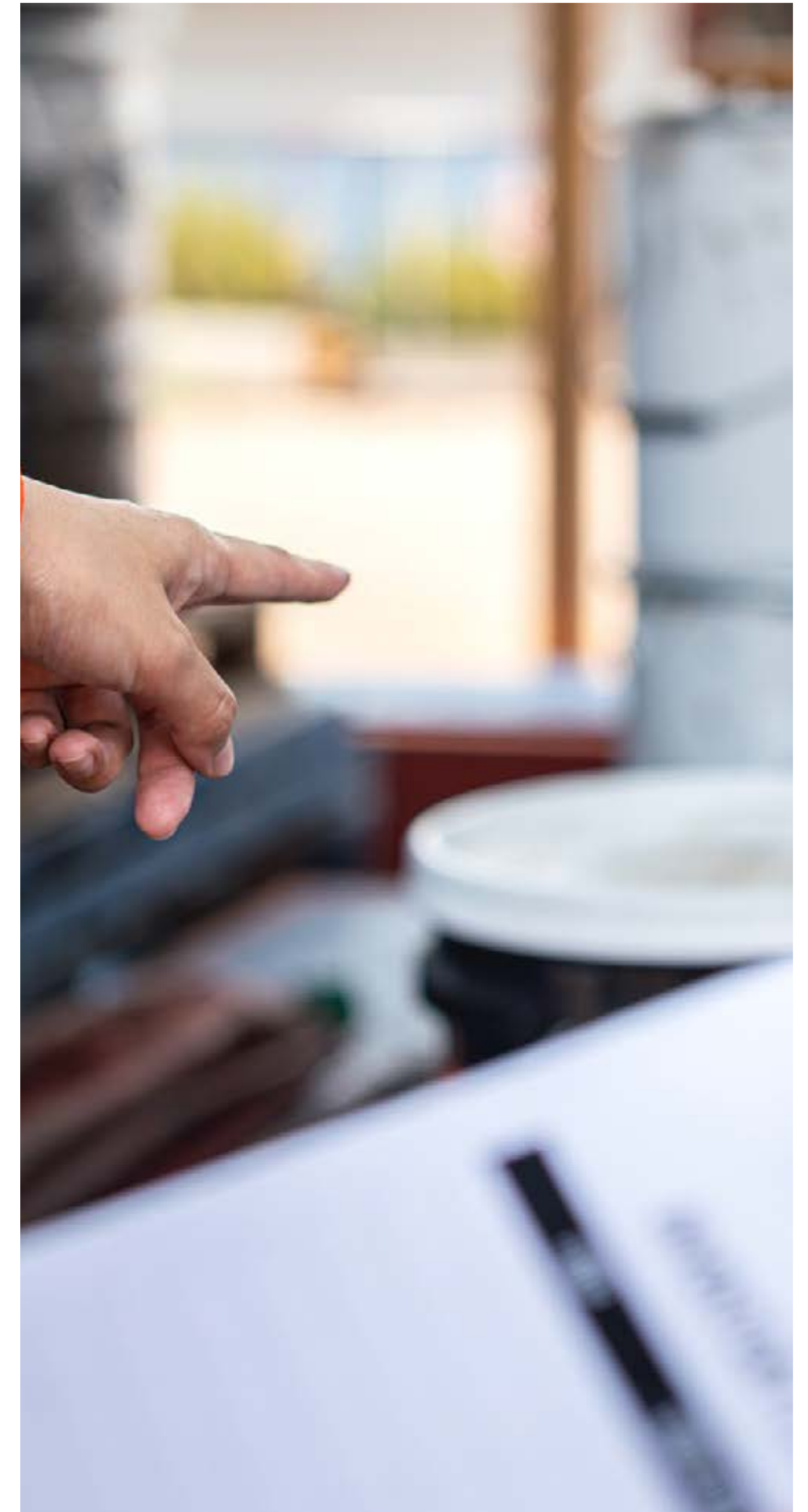
Our company is covered by Annex-2 of the Regulation on the Control of Industrial Air Pollution. To that end, emission measurements are performed regularly every 2 years. We are pleased to share that in our measurements, we have not encountered any cases where the limit value is exceeded.

To reduce our wastes, we reuse the packaging of the raw materials we purchase and use them in our own product packaging.

**We aim to increase the ratio of recycled raw materials we use in production. In 2023, approximately 15,000 tons of wire rod used as raw materials in our wire & spring factory was obtained from scrap. The tubes and sections we produce are made of completely recyclable metals.**

We collect and record the wastes from our operations separately as packaging, hazardous and non-hazardous wastes. We store wastes in temporary storage areas at our plants. We then send our wastes to the relevant licensed recovery companies in accordance with the Waste Management Regulation, to incineration plants for energy recovery for wastes that cannot be recovered, and to disposal facilities if this option is not possible, either.

You can find the waste data for the last 3 years on the next page.



