

Building a Better Today, Tomorrow, Together...



SUSTAINABILITY 2023

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TOGETHER FOR NATURE

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About the Report

At Çokyaşar Holding, we are proud to publish our first Sustainability Report this year. In this report, our contributions to the United Nations Sustainable Development Goals (SDGs) will be highlighted in detail. Our 2023 Sustainability Report has been prepared in accordance with the core principles of the Global Reporting Initiative (GRI) Standards and has been published by the GRI.

The environmental, social, and governance data shared within the report encompasses all our national and international operations.

- Our report presents company data related to our Özyaşar Tel, Çokyaşar Halat, and Çokyaşar Tel factories.
- In addition to our production facilities, details regarding the systems and processes that are integral to all operational procedures within the Holding are presented.

In this report, we transparently share our strategic goals, corporate culture, and stakeholder relationships, including associated risks and opportunities. Unless otherwise specified, the data in the report covers the period from January 1, 2023, to December 31, 2023. The information and data provided in this report establish a benchmark for our future sustainability reports.

With the strength gained from our first reporting, we commit to sharing our sustainability report with all our stakeholders annually going forward.

You can access the report on our official website at www.cokyasarholding.com.tr, and you may send any comments or suggestions to info@cokyasarholding.com.tr.





Message from the General Manager



"As Çokyaşar Holding, we take pride in sharing our commitment to environmental, social, and economic sustainability as we reflect on another year."

Dear Stakeholders,

Sustainability is at the core of our strategic decisions, as it is a necessity for shaping not only today but also tomorrow.

Throughout 2023, we made significant strides in developing our activities in line with sustainability principles. We achieved important advancements in energy efficiency, waste management, and minimizing our environmental impact. These efforts not only protect the environment but also enhance our operational efficiency, adding long-term value to our business.

With a strong awareness of our responsibility to society, we have undertaken significant projects in the field of social sustainability. While expanding our programs that support the development of our employees, we have also prioritized social responsibility initiatives that reach all segments of the community.

By strengthening our commitment to diversity, inclusivity, and equal opportunities, we are steadfastly progressing toward creating a fairer and more equitable work environment. We believe that the future will be built by organizations that embrace sustainability. With this conviction, we will continue to

work toward a more livable world. We will intensify our efforts to elevate our environmental, social, and corporate governance standards, walking together toward a greener future.

I would like to express my gratitude to our esteemed stakeholders for your support and collaboration, and I look forward to building a sustainable future together with you in the upcoming period.

Respectfully,

Erman Korkusuz

General Manager, Çokyaşar Holding

Message from the Chairman of the Board



"In accordance with the principles set forth by our Founder and Honorary Chairman, Mr. Ahmet Çokyaşar, which we diligently implement, we have maintained our presence in the industry for over 50 years."

Dear Stakeholders,

Today, with over 900 employees and the experience we have gained, we are making steady progress toward our goals while maintaining our agility and rapid growth. Adapting to change is an approach we have embraced as a fundamental principle, viewing it as the key to our future success. Since the very first day of our establishment, we have operated with the aim of continuous improvement while adhering to our core principles. This approach enables us to produce at international standards within our modern technological infrastructure and to offer valuable products.

Keeping a close eye on the future of technology and swiftly implementing digital transformation steps are among our top priorities. Contributing more to the national economy and enhancing the value of our employees is the fundamental source of our motivation.

In alignment with the shared values we have with our customers, partners, and employees, we contribute to our economy through significant collaboration and fulfill our social responsibilities by reinvesting our successes into social initiatives.

We are steadfastly pursuing our vision of being a leading company both nationally and internationally with our adaptable production capabilities, innovative, environmentally friendly, and sustainable business practices that align with advancing technology.

As the Çokyaşar Family, we sincerely thank our colleagues, customers, and business partners for the values they have contributed to us during our 51 years of business journey.

Respectfully,

Ömer Çokyaşar

Chairman

Foreword from the Çokyaşar Employees

As the employees of Çokyaşar, we are taking rooted and decisive steps toward sustainable tomorrows across all our areas of activity. We embrace achieving environmental, economic, and social sustainability goals as our primary mission at every stage of our business processes and in every aspect we influence. The successful results we have achieved are a reflection of the collective efforts and dedication of our entire team.

In today's world, the challenges posed by the climate crisis, energy crisis, water scarcity, food security, deforestation, biodiversity loss, waste management, air pollution, and social inequalities demand collective action. Climate change is not only a future threat but also an urgent issue of our time. The extreme weather events and natural disasters occurring in various regions underscore the urgency of this crisis.

The sustainability practices we implemented in 2023 are a testament to the significant steps we are taking toward a more livable world and a better future. As Çokyaşar Holding, we recognize that our true home is our planet, and we invite all our stakeholders to take more effective action in caring for it. By increasing our efforts in sustainability, we will continue to take responsibility for a better future.

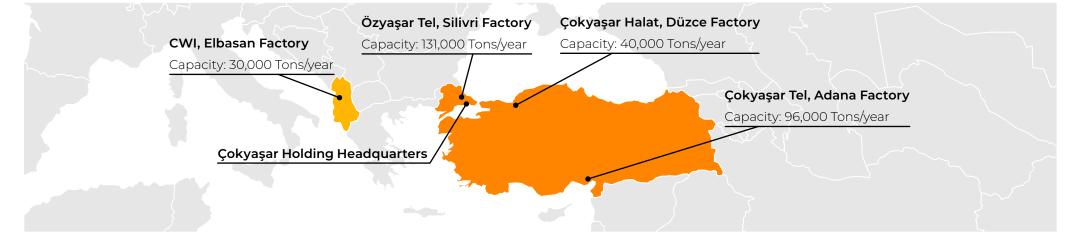
Employees of Çokyaşar Holding





About Çokyaşar

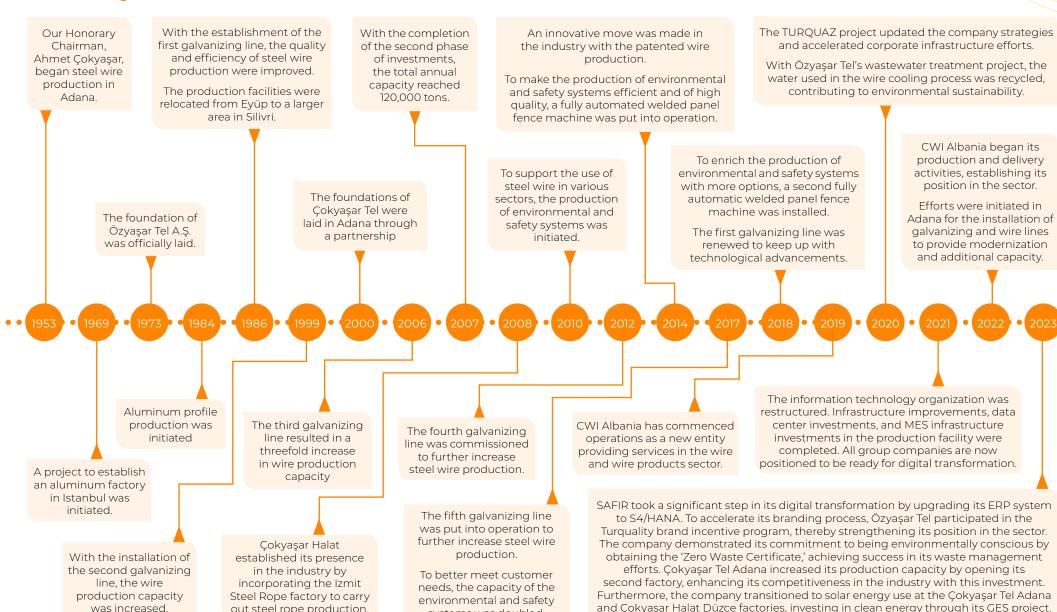




History

was increased.

out steel rope production.



systems was doubled.

Çokyaşar Holding

Founded in 1973 by Ahmet Çokyaşar, Çokyaşar Holding plays a pioneering role in the steel wire industry by producing value-added products in the wire and wire products sector alongside its affiliated companies. With production facilities located in Silivri/Istanbul, Düzce, and Adana in Turkey, as well as in Elbasan, Albania, we possess a wide production network, exporting to over 70 countries across six continents. With 51 years of extensive experience, we are steadfastly continuing our mission in the industry while providing employment for over 900 individuals.

We produce value-added products in the wire and wire products sector, primarily focusing on hot-dip galvanized wire. Our services extend to various industries, including energy, infrastructure, cable, automotive, construction, agriculture, furniture, packaging, white goods, as well as environmental and security systems.

At our production facilities affiliated with Çokyaşar Holding, we achieve an annual steel wire production exceeding 297,000 tons, positioning us among Turkey's highest-capacity steel wire manufacturers. Özyaşar Tel has an annual production capacity of 131,000 tons, Çokyaşar Tel produces 96,000 tons annually, Çokyaşar Halat has a capacity of 40,000 tons per year, and our CWI Albania facility has an annual production capacity of 30,000 tons.

As a flagship company of Çokyaşar Holding, Özyaşar Tel has achieved an average revenue of \$185 million over the past three years, ranking it among the top 500 industrial enterprises in Turkey. With exports primarily to approximately 70 countries in Europe, the Middle East, and the Americas, it is also positioned among the top 1,000 exporting companies.

According to data from the Istanbul Mineral and Metals Exporters' Associations (IMMIB), our company, Özyaşar Tel, ranked first in Turkey's export rankings for steel wire and wire products in 2023. In the first six months of 2024, we achieved a 25% increase in production and a 21% increase in both domestic and international sales compared to the same period last year.

As one of the esteemed subsidiaries of Çokyaşar Holding, Özyaşar Tel was publicly listed on May 29, 2024, and began trading on Borsa Istanbul. This initial public offering (IPO) is a testament to our commitment to financial transparency and accountability. This strategic move has not only enhanced our company's growth potential but has also provided our shareholders with opportunities to create value through a broader investor base.

We continue to grow by adhering to strong corporate governance principles and embracing a focus on continuous improvement and innovation. In line with our transparent management philosophy and sustainability principles, we are steadfast in our efforts to achieve long-term success goals.



Quality Policy

Çokyaşar Holding is guided by strategic decisions aimed at fully meeting customer expectations in the future. In this regard, our primary objectives are as follows:

Innovation and Quality:	To ensure continuity in customer satisfaction by offering products that are beneficial to human health, environmentally friendly, and of superior quality.	
Collaboration and Trust:	Establishing trust-based collaborations with business partners to ensure competitiveness and secure the brand's future.	
Continuous Improvement:	To continuously improve the Quality Management System and provi- de the necessary resources and workforce to achieve the required standards.	
Management and Leaders- hip:	The management team identifies the necessary methods to achieve quality objectives and encourages employees to reach these goals.	
Compliance and Improve- ment:	The company focuses on continuous improvement with a technological infrastructure that complies with regulations, legal requirements, and standards across all business areas.	

Sustainability and Environmental Policy:

As Çokyaşar Holding, we are taking decisive and effective steps to reduce environmental impacts and protect nature. Through our energy management certifications at our facilities in Silivri, Adana, and Düzce, we are conducting comprehensive efforts for sustainable production. In line with the goals of the European Union Green Deal, we are making significant progress towards becoming a factory exempt

from carbon taxes by conducting carbon emissions measurements. Furthermore, through our solar energy projects, we cover 25% of our energy consumption from renewable sources, resulting in an annual reduction of 1,592,707 kg of CO_2 emissions. As Çokyaşar Holding, we are committed to maintaining our leadership in the industry through our value-driven investment approach and continuous improvement philosophy, while creating a positive impact globally.





Özyaşar Tel ve Galvanizleme San. Tic. A.Ş.

Our company was founded in 1973 with a visionary approach by our Honorary Chairman, Ahmet Çokyaşar. Primarily focusing on hot-dip galvanized wire, we produce high value-added products in the wire and wire products sector, serving a wide range of industries including energy, infrastructure, cable, automotive, construction, agriculture, furniture, packaging, white goods, environmental, and security systems.

Our Silivri facility boasts a production capacity exceeding 131,000 tons per year, and with our subsidiaries and affiliates, we reach a total production capacity of 297,000 tons across modern, advanced technology facilities, positioning us as a leading industrial company in the sector. Within Özyaşar Tel alone, we employ over 400 people, and including our subsidia-

ries and affiliates, we provide employment to more than 900 individuals in total. Generating an average revenue of \$185 million over the past three years, Özyaşar Tel ranks among Turkey's top 500 largest industrial enterprises. Furthermore, with exports to nearly 70 countries, including Europe, the Middle East, and the Americas, we are positioned within the top 1,000 exporting companies.

Our company's headquarters is located in Istanbul, and our production facility, with 30,000 m² of enclosed space, is situated in Silivri Değirmenköy, covering a total area of 48,000 m².

In 2024, our company began trading on the stock exchange, with its public offering completed on May 29, 2024.

Information regarding the application areas of our products is provided on the following page.



Sectors in Which Our Products Are Used

















Start of operations in 1986



Production capacity: 131,000 tons/year



Main Product Groups:

- · Galvanized Wire
- · Panel Fence
- · PVC Coated Wires
- · Oiled Baling Wire
- · Black Annealed Wire
- · Cold Drawn Wire