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Total Wastes by Type (Tons)			
	Hazardous Wastes	Non-Hazardous Wastes	Total Wastes
2021	609	41	650
2022	523	96	619
2023	464	135	599
By Recovery Method (Tons)			
	Energy Recovery	Recovery	Total Recovered Waste
2021	302	348	650
2022	224	395	619
2023	186	413	599
Ratio of Reused/Recycled Materials (kg)			
	Mixed Packaging (Paper, Cardboard, Plastic, Wood)	Non-Hazardous Waste Recycling	
2021	9,750	32,100	
2022	84,640	11,570	
2023	83,560	51,611	
Recyclability / circularity rate of manufactured products (%)			
	Tube and Section	Mattress Units	
2021	100	100	
2022	100	100	
2023	100	100	

Total Waste (kg)				
By Type		2021	2022	2023
Hazardous Wastes	Rotten Acid	145,616	108,750	111,542
	Phosphate Sludge	155,300	123,860	110,380
	Treatment Sludge	32,620	26,080	14,440
	Waste Wire Drawing Lubricant	86,040	60,360	46,560
	Boron Oil	15,802	178,060	163,480
	Contaminated Packaging	800	1,920	900
	Contaminated Oakum	19,080	14,040	14,120
	Borax	8,840	-	-
	Fluorescent	72	20	-
	Scrap Cable	920	-	2,100
	Hydraulic Oils	1,400	2,100	620
	Battery	-	6,760	-
	Waste Electronics	-	1,200	-
Non-Hazardous Wastes	Paper and cardboard	9,150	-	4,942
	Plastic	2,350	3,200	3,380
	Metals	1,200	1,951	1,886
	Waste Plastic (Interlining)	4,500	6,040	10,260
	Mill Scale Sludge	13,100	-	30,824
	Aluminum	1,120	380	-
	Paper Cardboard Packaging	2,300	58,340	-
	Wooden Packaging	6,750	26,300	24,620
	Plastic Packaging	700	-	-
	Mixed packaging	-	-	58,940
	Chromium	520	-	-
	Cast Iron	160	-	-
	Zinc	-	-	320





**We believe in diversity and the power of unity.**



## 7.1 Social Performance Management

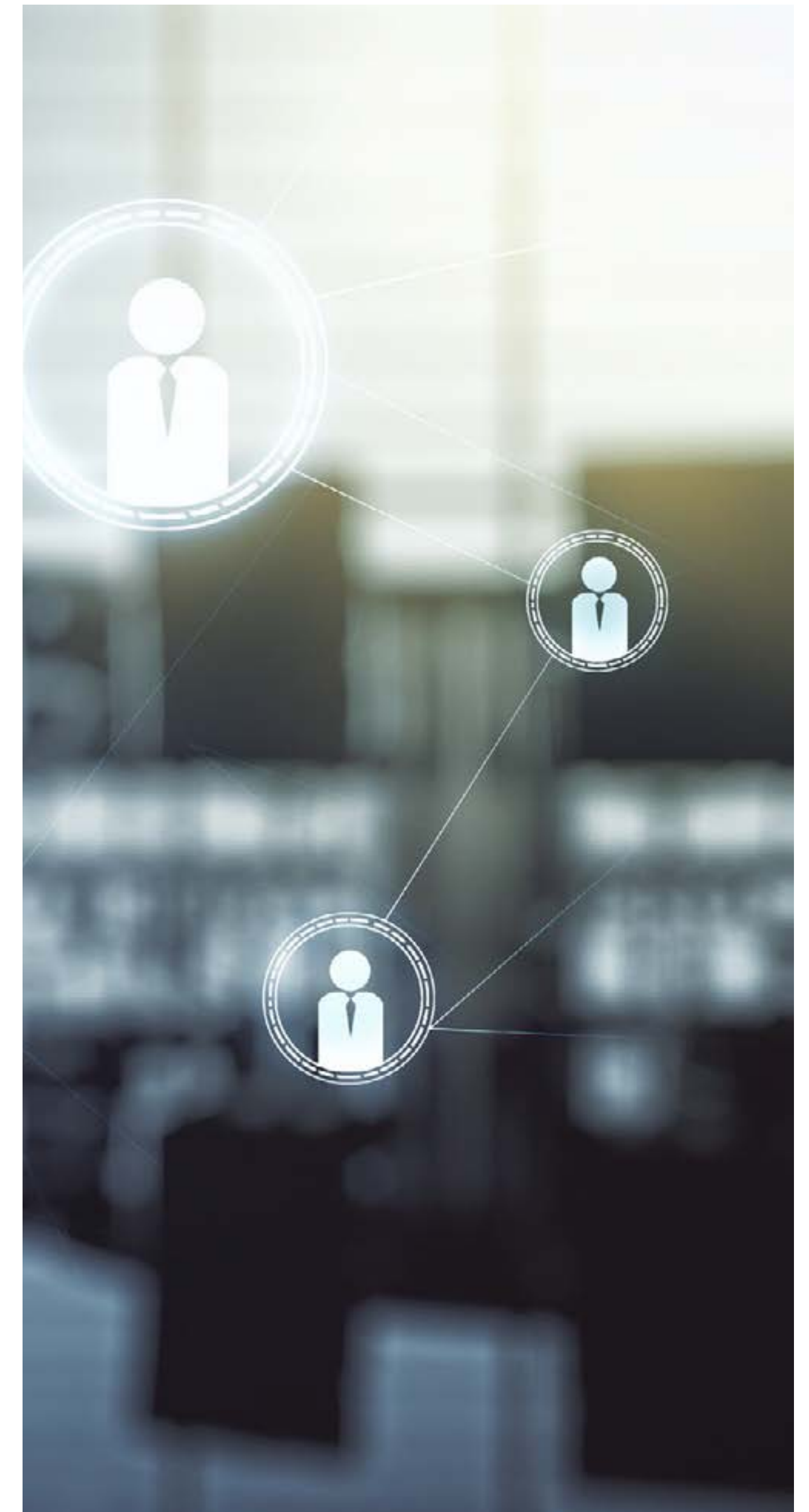
As a sustainable company respecting human rights, we prioritize the rights of our employees, customers and all our stakeholders. We measure our social performance through the well-being of our employees and the benefit we provide to the society in which we operate.

We manage our processes regarding the rights, conditions and safety of our employees through our Human Resources and OHS Policies. We perform our operations to increase our social contribution in coordination with the Holding’s Corporate Communications Unit. Our Human Resources Policy and related procedures approved by the Board of Directors regulate processes such as employee rights, remuneration, performance management and career development.

**We attach importance to employee rights, we create a fair work environment, and we increase the motivation of our employees. We protect and manage the rights of our employees in accordance with existing legal regulations and labor agreements. Our corporate policies are based on the principles of respect for human rights and compliance with international standards. Therefore, we consider the protection of human rights as a priority objective.**

The salaries and benefits of our employees are defined in detail in the Remuneration Policy Principles, which aim to build a transparent, fair and competitive remuneration system. We adopt a wage system that takes into account the importance and impact of the job and, accordingly, the education, experience and similar qualifications of individuals. We also fully respect workers’ right to collective bargaining and freedom of association.

The safety of our work environment is a top priority. We fully comply with relevant laws and regulations and follow developments closely. Under the leadership of our Occupational Health and Safety department, we take necessary measures to keep the health and safety of our employees at global standards. Our Occupational Health and Safety Policy defines the processes and responsibilities we have developed to this end. All our employees have the right to work in a suitable and safe environment and to demand the correction of relevant nonconformities.



## 7.2 Talent Management and Career Development

Our talent management processes aim to identify employees' strengths as well as the points for improvement, and to support their personal and professional development.

**We clearly and precisely define all tasks within the company. We determine the qualifications of the personnel who will undertake the task. We evaluate our employees based on fair and impartial criteria and ensure that they benefit from financial and non-financial advantages according to the added value of their work for the company and in line with their level of education, knowledge, experience and skills.**

We have a vision that supports the success of our employees, shapes the future and aims to provide convenience to all stakeholders through innovative projects. During the recruitment process, we use various interview techniques to evaluate our candidates not only on the basis of their work experience, but also on their potential and competencies. While carefully considering the expectations of our candidates, it is our priority to move forward with candidates who can adapt to our company culture and goals. In addition, our Human Resources team is in regular contact with employees during rotation and reassignment processes. In this

process, we closely monitor employee performance, demands, satisfaction and needs. Our Performance Management System objectively and effectively evaluates the contribution of our employees to the company's goals and aligns the goals of our employees with those of our company.

Each employee, in cooperation with their unit manager, sets individual goals that will contribute to the company's goals. It is important that these goals are measurable and clear. Goals are set to support the career paths and professional development of our employees. Organizational competencies are assessed through behavioral indicators and affect the final performance outcome. Our aim is to clearly communicate expectations by observing the attitudes and behaviors of our employees in line with their goals.

Performance evaluation results are used in areas such as employee development planning, training needs analysis, remuneration efforts and promotion/rotation decisions. These evaluations contribute to planning for employee development, identifying training needs, formulating remuneration policies and making promotion/rotation decisions.



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As part of our human resources management, the potential replacements when/if a position becomes vacant for any reason are studied and planned in advance. Our employees in vertical or horizontal positions that can be transferred to the back-up position are determined according to the minimum job qualifications of the back-up position.

In accordance with our Human Resources Policy, it is among our priorities to create a fair competency development system and support processes based on the principle of equality and to ensure the effective participation of our employees in these processes.

To support the development of our employees, our trainings are designed to respond to the needs of both the company and individuals and to meet the company's competency needs. Our training procedure aims to continuously improve the behavioral and professional competencies of our employees, identifies their potential and provides development tools.

In accordance with the competencies required by the career steps set for each position, we plan training and development efforts in line with individual development needs identified during performance evaluation periods and the corporate sustainability goals. We also offer our new employees a comprehensive orientation training to help them quickly adapt to the company.

**We aim to create a sustainable work environment by not only enhancing the competencies of our employees, but also contributing to the development of corporate culture in environmental, social and governance areas. In addition to on-the-job training, we also offer training through external training companies, including classroom and online training.**

We aim to pass on our experience and knowledge to future generations by training our own internal trainers. We make sure production employees meticulously complete and follow all mandatory trainings, including occupational health and safety and technical development trainings.



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## 7.3 Diversity, Equality and Inclusion

We adopt the principles of diversity, equality and inclusion, and we believe that providing our employees with a fair working environment in compliance with all legal regulations is key for the sustainability of our company. We strive to create a working environment that values each individual's skills and experience, respects diversity and allows each employee to present their ideas and opinions. A trustworthy and respectful communication environment is key to our business culture.

Under our Code of Ethics, if any action that may lead to discrimination and ill-treatment is detected, the relevant processes are carried out. We take care to ensure that

our employees benefit equally from the opportunities offered before and after recruitment. In our processes such as recruitment, remuneration, promotion, transfer and rotation, training and discipline, decisions are made based on individual talent and merit.