Our products

Standard Galvanized Wire



Patented Galvanized Wire



Armouring Wire



Oiled Baling Wire

ACSR Wire



Black Annealed Wire



Panadorf 3D



Panadorf Double



Panadorf Secure



Chain Fence Link

Χ

Panadorf Euro

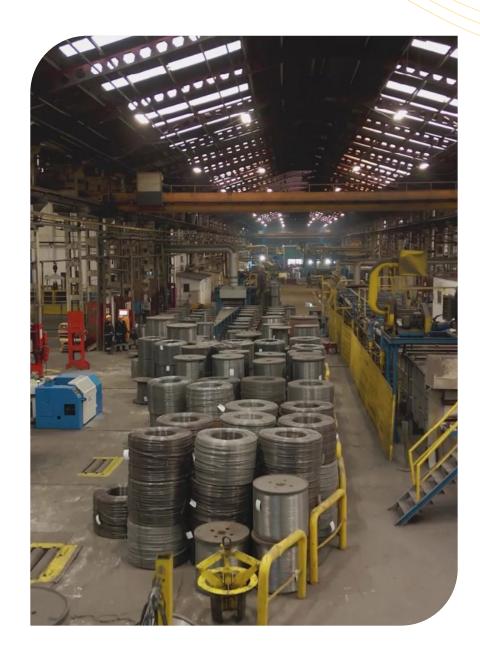






Applications of Products

Standard Galvanized Wire	Wire nettingBarbed wireSecurity PanelPVC Coated WireHoneycomb Wire Cage	CagesBucket HandleNails ProductionPanel	
Patented Galvanized Wire	Steel RopeScrew	· Spring Wire	
Armouring Wire	Energy Telecommunication	 Underwater Weak Current	
ACSR Wire	· Power line	· Aluminum Cable	
Cold Drawn Wire	Nail productionAutomotive wireWickerPanel fence	 Grill Shelf Window Blinds Packaging of Agricultural Products	
Black Annealed Wire	Building Recycle	· Packaging of Agricultural Products	
Oiled Baling Wire	RecycleStrawCotton	Packaging of Agricultural ProductsPaperTextile	
Panadorf 3D / Panadorf Double / Panadorf Secure / Panadorf Euro	Perimeter and Security Systems		



Çokyaşar Tel Örme ve Dokuma Tel Galvanizleme Çivi San. A.Ş.

Our company, established in Adana in 2001, has achieved global standards in the production of hotdip galvanized wire and wire products. Built on a 34,000 m² area with 19,000 m² of enclosed space, we offer high-quality products using the latest modern technologies. We have proven ourselves as a reliable manufacturer in the construction, environmental security systems, agriculture, livestock, textile, and automotive sectors. With an existing production capacity of 96,000 tons, we doubled this capacity in the last quarter of 2022, taking on a significant role in both domestic and international markets

We continue to maintain our leadership in the industry by focusing on sustainable production and environmental protection goals with our value-driven investment approach. Information regarding the products that have enabled us to achieve this leadership in the sector is provided below.



Start of operations in 2002



Production capacity: 96,000 tons/year

Main Product Groups

Standard Galvanized Wire







Applications of Products

Standard Galvanized

Wire

- Wire netting
- Barbed wire
- Security Panels
- **PVC Coated Wire**
- Honeycomb Wire
- Mesh Wire
- Bucket Handle
- Fence Production
- · Hanger Wires
- Cold Drawn Wire

Çokyaşar Halat Makine Tel Galvanizleme San. Tic. A.Ş.

One of our other companies operating in the iron and steel industry is Çokyaşar Halat, which is engaged in the production of steel wire, steel rope, and wire products.

As Çokyaşar Halat, we produce a wide range of value-added products in the wire and wire products sector and offer customized steel wire solutions. We serve various industries, including industrial products, automotive, construction, agriculture, furniture, fishing, elevators, and white goods.

Çokyaşar Halat's production facility is located in Düzce Gümüşova, covering a total area of 23,160 m², with 11,230 m² of this space being enclosed.

The production facility has an annual capacity of approximately 40,000 tons, including 2,400 tons of Monotron, 2,400 tons of steel wire ropes, and 36,000 tons of spring wire production. It offers a wide range of products with diameters ranging from 0.30 mm to 28.00 mm, as well as high and low carbon strength variations. With its patented Tragen-branded elevator rope, it produces value-added products for the construction and building sector. At its modern, state-of-the-art facility, the company exports to over 70 countries, bringing the unique product range of the Çokyaşar brand to the global market.

Çokyaşar Halat's facility has a storage capacity of approximately 1,000 tons of finished products in enclosed areas, with appropriate storage and pre-

servation conditions for the products.

In 2022, we continued our sustainability investments with our state-of-the-art new machinery. With our extensive production capabilities, we offer custom manufacturing options in line with customer demands and expectations. Through collaboration with our leading distribution partners in the industry, and with our experienced and dynamic team, we ensure product quality, proper packaging, on-time delivery, and most importantly, customer satisfaction.

The information regarding the products that form the foundation of our production capacity and define who we are is provided below.



Start of operations in 2008



Production capacity: 40,000 tons/year

Main Product Groups

- · Black Wire From Wire Rod
- · Patented Black Wire
- · Galvanized Black Wire
- · Black Rope
- · Galvanized Rope
- ACSR
- · Monotron Rope

Spring Wire



Rope Wire



Elevator Rope / Tragen



Monotron

Crane Rope



Applications of Products

	· Industrial Spring Production
	· Hose Production
Spring	· Umbrella Production
Wire	· Brush Production
	· Sieve Production
	· Automotive Industry
Rope Wire	Steel Rope Production
	· Automotive Sector
	• Energy Sector
Monotron	· Grounding
	· Greenhouse cultivation
	· Suspension Rope

Cokyasar Wire Industries S.H.A. (Albania)

Çokyaşar Wire Industries (CWI), established in Albania in 2020, operates in a facility covering a total area of 16,000 m², with 13,000 m² of that area being indoor space. We provide services to various sectors, including construction, perimeter security systems, agriculture, livestock, textiles, and automotive. Since the beginning of our production, we have proven ourselves as one of the leading companies in the industrial sector, offering high-quality products using state-of-the-art technology and a modern machinery park, adhering to global standards of production.

Main Product Groups

Standard Galvanized Wire



ZnAl Galfan Wire



Applications of Products

Standard Galvanized Wire	 Wire netting Barbed wire Security Panels PVC Coated Wire Honeycomb Wire Mesh Wire Bucket Handle Fence Production Hanger Wires
ZnAl Galfan Wire	 Wire netting Barbed wire Security Panels PVC Coated Wire Honeycomb Wire Mesh Wire Bucket Handle Fence Production Hanger Wires



Us in 2023

As Çokyaşar Holding, we are implementing various strategic investments in order to support our sustainability goals. In this context, in line with our goal of minimizing environmental impacts and increasing resource efficiency, we are making significant investments in advanced technologies, energy efficiency projects and waste management systems. These investments in sustainable technology solutions and continuous improvement processes play a critical role in achieving both environmental and economic sustainability goals. Çokyaşar Holding aims to reduce long-term environmental impact and strengthen its social responsibility through these projects.

Business Areas / Key Products / Markets

Our main area of activity encompasses the production and sale of wire and wire products.

- Energy
- · Perimeter and Security
- Industry
- · Automotive
- Building
- · Agriculture and Livestock
- · Infrastructure

Özyaşar Tel	As of 2023, a total investment of 31,846,361 Turkish Lira has been made in various advanced technologies, waste heat recovery systems, web design, environmental landscaping, the Solar Energy System (SES) project, wastewater recovery, and zinc recovery projects.		
Çokyaşar Tel	In 2023, a total investment of 10,184,990 Turkish Lira was made in areas such as digital transfor- mation, new facility establishment, and machi- nery and equipment.		
Çokyaşar Halat	Throughout 2023, a total investment of 38,483,437 Turkish Lira was made in areas such as sustainable technologies, continuous monitoring and improvement processes, construction and installation.		