**As of 2023, we have 548 employees, comprising 28 women and 520 men. Our female employee rate is 5%, and we aim to increase the rate by 5%.** In addition, we are working in coordination with the Turkish Employment Agency (ISKUR) to improve diversity and to increase the number of disabled employees as part of compliance with legislation.

Employees by Gender		
Year	Male	Female
2021	562	29
2022	516	27
2023	520	28
<b>Rate</b>	<b>95%</b>	<b>5%</b>

“A trustworthy and respectful communication environment is key to our business culture.”



## 7.4 Occupational Health and Safety

The health and safety of our employees are values we will never compromise on. We take care to keep occupational health and safety standards at the highest level in our company and supply chain. In line with our goal of zero occupational accidents, we work proactively to create a safe working environment. Our OHS management system is continuously improved. As of 2022, we received our ISO 45001 certificate.

Our workplace is classified as dangerous according to the OHS law. Therefore, an OHS Board meeting is held every month under the leadership of our management representative with persons holding the competencies specified in the law, and the decisions made are recorded in the approved minute book. Our OHS Board members include the employer’s representative, OHS chief, OHS specialist, workplace physician, HR manager, auxiliary operations manager, W&S production manager, T&S production manager, foreman, and union and employee representatives.

In the event of an accident, we follow the methods in our Accident Detection Procedure. In case of a work accident, the ‘Work Accident Form’ is filled out by the infirmary or Occupational Safety Specialist via EBA. After the root cause of the accident and the actions to be taken are determined by the Occupational Safety Specialist, the form is approved and submitted to the management. In case of a near miss, the relevant employee or their manager should complete the ‘Near Miss/ Near Miss Information Form’ and submit it over EBA. The opinion and approval of the Occupational Safety

supervisor is taken, and then the form is examined by the Occupational Safety specialist, and the root cause as well as the measures taken are determined and approved. The completed forms are evaluated by the committee members at the OHS committee meeting where evaluations are made every month. Following these steps, if necessary, we continue our operations in line with the Nonconformity and Corrective Action Procedure.

We continuously improve our production technology and processes by considering OHS factors and encourage innovations and suggestions. We work to prevent accidents and incidents by improving safety measures. With the participation and support of employees and relevant units, we aim to create a healthy and safe working environment and reduce OHS risks by identifying risks and eliminating hazards. Since our company is in the dangerous class under the OHS law, we conduct risk analysis in special cases and renew it every 4 years. We perform our risk analysis using the internationally applicable ‘X Matrix’ method under the ‘Procedure for Identifying Risks and Opportunities’. All our employees are responsible for identifying OHS risks, while our Occupational Safety Unit reporting to the Human Resources Department is responsible for recording and documenting them.

**In addition, we inform our employees and stakeholders about occupational health and safety, management systems and policies, and systematically support them to improve their qualifications through training and awareness-raising.**



**In 2023, 523 employees received a total of 1,765.4 hours of OHS training.**

The number of near-miss accidents decreased from 66 in 2022 to 42 in 2023. The number of lost time accidents (LTAs) was 44, and the number of accidents without lost time was 35. In 2023, our accident frequency rate (AFR) was 71.05, and accident severity rate was 0.49.

OHS Trainings	
Year	Number of Employees
2021	558
2022	543
2023	523

Occupational Health and Safety	Boyçelik		
Year	2021	2022	2023
Near Misses (Qty/Year)	39.00	66.00	42.00
Number of Lost Time Accidents (Number/Year)	40.00	32.00	44.00
Lost Days (Number/Year)	313.50	431.00	548.00
Number of No-Lost-Time Accidents (Number/Year)	31.00	21.00	35.00
LTIR - Lost Time Injury Rate (Number of Accidents x 1,000,000) / Total Working Hours (Number/Year)	61.52	54.37	71.05
Fatalities	-	-	-
SR - Severity Rate (Lost Days x 1,000) / Total Working Hours	0.27%	0.44%	0.49%
Occupational disease rate (ODR) Number of Occupational Diseases x 1,000,000 / WH	0.00%	0.00%	0,00%





## 7.5 Employee Satisfaction

As part of our corporate culture that prioritizes employee satisfaction, we prioritize employee rights and human rights in all our operations and act in accordance with laws and regulations.

Employee engagement is a critical factor in driving productivity, innovation and our long-term success. To increase employee engagement at our company, our Human Resources Department runs the Appreciation, Recognition and Rewarding Project. Under the project, we aim to increase employee engagement and productivity in the workplace. We offer various aids and gifts to our employees at happy moments such as birth, marriage and promotion as well as on special occasions such as holidays. In addition, we provide educational aids and scholarship support.

To maintain a fair and open communication environment within our company and to identify potential problems in advance, we make sure our employees have the right to complaints, suggestions and wishes. We encourage our employees to get involved in decision-making processes, committees and projects. To that end, we organize periodic meetings, year-end evaluation and information

panels, annual goal setting workshops and performance evaluation interviews.

The requests, reports and suggestions from our employees are communicated through our employee representatives at sites and are taken into consideration by senior management on platforms such as Occupational Health and Safety Board Meetings and Management Review meetings. This allows us to secure consultation and engagement with senior management. Moreover, we implement open communication practices that enable our employees to communicate directly with senior management and identify areas for improvement by creating tools where they can provide feedback through employee surveys.

**We strongly believe that the ideas from our employees will encourage innovation, strengthen teamwork and open the door to effective solutions in the process of developing business strategies. Accordingly, we established mechanisms to enable our employees to submit their suggestions, and we reward approved suggestions. 40 proposals were awarded in 2023.**



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Parental Leave Utilization Data						
	2021		2022		2023	
Employees taking parental leave	Female	Male	Female	Male	Female	Male
Employees entitled to parental leave	2	46	2	42	1	22
Employees taking parental leave	2	46	2	42	1	22
Employees returning to work after the end of parental leave	2	46	2	42	1	22
Employees returning to work after parental leave and working for at least 12 months afterwards	2	46	2	42	1	20

Employment and Turnover Data (Labor Force)						
	New hires			Leaving the job		
Employment and Turnover (TR)	White Collar	Blue Collar	Total	White Collar	Blue Collar	Total
2021	8	48	56	6	27	33
2022	7	2	9	6	18	24
2023	11	106	117	5	102	107

By Employment Type					
	White Collar Female	White Collar Male	Blue-Collar Female	Blue Collar Male	Total
2021	18	53	11	509	591
2022	17	49	10	467	543
2023	18	54	10	441	523



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## 7.6 Social Responsibility

As a company leading its sector, we prioritize carrying out social responsibility projects as part of our sustainability strategy. To that end, we run various projects to support education, protect the environment, promote health and increase recycling.

We focus on providing social benefit through our projects and create value for the society as well as everyone in our value chain.

### Scholarship for Educational Support

We offer scholarships to employees' children having their undergraduate education at universities. Under the scholarship procedure, the scholarship amount determined by Erciyes Anadolu Holding is deposited monthly into the accounts of eligible university students.

### Blood Donation Campaign

In cooperation with the Red Crescent, we visit Erciyes University or Red Crescent Blood Centers every year during the blood donation week to enable our volunteering employees to donate blood.





**We continue to work for our future.**



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## 8.1. Environmental Performance Indicators

GHG Emissions (tCO <sub>2</sub> e)	2021	2022	2023
Category 1	4,756.77	3,491.45	3,967.08
Category 2	12,757.95	10,872.77	10,216.82
Category 3	40,475.92	48,871.22	14,352.77
Category 4	378,638.22	304,129.59	304,658.77
Category 5	2,509.59	3,474.04	3,307.21
Category 6	4,972.53	172.98	4,562.83
<b>Total</b>	<b>444,110.95</b>	<b>371,012.05</b>	<b>341,065.47</b>

GHG Emissions (tCO <sub>2</sub> e)	2021	2022	2023
Scope 1	4,756.77	3,491.45	3,967.08
Scope 2	12,757.95	10,872.77	10,216.82
Scope 3	426,596.23	356,647.83	326,881.58
<b>Total</b>	<b>444,110.95</b>	<b>371,012.05</b>	<b>341,065.47</b>

Project Name	Project Location	Total Projected Mission Impact (tCO <sub>2</sub> e)
Boyçelik Wire-Spring	Van	13,975.10
Boyçelik Tube-Section Additional Capacity	Şanlıurfa	3,940.75

Year	Water Footprint	Quantity
2023	Blue Water Footprint	70,441.64 m <sup>3</sup>
	Gray Water Footprint	4,560.93 m <sup>3</sup>
2022	Blue Water Footprint	75,376.00 m <sup>3</sup>
	Gray Water Footprint	48,845.00 m <sup>3</sup>

Water Use per Unit of Production (m <sup>3</sup> /ton)	
2021	0.51 m <sup>3</sup>
2022	0.56 m <sup>3</sup>
2023	0.55 m <sup>3</sup>

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Total Waste (kg)				
By Type		2021	2022	2023
Hazardous Wastes	Rotten Acid	145,616	108,750	111,542
	Phosphate Sludge	155,300	123,860	110,380
	Treatment Sludge	32,620	26,080	14,440
	Waste Wire Drawing Lubricant	86,040	60,360	46,560
	Boron Oil	15,802	178,060	163,480
	Contaminated Packaging	800	1,920	900
	Contaminated Oakum	19,080	14,040	14,120
	Borax	8,840	-	-
	Fluorescent	72	20	-
	Scrap Cable	920	-	2,100
	Hydraulic Oils	1,400	2,100	620
	Battery	-	6,760	-
	Waste Electronics	-	1,200	-
	Non-Hazardous Wastes	Paper and cardboard	9,150	-
Plastic		2,350	3,200	3,380
Metals		1,200	1,951	1,886
Waste Plastic (Interlining)		4,500	6,040	10,260
Mill Scale Sludge		13,100	-	30,824
Aluminum		1,120	380	-
Paper Cardboard Packaging		2,300	58,340	-
Wooden Packaging		6,750	26,300	24,620
Plastic Packaging		700	-	-
Mixed packaging		-	-	58,940
Chromium		520	-	-
Cast Iron	160	-	-	
Zinc	-	-	320	

By Recovery Method (Tons)			
	Energy Recovery	Recovery	Total Recovered Waste
2021	302	348	650
2022	224	395	619
2023	186	413	599
Ratio of Reused/ Recycled Materials (kg)			
	Mixed Packaging (Paper, Cardboard, Plastic, Wood)	Non-Hazardous Waste Recycling	
2021	9,750	32,100	
2022	84,640	11,570	
2023	83,560	51,611	
Recyclability / circularity rate of manufactured products (%)			
	Tube and Section	Mattress Units	
2021	100	100	
2022	100	100	
2023	100	100	