The markets we export to include the United States, Germany, Albania, Austria, Azerbaijan, the United Arab Emirates, Barbados, Belarus, Belgium, Bulgaria, Bosnia and Herzegovina, Brazil, Algeria, the Czech Republic, Denmark, the Dominican Republic, Morocco, Finland, Guatemala, France, Croatia, the Netherlands, Honduras, the United Kingdom, Ireland, Spain, Sweden, Italy, Jamaica, Canada, North Macedonia, Latvia, Lithuania, Libya, Lebanon, Hungary, Malaysia, Egypt, Norway, Panama, Peru, Poland, Portugal, Romania, Russia, Serbia, Slovakia, Slovenia, Ukraine, Venezuela, Vietnam, New Zealand, Greece, Trinidad, Tunisia, and Tobago.



COKYASAR

COKYASAR

OZYASAR

Awards and Achievements

- Çokyaşar received the "First Place in Wire Exports" award at the Steel Exporters' Association's Steel Export Leaders Award Ceremony, held in 2019 and 2020.
- In the TIM Top 1,000 Exporters ranking, we ranked 354th in 2019, moved up to 345th in 2020, and placed 348th in 2021.
- In 2019 and 2020, under the leadership of the Turkish Exporters Assembly, we were awarded the second place in the 'Stars of Export' organization in the categories of Wire Export and Medium-Sized Companies with the Most Countries Exported To.
- In 2021, we were awarded the third-place prize at the 'Metallic Stars of Export' award ceremony organized by the Istanbul Iron and Steel Exporters Association.
- In 2021 and 2022, we were awarded the third-place prize in the Welding Materials category at the 'Metallic Stars of Export' award ceremony organized by the Istanbul Iron and Steel Exporters Association.
- In the 2022 list of the top 1,000 exporters published by TIM, Özyaşar Tel ranked 404th, successfully placing among the top 500 companies. In TIM's sectoral ranking, Özyaşar Tel was positioned 49th, with an annual export growth rate of 6.6% by the end of 2022.

- According to the 2023 list, we ranked 594th. In TIM's sectoral ranking, we secured 45th place, achieving a position within the top 50 companies in our field.
- In 2022, Çokyaşar Tel was recognized in the OSB Stars Survey in the following categories: 'Company with the Highest Export Volume in OSBs,' 'Company with the Highest Sales Growth in OSBs,' 'Company with the Highest Export Growth in OSBs,' and 'Company with the Highest Increase in Internship Employment in OSBs,' securing a place in the list of top performers.
- In December 2022, we were included in the Turquality Brand Incentive Program, supported by the Ministry of Economy of the Republic of Turkey.
- As Özyaşar Tel, we ranked 117th in terms of exports, 212th in net sales, and 244th in sales from production in the Istanbul Chamber of Industry's 2023 Second 500 Largest Industrial Enterprises List. In the Turkey's first 1000 exporters research conducted by the Turkish Exporters Assembly (TIM), we ranked 594th overall and 45th in the sector in 2023.
- Özyaşar Tel has been included in the Fortune 500
 Turkey 2023 Research, which lists the largest 500
 companies in Turkey. We ranked 407th in Turkey's
 largest companies, 158th in exports, and 4th in the
 iron and steel trade category.





Sustainability Transformation

Sustainability Committee			
Ümit Bozer	Responsible for Sustainability Board Member		
Erman Korkusuz	Committee Chairman		
Ferhat Özmerzi	Deputy General Manager of Özyaşar Tel		
Mustafa Eroğlu	Supply Chain Manager		
İsa Arslan	Quality and Projects Manager		
Cansu Kıran	Brand Executive		
Selen Ağaçdiken	Supply Chain Manager		
Ferdi Ülker	Supply Chain Manager		
Emel Armağan	Investor Relations Executive		
Dilde Naz Karagöz	OHS and Environmental Engineer		
Seda Yalçıner	OHS and Environmental Engineer		
Nur Yonar	Çokyaşar Halat Quality Assurance Chief Engineer		

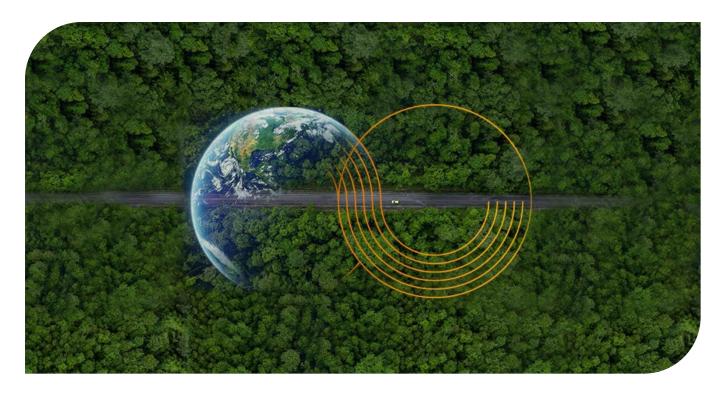
Sustainability Management / Policy

Our company aims to comprehensively align its focus responsibilities, social impact areas, and economic performance in the development of sustainability management and corporate strategies. In this context, we have developed and implemented comprehensive strategies in key areas such as energy efficiency, waste management, and the conservation of natural resources. Furthermore, in striving to achieve sustainability goals, we prioritize transparency and accountability, ensuring regular

reporting and performance evaluations. By continuously communicating and collaborating with our stakeholders, we aim to contribute to sustainable development and create societal value, which we consider our core objective.

Our company regards internal auditing, internal control, and risk management systems as fundamental pillars of its corporate governance approach. In our internal audit processes, we conduct independent and objective assessments to support the achievement of organizational goals and

ensure the accuracy of financial reporting. Our internal control mechanisms are designed to enhance effectiveness, safeguard our assets, and ensure compliance with sustainability requirements, with continuous reviews in place. Additionally, our risk management strategy provides a comprehensive framework to proactively identify potential risks, minimize existing risks, and ensure business continuity. These approaches aim to secure the long-term resilience of our company and meet the expectations of our stakeholders.



8 DECENT WORK AND ECONOMIC GROWTH

We are raising occupational safety standards to protect the health and safety of our employees, and through regular training, we aim to increase awareness and achieve zero workplace accidents

We invest in social responsibility projects aimed at the environment and society, making a meaningful contribution to the community. We develop projects in the fields of education, healthcare, and environmental protection.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



We are increasing our sustainability-focused R&D investments to develop more efficient and environmentally friendly production technologies and products. By utilizing digitalization and automation technologies in our production processes, we are enhancing resource efficiency, production speed, and traceability.

By working with suppliers that meet sustainability criteria, we are ensuring sustainability in our supply chain and designing an end-to-end (E2E) sustainable supplier chain.

By collaborating with other industry players, non-governmental organizations, and public institutions on sustainability, we aim to support sectoral transformation and establish ourselves as a leading company in this area. We plan to regularly publish transparent and consistent sustainability reports each year, communicating our environmental, social, and governance performance to the public.

13 CLIMATE ACTION



We aim to reduce atmospheric emissions by utilizing carbon capture and storage technologies in processes with high carbon emissions We plan to develop data collection and analysis systems to monitor and continuously improve our sustainability performance, and to implement a data-driven management culture across all departments.