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## 8.2. Social Performance Indicators

Parental Leave Utilization Data						
	2021		2022		2023	
Employees taking parental leave	Female	Male	Female	Male	Female	Male
Employees entitled to parental leave	2	46	2	42	1	22
Employees taking parental leave	2	46	2	42	1	22
Employees returning to work after the end of parental leave	2	46	2	42	1	22
Employees returning to work after parental leave and working for at least 12 months afterwards	2	46	2	42	1	20

Employment and Turnover Data (Labor Force)						
Employment and Turnover (TR)	New hires			Leaving the job		
Year	White Collar	Blue Collar	Total	White Collar	Blue Collar	Total
2021	8	48	56	6	27	33
2022	7	2	9	6	18	24
2023	11	106	117	5	102	107

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By Employment Type						
Year	White Collar Female	White Collar Male	Blue-Collar Female	Blue Collar Male	Total	
2021	18	53	11	509	591	
2022	17	49	10	467	543	
2023	18	54	10	441	523	

OHS Trainings	
Year	Number of Employees
2021	558
2022	543
2023	523

Employees by Gender		
Year	Male	Female
2021	562	29
2022	516	27
2023	520	28
<b>Rate</b>	<b>95%</b>	<b>5%</b>

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## 8.3. Economic Performance Indicators

Export		
Year	Export Increase Rate	Number of Export Countries
2021	28%	60
2022	28%	59
2023	34%	54

Year	Local Supplier Ratio
2021	93%
2022	96%
2023	96%

Economic Value Created	
Year	Revenues
2021	1.8 Billion
2022	2.7 Billion
2023	3.6 Billion

Approximate value of payments made to suppliers			
Year	Amount of Imports	Amount of Domestic Purchases	Total
2021	TL 100 Million	TL 1.4 Billion	TL 1.5 Billion
2022	TL 100 Million	TL 2.3 Billion	TL 2.4 Billion
2023	TL 130 Million	TL 3 Billion	TL 3.1 Billion

## 8.4. GRI Endeksi

GRI 1: Basic 2021	Disclosure	Headline	Page No
	2-1 Organizational details	2.1 About Us	15
	2-2 Entities included in the organization's sustainability reporting	1. About the Report	9
	2-3 Reporting period, frequency and contact point	1. About the Report	9
	2-6 Activities, value chain and other business relationships	2.1 About Us	15
	2-7 Employees	7.2 Talent Management and Career Development	68-69
	2-9 Governance structure and composition	3.1 Organization	25
	2-10 Nomination and selection of the highest governance body	3.1 Organization	25
	2-11 Chair of the highest governance body	3.1 Organization	25
GRI 2: General Disclosures 2021	2-12 Role of the highest governance body in overseeing the management of impacts	3.1 Organization	25
	2-13 Delegation of responsibility for managing impacts	3.1 Organization	25
	2-14 Role of the highest governance body in sustainability reporting	3.1 Organization	25
	2-15 Conflicts of interest	3.1 Organization	25
	2-16 Communication of critical concerns	3.5 Business Ethics and Compliance	29-30
	2-17 Collective knowledge of the highest governance body	3.1 Organization	28
	2-19 Remuneration policies	7.1 Social Performance Management	67
	2-20 Process to determine remuneration	7.1 Social Performance Management	67
	2-22 Statement on sustainable development strategy	4.3. Sustainability Management	44

<b>GRI 1: Basic 2021</b>	<b>Disclosure</b>	<b>Headline</b>	<b>Page No</b>
	2-23 Policy commitments	3.5 Business Ethics and Compliance	29-30
	2-24 Embedding policy commitments	3.5 Business Ethics and Compliance	29-30
	2-26 Mechanisms for seeking advice and raising concerns	3.5 Business Ethics and Compliance	29-30
GRI 2: General Disclosures 2021	2-27 Compliance with laws and regulations	3.5 Business Ethics and Compliance	29-30
	2-28 Membership associations	2.5 Corporate Memberships, Signatures and Awards	22
	2-29 Approach to stakeholder engagement	4.1 Önceliklendirme Matrisi ve Paydaş Katılımı	38-39
	2-30 Collective bargaining agreements	7.2 Talent Management and Career Development	68-69
GRI 3: Material Topics 2021	3-1 Process to determine material topics	4. Sustainability Approach	37
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	3-3 Management of material topics	4. Sustainability Approach	37

<b>GRI 200: Economic Standards Series</b>	<b>Disclosure</b>	<b>Headline</b>	<b>Page No</b>
GRI 3: Material Topics 2021	3-1 Process to determine material topics	5. Economic Performance	47
	3-2 List of material topics	5. Economic Performance	47
	3-3 Management of material topics	5. Economic Performance	47
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	5. Economic Performance	47
	201-2 Financial implications and other risks and opportunities due to climate change	5.1 Investments	48
	201-4 Financial assistance received from government	5. Economic Performance	47
<b>Indirect Economic Impacts</b>	<b>Disclosure</b>	<b>Headline</b>	<b>Page No</b>
GRI 3: Material Topics 2021	3-1 Process to determine material topics	5.1 Investments	48
	3-2 List of material topics	5.1 Investments	48
	3-3 Management of material topics	5.1 Investments	48
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	5.1 Investments	48
	203-2 Significant indirect economic impacts	5.1 Investments	48
<b>Procurement Practices</b>	<b>Disclosure</b>	<b>Headline</b>	<b>Page No</b>
GRI 3: Material Topics 2021	3-1 Process to determine material topics	5.5 Contribution to Local Economy	53
	3-2 List of material topics	5.5 Contribution to Local Economy	53
	3-3 Management of material topics	5.5 Contribution to Local Economy	53
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	5.5 Contribution to Local Economy	53