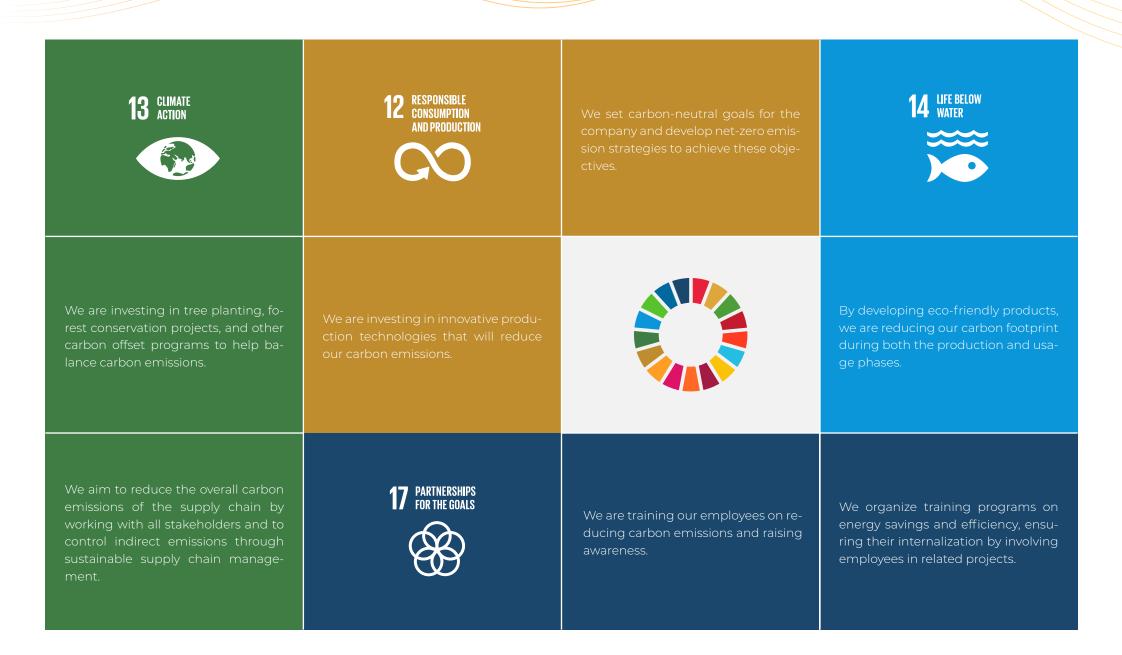
17 PARTNERSHIPS FOR THE GOALS



We aim to reduce direct emissions by using electric equipment and machines in processes where possible. We are planning and implementing investments to obtain electricity from renewable sources, such as solar panels.

We are developing projects for the recovery and reuse of waste heat generated during production processes in order to increase energy efficiency and reduce carbon emissions. We continuously collect and analyze data to monitor the effectiveness of carbon emission reduction strategies, evaluate performance, and update strategies when necessary.





Business Ethics / Anti-Corruption

We adopt a corporate culture with high standards in business ethics and anti-corruption, implementing a zero-tolerance policy. Our business ethics principles are based on honesty, transparency, and fairness, which are reinforced through regular training for all our employees and business partners. To combat corruption and bribery comprehensively, we have established effective internal control systems and auditing structures, rigorously implementing the necessary measures. These approaches are critical to safeguarding our long-term sustainability and protecting our corporate reputation.

Stakeholder Engagement

Our company deeply believes that progressing in alignment with our stakeholders is crucial in achieving our sustainability goals. In this regard, we prioritize maintaining high-level stakeholder relations through continuous dialogue and engagement, gathering comprehensive data through surveys and feedback. Our stakeholders include customers, current employees, and local communities, with each interaction being meticulously assessed by our sustainability units. By adopting an inclusive approach, we integrate the feedback received into our sustainability programs and shape our strategic decisions based on this input. In doing so, we aim to strengthen our commitment to transparency and partnership while striving to achieve sustainable development goals more effectively and successfully.

Stakeholders	Communication Tools	Communication Channel
	Sustainability Report	Annual
	Activity Report	Annual
Employees	employee satisfaction	Annual
	Employee Training	Annual
	Internal Information Announcements	Momentary/Continuous
	Sustainability Report	Annual
Investors	Activity Report	Annual
	General Assembly Meetings	Annual
	Sustainability Report	Annual
Customers	Satisfaction Research	Annual
	Sustainability Report	Annual
	Activity Report	Annual
unions	Occupational Health Rules	Monthly
	Collective Labor Agreement	Continuous
	R&D Projects	On a project basis
Educational	Sponsorships	Upon request
Institutions	Instructor Supports	Upon request
	Sustainability Report	Annual
Media	Activity Report	Annual
	Press Releases	Annual
Community	Community Projects and Infrastructure Support	Continuous

Digital Transformation and SAP

We recognize that digital transformation plays a critical role in our journey toward achieving our sustainability goals. Through our SAP systems (System Analysis Program Development) and MES initiatives, we are enhancing operational efficiency by utilizing advanced data analytics technologies to drive energy efficiency, resource management, and environmental impact reduction. These cutting-edge technologies facilitate real-time data collection and analysis, enabling us to monitor and continuously improve environmental performance. By implementing SAP systems, we are integrating all business processes, ensuring data transparency, and optimizing processes. Monitoring sustainability performance indicators such as energy consumption, waste management, and carbon emissions on a centralized platform supports strategic decision-making in these areas. The combination of MES and SAP systems accelerates our path to achieving sustainability goals, while also minimizing risks and enhancing economic performance.

Sustainability Cybersecurity

As part of our digitalization approach, we are integrating Industry 4.0 applications into our production processes and implementing projects that strengthen our technological infrastructure. Across all interactions with our customers—from production to procurement, and pre- and post-sales—we are implementing smart solutions that leverage the power of technology.

We believe that increasing our competitiveness and achieving our strategic goals is only possible by adapting to the technologies of the age. In this regard, through our digitalization initiatives, we are integrating various technological components such as artificial intelligence, the Internet of Things, and big data analytics into our processes; and developing data-driven decision-making and forecasting strategies.

Through our Enterprise Resource Planning (ERP) transformation, we are implementing digital transformation across processes and functions such as Human Resources, Finance, Supply Chain, Maintenance, Quality Management, Sales, Marketing, and Production. Within the framework of ERP process management, we define role-based authorities and responsibilities from a risk management perspective.



ÇOKYAŞAR HOLDİNG SUSTAINABILITY REPORT 2023



With the MES project, which enables data flow between all tools and methods used in production, we reduce human dependency and minimize error rates. By providing real-time access to information, we improve our production processes and increase efficiency.

As part of our Digital Customer Experience project, we are enhancing the customer experience by implementing value-driven solutions integrated with the Sales and Marketing functions. We effec-

tively use digital channels to increase customer satisfaction and respond to needs more quickly.

In our Digital Human Resources journey, we are enhancing the employee experience in key HR processes such as workforce planning, performance and talent management, payroll and benefits, expense management, training management, and idea and suggestion management, through Robotic Process Automation (RPA) and mobile applications.