Anti-corruption	Disclosure	Headline	Page No
GRI 3: Material Topics 2021	3-1 Process to determine material topics	3.6 Combating Corruption and Bribery	31
	3-2 List of material topics	3.6 Combating Corruption and Bribery	31
	3-3 Management of material topics	3.6 Combating Corruption and Bribery	31
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	3.6 Combating Corruption and Bribery	31
	205-2 Communication and training about anti-corruption policies and procedures	3.6 Combating Corruption and Bribery	31
	205-3 Confirmed incidents of corruption and actions taken	3.6 Combating Corruption and Bribery	31
Anti-competitive Behavior	Disclosure	Headline	Page No
GRI 3: Material Topics 2021	3-1 Process to determine material topics	3.7 Combating Anti-Competitive Behavior	32
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	3-3 Management of material topics	3.7 Combating Anti-Competitive Behavior	32
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	3.7 Combating Anti-Competitive Behavior	32
Tax	Disclosure	Headline	Page No
GRI 3: Material Topics 2021	3-1 Process to determine material topics	5.4 Tax Approach	52
	3-2 List of material topics	5.4 Tax Approach	52
	3-3 Management of material topics	5.4 Tax Approach	52
GRI 207: Tax 2019	207-1 Approach to tax	5.4 Tax Approach	52
	207-2 Tax governance, control, and risk management	5.4 Tax Approach	52

<b>GRI 300: Environmental Standards Series</b>	Disclosure	Headline	Page No
<b>Materials</b>	Disclosure	Headline	Page No
GRI 3: Material Topics 2021	3-1 Process to determine material topics	6.5 Circularity and Waste Management	62-63
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GRI 301: Materials 2016	301-1 Materials used by weight or volume	6.5 Circularity and Waste Management	62-63
	301-2 Recycled input materials used	6.5 Circularity and Waste Management	62-63
	301-3 Reclaimed products and their packaging materials	6.5 Circularity and Waste Management	62-63
<b>Energy</b>	Disclosure	Headline	Page No
GRI 3: Material Topics 2021	3-1 Process to determine material topics	6.2 Energy Management	58-59
	3-2 List of material topics	6.2 Energy Management	58-59
	3-3 Management of material topics	6.2 Energy Management	58-59
GRI 302: Enerji 2016	302-1 Energy consumption within the organization	6.2 Energy Management	58-59
	302-4 Reduction of energy consumption	6.2 Energy Management	58-59
	302-5 Reductions in energy requirements of products and services	6.2 Energy Management	58-59



Water	Disclosure	Headline	Page No
GRI 3: Material Topics 2021	3-1 Process to determine material topics	6.4 Water Efficiency and Wastewater Management	61
	3-2 List of material topics	6.4 Water Efficiency and Wastewater Management	61
	3-3 Management of material topics	6.4 Water Efficiency and Wastewater Management	61
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	6.4 Water Efficiency and Wastewater Management	61
	303-4 Water discharge	6.4 Water Efficiency and Wastewater Management	61
	303-5 Water consumption	6.4 Water Efficiency and Wastewater Management	61
Emissions	Disclosure	Headline	Page No
GRI 3: Material Topics 2021	3-1 Process to determine material topics	6.3 Greenhouse Gas Management	60
	3-2 List of material topics	6.3 Greenhouse Gas Management	60
	3-3 Management of material topics	6.3 Greenhouse Gas Management	60
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	6.3 Greenhouse Gas Management	60
	305-2 Energy indirect (Scope 2) GHG emissions	6.3 Greenhouse Gas Management	60
	305-5 Reduction of GHG emissions	6.3 Greenhouse Gas Management	60

Waste	Disclosure	Headline	Page No
GRI 3: Material Topics 2021	3-1 Process to determine material topics	6.5 Circularity and Waste Management	62-63
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	3-3 Management of material topics	6.5 Circularity and Waste Management	62-63
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	6.5 Circularity and Waste Management	62-63
	306-3 Waste generated	6.5 Circularity and Waste Management	62-63
	306-4 Waste diverted from disposal	6.5 Circularity and Waste Management	62-63
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Supplier Environmental Assessment	Disclosure	Headline	Page No
GRI 3: Material Topics 2021	3-1 Process to determine material topics	3.8 Sustainable Supply Chain Management	33
	3-2 List of material topics	3.8 Sustainable Supply Chain Management	33
	3-3 Management of material topics	3.8 Sustainable Supply Chain Management	33
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	3.8 Sustainable Supply Chain Management	33
	308-2 Negative environmental impacts in the supply chain and actions taken	3.8 Sustainable Supply Chain Management	33