To enhance efficiency in our operations, we aim to implement Capacity Planning and Detailed Scheduling projects in our production facilities. Through these projects, we are optimizing resource utilization and transitioning to sustainable production models

Our digital transformation strategy is directly aligned with our sustainability goals. By effectively utilizing technology, we are reducing resource con-

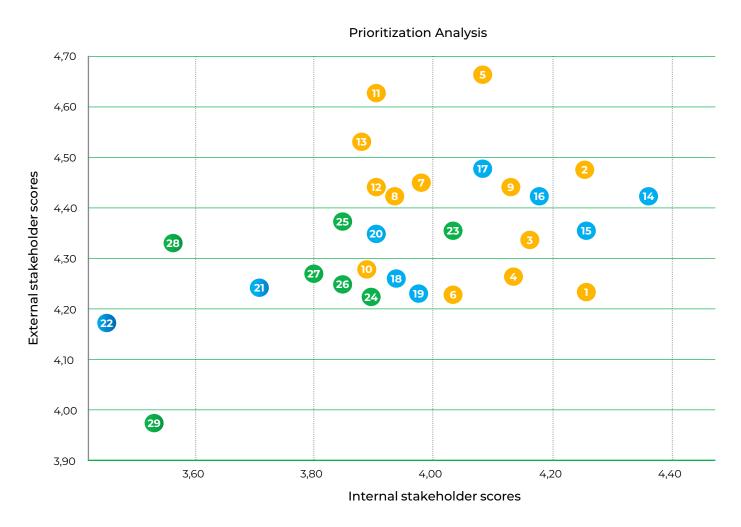
sumption, enhancing operational efficiency, and striving to minimize our environmental impacts. In this context, through our digitalization projects, we are both strengthening our economic performance and fulfilling our responsibilities towards society and the environment.

As Çokyaşar, we consider cybersecurity one of the most important enablers of sustainability, ensuring both physical and digital data security across our IT infrastructure, smart manufacturing systems, Enterprise Resource Planning (ERP), Human Resources, and Customer Management processes. In line with our information security, cybersecurity, and business continuity efforts, we continuously monitor our systems and regularly conduct vulnerability scanning and disaster recovery tests.

Furthermore, with the motto "We Are All Information Security Representatives," we strengthen our security culture and minimize potential risks by keeping customer and employee awareness at the highest level through training and informational content. Our company, certified with ISO 27001 Information Security, also conducts internal and external audits to monitor the implementation and processes. Regular risk assessments are carried out, and investment decisions are prioritized as part of our strategic objectives.

Prioritization Analysis

We regularly conduct satisfaction surveys within our company and perform prioritization analysis based on the feedback we receive from our customers and stakeholders. The issues identified through feedback from internal stakeholders (employees and management) and external stakeholders (customers, suppliers, and society) are ranked in complete alignment with the company's long-term objectives.



Priority Issues

Pri Very High Priority

- 1. Climate Change (Carbon, Water, Energy, Waste)
- 2. Occupational Health and Safety
- 3. Energy Efficiency
- 4. Green and Reliable Energy Supply
- 5. Sustainable Growth
- 6. Economic Performance
- 7. Responsible Supply Chain
- 8. R&D & Innovation
- 9. Risk and Opportunity Management
- 10. Sustainable Financing & Responsible Investment
- 11. Corporate Governance
- 12. Anti-Corruption
- 13. Digitalization

High Priority

- 14. Customer Satisfaction
- 15. Employee Satisfaction
- 16. Business Ethics
- 17. Talent Management and Training
- 18. Equal Opportunity and Diversity
- 19. Information Security and Cyber Risk Management
- 20. Empowerment of Women
- 21. Corporate Social Responsibility
- 22. Collaborations with Stakeholders

Medium Priority

- 23. Protection of Personal Data
- 24. Employment
- 25. Healthy Living
- 26. Emergency Management
- 27. Combating Deforestation
- 28. Responsible Marketing and Responsible Consumption
- 29. Biodiversity ority Topics

The determination of strategically important topics and their prioritization by stakeholders plays a critical role in identifying the organization's strengths and potential areas for development. By focusing on vital issues such as sustainable growth, digitalization, and occupational health and safety, we aim

to enhance operational efficiency while fully fulfilling our social and environmental responsibilities.

A total of 52 participants, representing both individuals and legal entities, took part in our prioritization analysis. The results, scored between 1 and 5,

highlight these critical topics, enabling us to manage our sustainability strategy more effectively. This analysis serves as a guide for more efficient resource utilization and achieving strategic objectives. Sustainable growth and digitalization were ranked as high priority within our company.



R&D Activities

Research and Development (R&D) activities are of vital importance to our company in enhancing competitive strength in the industry and promoting sustainable growth. These activities serve as a critical foundation for improving existing production processes, developing innovative and more efficient production technologies, and delivering contemporary product solutions. Thanks to R&D contributions, costs are optimized, environmental impacts are minimized, and production efficiency and quality standards are elevated. Furthermore, these investments increase our capacity to quickly adapt to innovative trends in the industry, enabling the development of high-performance products that meet market demands. Therefore, supporting R&D is considered a fundamental element in our production processes, as it plays a crucial role in maintaining the competitive advantage of the steel industry and forming a sustainable growth strategy.

At the phosphating facility in our Özyaşar Tel and Çokyaşar Halat plants, the goal is to increase energy and production efficiency, reduce waste generation resulting from the use of acid and phosphate, and decrease the amount of water used in chemical baths

We conduct R&D studies specific to the different types of rust formations on cold-drawn wires, their effects on the wire surface, and root cause analyses.

Research is being conducted on the behavior of coating layers of galvanized wires under different variable parameters during the secondary stage of the wire drawing process. We are currently preparing a publication on this topic.

We are conducting studies on various alternatives to increase the rust resistance duration of panel fence products. We are conducting studies on the reuse of lubricating soaps used in the wire drawing process.

We are conducting research on the high-purity recovery of galvanizing by-products, such as ash and sludge.

We are conducting detailed analyses of the methods for recovering HCl waste acid, including pyrometallurgical, evaporation, chemical precipitation, and membrane technologies, and evaluating their practical feasibility.



In line with our R&D projects, collaborative efforts with universities are ongoing without interruption. Our initiatives for establishing a General R&D Center are being carried out in close cooperation with the Technology Transfer Office (TTO) of Firat University. Additionally, our work within the framework of the TÜBITAK 1832 project, in collaboration with the TTO of Kocaeli University, is being diligently pursued.

Completed Projects

Under the framework of the Energy and Natural Resources Ministry of the Republic of Turkey's Efficiency Improvement Projects program, four successful projects have been completed.

1. Factory lighting energy efficiency improvement project: Completed with a budget of 2,400,000 TRY (2021).



- 2. Reinstallation of the annealing furnaces' insulation and prevention of thermal losses project: Completed with a budget of 1,650,000 TRY (2022).
- 3. Conversion of the G-2 line ceramic-bodied boiler to a metallic-bodied one and modernization of the combustion burner system: Completed with a budget of 5,100,000 TRY (2023).
- 4. Improvement of the compressed air system and addition of a heat recovery compressor: Ongoing with a budget of 2,300,000 TRY.

As part of our R&D efforts, four patent applications have been filed to date as a result of our work aimed at addressing the challenges faced in the industry.

- 1. The guide to prevent wire jamming in the wire feeding V-rail head for the Panel Fence Production Machine.
- 2. Design and Manufacturing of the Vaks Roller Group, Enabling Single Interventions.
- 3. Development of an Electric Motorless Rotary Rolling Mill that Reduces Ovality in the Wire and Extends the Service Life of the Mill.
- 4. Invention of a Vibration-Preventing Scraper Felt Used in the Dry Wire Drawing Process.