<b>GRI 400: Social Standards Series</b>	Disclosure	Headline	Page No
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GRI 3: Material Topics 2021	3-1 Process to determine material topics	7.1 Social Performance Management	67
	3-2 List of material topics	7.1 Social Performance Management	67
	3-3 Management of material topics	7.1 Social Performance Management	67
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	7.2 Talent Management and Career Development	68-69
	401-2 Minimum notice periods regarding operational changes	7.1 Social Performance Management	67
	401-3 Parental leave	7.2 Talent Management and Career Development	68-69
<b>Labor/Management Relations</b>	Disclosure	Headline	Page No
GRI 3: Material Topics 2021	3-1 Process to determine material topics	7.1 Social Performance Management	67
	3-2 List of material topics	7.1 Social Performance Management	67
	3-3 Management of material topics	7.1 Social Performance Management	67
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	7.1 Social Performance Management	67

Occupational Health and Safety	Disclosure	Headline	Page No
GRI 3: Material Topics 2021	3-1 Process to determine material topics	7.4 Occupational Health and Safety	71-72
	3-2 List of material topics	7.4 Occupational Health and Safety	71-72
	3-3 Management of material topics	7.4 Occupational Health and Safety	71-72
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	7.4 Occupational Health and Safety	71-72
	403-2 Hazard identification, risk assessment, and incident investigation	7.4 Occupational Health and Safety	71-72
	403-3 Occupational health services	7.4 Occupational Health and Safety	71-72
	403-4 Worker participation, consultation, and communication on occupational health and safety	7.4 Occupational Health and Safety	71-72
	403-5 Worker training on occupational health and safety	7.4 Occupational Health and Safety	71-72
	403-6 Promotion of worker health	7.4 Occupational Health and Safety	71-72
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	7.4 Occupational Health and Safety	71-72
	403-9 Work-related injuries	7.4 Occupational Health and Safety	71-72
	403-10 Work-related ill health	7.4 Occupational Health and Safety	71-72

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GRI 3: Material Topics 2021	3-1 Process to determine material topics		7.2. Talent Management and Career Development	68-69
	3-2 List of material topics		7.2. Talent Management and Career Development	68-69
	3-3 Management of material topics		7.2. Talent Management and Career Development	68-69
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee		7.2. Talent Management and Career Development	68-69
	404-2 Programs for upgrading employee skills and transition assistance programs		7.2. Talent Management and Career Development	68-69
	404-3 Percentage of employees receiving regular performance and career development reviews		7.2. Talent Management and Career Development	68-69
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GRI 3: Material Topics 2021	3-1 Process to determine material topics		7.3 Diversity, Equality and Inclusion	70
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	3-3 Management of material topics		7.3 Diversity, Equality and Inclusion	70
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees		7.3 Diversity, Equality and Inclusion	70
Non-discrimination		Disclosure	Headline	Page No
GRI 3: Material Topics 2021	3-1 Process to determine material topics		7.3 Diversity, Equality and Inclusion	70
	3-2 List of material topics		7.3 Diversity, Equality and Inclusion	70
	3-3 Management of material topics		7.3 Diversity, Equality and Inclusion	70
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken		7.3 Diversity, Equality and Inclusion	70

Freedom of Association and Collective Bargaining	Disclosure	Headline	Page No
	3-1 Process to determine material topics	3.2 Enterprise Risk Management	26
GRI 3: Material Topics 2021	3-2 List of material topics	3.2 Enterprise Risk Management	26
	3-3 Management of material topics	3.2 Enterprise Risk Management	26
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	3.2 Enterprise Risk Management	26
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	3-1 Process to determine material topics	3.5 Business Ethics and Compliance	29-30
GRI 3: Material Topics 2021	3-2 List of material topics	3.5 Business Ethics and Compliance	29-30
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GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	3.5 Business Ethics and Compliance	29-30
Local Communities	Açıklama	Başlıklar	Sayfa Sayısı
	3-1 Process to determine material topics	7.6 Social Responsibility	75
GRI 3: Material Topics 2021	3-2 List of material topics	7.6 Social Responsibility	75
	3-3 Management of material topics	7.6 Social Responsibility	75
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	7.6 Social Responsibility	75

Supplier Social Assessment	Disclosure	Headline	Page No
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	3-2 List of material topics	3.8 Sustainable Supply Chain Management	33
	3-3 Management of material topics	3.8 Sustainable Supply Chain Management	33
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	3.8 Sustainable Supply Chain Management	33
	414-2 Negative social impacts in the supply chain and actions taken	3.8 Sustainable Supply Chain Management	33
Customer Health and Safety	Disclosure	Headline	Page No
GRI 3: Material Topics 2021	3-1 Process to determine material topics	3.8 Sustainable Supply Chain Management	33
	3-2 List of material topics	3.8 Sustainable Supply Chain Management	33
	3-3 Management of material topics	3.8 Sustainable Supply Chain Management	33
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	3.8 Sustainable Supply Chain Management	33
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	3.8 Sustainable Supply Chain Management	33
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	3-2 List of material topics	3.3 Information Security	27
	3-3 Management of material topics	3.3 Information Security	27
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	3.3 Information Security	27

# Impressum

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ÖNCE İŞ GÜVENLİĞİ

5 TON

DÖN  
YA

An aerial photograph of a dense, vibrant green forest. In the center of the forest is a circular pond. The letters 'CO2' are formed by the dark green foliage of trees, appearing to grow out of the water. The surrounding forest is thick and lush, with some mist or low clouds visible in the lower parts of the image.

Sustainability Report | 2023

**Hearts united for a sustainable future.**