A comprehensive collaboration agreement has been signed with the Technology Transfer Office (TTO) of Yıldız Technical University for the reduction and recovery of by-products and waste generated at every stage of production in our factory. As part of this project, feasibility studies are being carried out in close collaboration with the university to reduce the quantities and recover materials such as spent acid, used soap, sludge, ash, and waste paint more efficiently. These studies are being meticulously continued.

At our Özyaşar Tel factory, we previously discharged our used wastewater after passing it through a pre-chemical treatment unit, making it suitable for discharge according to ISKI discharge parameters. However, with the advanced technology treatment system we developed after chemical treatment, we have established a system consisting of Mechanical Filters, UF (Ultrafiltration), and RO (Reverse Osmosis) units. Thanks to this innovative system, we recover approximately 66% of the wastewater and reuse it in our processes. Through this application, we contribute to the environment by not consuming an average of 120-150 tons of water daily from natural sources.

At Özyaşar Tel, Çokyaşar Tel, and Çokyaşar Halat factories, a total of 17 Operational Excellence Projects

have been launched with the aim of both achieving economic optimization and reducing environmental waste by minimizing the use of materials such as acid, soap, scraper pads, caustic, and nylon. These projects are being successfully executed, and the targeted improvements are being achieved.

At our Çokyaşar Halat factory, we have initiated a Lean Transformation project to streamline and accelerate our processes. In addition to simplifying the processes, the project also contributes to the optimal use of resources, such as nylon packaging materials.

Our efforts are ongoing for the preparation of the application for the second TÜBİTAK 1832 Green Transformation Project, which aims to optimize the use of consumable materials, improve energy efficiency, and reduce waste through the creation of a digital twin for the Özyaşar Tel galvanizing lines.



Sustainability Goals

SGDs	Goal	Relevant Departments	Relevant Unit Strategy	Risk	Opportunity
6 delawates	Reduce water usage and ensure more ef- ficient management of water resources. Minimize the amount of was- tewater.	Auxiliary Operations Production Environment Project	Selection of sustainable treatment technologies and equipment that minimize environmental impact and resource use. Prioritization of eco-friendly certifications and technologies with low environmental impacts. Addressing leaks, recycling and reusing water wherever possible, and using water-efficient technologies. Zero water discharge (Establishing a closed system). Development of rainwater harvesting systems.	Additional costs arising from new equipment, technologies, and processes required for water efficiency, leading to an increase in short-term costs. Impact of changes on operational processes, resulting in a decrease in production efficiency. Potential impact on product quality, leading to the production of lower-quality products. Time and resource wastage. Changes in the supply chain, uncertainties in supplier relationships, and material/raw material procurement. Loss of motivation in the event of failure to meet targets or achieve success.	Reduction in costs associated with water consumption. Decrease in costs related to wastewater treatment processes through the reduction of wastewater volume. More efficient use of resources to fulfill environmental responsibilities. Enhanced preparedness for climate change risks, such as water scarcity. Fulfillment of responsibilities toward customers and society. Preparedness for existing and future laws and regulations. Increased reputation among stakeholders through the achievement of set targets. Transfer of savings from cost reductions into different sustainable initiatives through the enhanced budget. Reduced risks related to water supply, including minimizing the impact of water scarcity or rising water prices, and increasing operational resilience through water consumption reduction and efficiency improvements. Positive results in water footprint analysis, indicating a low environmental impact.
7 HINGOLDS 13 GRANE 13 GRANE	Reduce the corporate carbon footprint. Increase energy efficiency. Enhance the use of sustainable energy sources. Promote the use of environmentally friendly materials.	Purchasing Environment production Care Energy Logistics Quality Finance Marketing	The prioritize the selection of sustainable and recycled raw materials. Identify energy-efficient maintenance practices that can reduce energy consumption in facilities and equipment. Collaborate with external organizations, industry associations, and sustainability experts to gain knowledge and guidance on sustainable maintenance practices. Regularly inspect, clean, and maintain machinery to prevent malfunctions and efficiency losses. Implement online energy monitoring and control systems to track and manage energy usage more effectively. Use sustainable packaging materials. Integrate sustainable sourcing practices into the procurement process. Consider sustainability factors in product design and development. Prioritize sustainability criteria in production planning. Emphasize the use of sustainable materials, energy efficiency, recyclability, and waste reduction in marketing materials. Reduce correction and rework rates in production units, thereby minimizing unnecessary energy and resource usage.	The procurement of new equipment, technologies, and the reorganization of processes may result in additional costs, leading to short-term cost increases. Challenges in selecting appropriate technologies and training personnel. Disruptions in the supply chain or changes in material procurement affecting the production process. The risk of being unable to quickly adopt innovations or losing competitive advantage. The use of renewable energy sources may be unreliable and inconsistent due to climate conditions. A loss of motivation in the event of failure to achieve goals or targets.	Ensuring energy supply security by diversifying energy sources. Reducing costs associated with energy consumption. Fulfilling responsibilities to customers and society. Reducing environmental damage in production processes. Mitigating the impact of climate change. Producing goods at lower costs. Preparing for future taxation and regulations. Reducing the consumption of limited resources. The creation of new designs and solutions. Presenting the product as a market share and generating a competitive advantage.
12 HISTORIES 12 CONSTRUCTOR CO	Reducing waste generation. Developing recycling and reuse programs. Ensuring the efficient use of resources in the production process. Contributing to the circular economy.	Production Supply Chain Project Environment	Developing environmentally friendly packaging solutions that reduce waste. Implementing practices aimed at reducing errors and waste in production. Increasing the rate of packaging reuse within the facility. Purchasing chemicals in larger, refillable packaging (IBCs). Utilizing treatment sludge as solid fuel.	Potential challenges in accessing infrastructure and technology, or the use of inappropriate technologies, making it more difficult to achieve recycling and reuse targets. Technological investments leading to increased costs and additional financial pressures in the short term. Impact on operational efficiency, with potential disruptions in production processes. Inability to secure suitable materials for recycling and reuse programs, or limited capacity or willingness to source materials/raw materials. Legal risks due to the lack of necessary procedures and regulations to comply with environmental regulations.	Prevention of environmental pollution. Reduction in costs associated with disposal. A portion of the materials used in production or operations sourced from recycled resources. Contribution to sustainability goals. Production processes carried out at lower costs. Optimization of resource usage. Preparedness for future taxation and regulatory changes. Emergence of new designs and solutions.
12 Hiptorial Control of the Control	Developing the inf- rastructure for a digital product passport by improving traceability.	Information Technologies Purchasing Finance Production	Utilization of traceability technologies such as blockchain. Implementation of performance monitoring systems to track energy consumption, waste production, and other sustainability metrics. Leveraging accounting software and technology solutions that facilitate the collection, analysis, and reporting of sustainability data. Enabling continuous online monitoring of production data. Provision of unit-level emission data for materials purchased from suppliers.	Lack of appropriate software, hardware, and expertise, leading to delays in the infrastructure development process. The traceability and digital product passport creation process may lead to an increase in concerns regarding data security and privacy due to the collection and processing of sensitive data. Risk of data breaches or security violations. Additional resources and time wasted. The impact on the traceability process and the jeopardization of data integrity due to a lack of collaboration or mismatches within the supply chain. The need for staff training and awareness programs.	Adapting to emerging technologies. Increasing accountability to the responsible party. Facilitating the identification of issues arising during the process. Simplifying data traceability. Achieving energy consumption savings. Ensuring data optimization in current and future initiatives. Strengthening control over the supply chain. Achieving labor savings. Gaining a competitive advantage in exports

SKA	Hedef	İlgili Birimler	İlgili Birim Stratejisi	Risk	Firsat
4 SMATTY DOZENTS 3 RESILECTES	Developing lifelong learning programs.	Human Resources Environment OHS Brand	Implementation of leadership development programs that emphasize sustainability principles. Organization of professional, social, and cultural training programs for employees. Development of training sessions and awareness projects in educational institutions. Sector-specific experience transfer.	Inability to provide sufficient financial resources for training materials, trainer fees, and training infrastructure. Insufficient qualified training resources (books, trainers, training materials, etc.), affecting the effectiveness and quality of lifelong learning programs. Low participation and motivation of employees in lifelong learning programs. The time and resources required for effective implementation and monitoring. Challenges in ensuring employees apply what they have learned in the workplace and monitoring and managing the learning outcomes. Inability to ensure that everyone has equal opportunities and that support is provided according to their different needs. Compliance and infrastructure development issues due to technological infrastructure requirements, such as digitizing training materials or using online training platforms.	The development of qualified employees in the sector. Fulfillment of social responsibilities. Ensuring social obligations are met for the responsible parties. Increased efforts aligned with sustainable development goals. Greater awareness among employees. Strengthening of social, cultural, and interactive connections. Increased conscious and dedicated work.
1 **COURT TV ***** 2 ***** 11 ******** 11 **********	Developing sustainable business models and investing in projects ai- med at enhancing the economic well-being of communities.	Board of Directors Brand Project Investment Human Resources	Promoting environmentally friendly office practices Allocating funds for sustainability initiatives and projects with positive impacts on the environment and society Leading regional cooperatives with renewable energy investments, and supporting agricultural and rural development projects, local markets with technical assistance, training, and marketing opportunities Strengthening collaborations with NGOs	Insufficient funding or projects requiring higher costs than initially anticipated Difficulty in establishing appropriate systems to monitor the success of projects and evaluate their outcomes Challenges in forming and sustaining partnerships, and balancing the interests of different stakeholders Changing political environment affecting the sustainability and success of projects Difficulties in effectively implementing programs and ensuring employee participation Costs and time loss due to the need for suitable technological infrastructure and systems compatible with business processes for the successful implementation of digital applications.	Evaluation of potential risks Fulfillment of social and community responsibilities Ensuring employees work with greater dedication and efficiency Achieving sustainable development Addressing community needs and increasing public sympathy
4 DUSTING HOLD BY THE STATE OF	Creating sustainable employment Improving employee rights and working conditions Ensuring sustainability performance management	Human Resources	Incorporating sustainability criteria into recruitment processes Hiring candidates who align with the company's sustainability values and goals Implementing diversity-inclusive recruitment programs Prioritizing employee well-being by providing a healthy work environment, mental health support, and promoting work-life balance Including sustainability goals and KPIs as part of employee performance evaluations Offering benefits and recognition programs that reward and appreciate employees for their contributions to sustainability (e.g., bonuses, awards, incentives) Providing internship and scholarship opportunities for individuals working in the field of sustainability	Additional costs arising from improvements to the work environment, offering employees extra benefits, or providing training programs Necessary changes in current business processes and culture Issues with employee alignment and integration Disruptions in business processes Employee resistance to change or failure to accept new policies Difficulty in setting clear sustainability goals and KPIs Perceptions that employees are not being objective during the evaluation process Uninternalized practices being perceived as Greenwashing Having employees who are not qualified to contribute to sustainability efforts Insufficient resources and budget allocated for recognition programs	Fulfilling social and societal responsibilities Encouraging employees to work with greater dedication and efficiency Increasing employee loyalty Reducing employee turnover Enabling the establishment of a corporate sustainability culture Increasing employees' willingness to contribute to process improvement Adapting efficient work practices Developing the company's sustainability culture and raising employees' awareness Enhancing service quality through increased internal productivity, contributing to sustainability performance

SKA	Hedef	İlgili Birimler	İlgili Birim Stratejisi	Risk	Firsat
5 (1993) (1994)	Increasing the number of female employees in leadership roles	Human Resources Corporate Governance Committee		Increased concerns among male employees or the perception that female employees have unfair advantages, leading to tensions in the workplace. Challenges arising in an environment where women are underrepresented in the existing workforce. Misconceptions about the abilities and determination of female leaders, resulting in the exclusion of women from leadership positions. Difficulty in finding enough qualified female candidates to fill leadership roles within the company. Resistance from current employees or managers due to changes in organizational culture and working practices.	Enhances the self-confidence of female employees. Increases opportunities for equality. Provides a broader perspective.
10 HOLDES	Carrying out activities for employees without regard to religion, lan- guage, race, or status	Human Resources Corporate Governance Committee	Ensuring that Human Resources policies promote equal opportunities for all employees.	Encountering existing biases and discrimination among employees Communication challenges and conflicts between employees from different cultures or speaking different languages Some employees, particularly those facing language or cultural differences, may feel underrepresented or excluded Inability to effectively carry out activities by understanding diverse needs and perspectives.	Ensuring equal opportunities Preventing discrimination Providing opportunities for individual development Increasing employee dedication Supporting employee commitment to the workplace Promoting cultural diversity
17 ARDICEART OF THE COLUMN TO	Strengthening stakeholder relationships Increasing the number of suppliers with high sustainability performance Enhancing participation in global sustainability certification and labeling programs	Investor Relations Corporate Governance Committee Sales Marketing Supply Chain Human Resources Brand Finance	Collaborating with suppliers committed to ethical and environmentally responsible practices Increasing participation in industry collaborations and initiatives focused on sustainability Engaging with policymakers and industry associations to advocate for policies and regulations supporting sustainable production practices Utilizing social media and digital marketing platforms to share sustainability stories, updates, and initiatives with target audiences Creating content that educates and inspires the target audience on sustainability, including blog posts, articles, videos, and infographics highlighting Çokyaşar Holding's sustainability efforts and goals Listening to customer/supplier feedback on sustainability issues Taking action based on customer/supplier suggestions and concerns to continuously improve sustainability efforts Emphasizing the sustainable benefits of products or services in marketing materials Revising financial reports to include sustainability metrics Including environmental and social impact data alongside financial information in annual reports Utilizing frameworks such as the Global Reporting Initiative (CRI) to guide reporting processes Publishing sustainability reports that clearly communicate performance and goals, ensuring stakeholders have easy access to the reports Encouraging employees to actively engage in sustainability initiatives Creating employee-led sustainability committees or groups to support sustainability projects and ideas Encouraging employees to actively engage in sustainability initiatives Encouraging employees to contribute with ideas and suggestions for sustainability efforts	Loss of trust among stakeholders due to communication gaps or miscommunication Failure to meet stakeholder expectations, resulting in reputational damage or customer dissatisfaction Increased costs associated with using sustainable materials or processes, potentially reducing competitive advantage High costs of certification processes and compliance requirements, creating an economic burden in the short term Certified or labeled products failing to reflect true sustainability performance, potentially leading to reputational loss due to greenwashing Changes in the political environment affecting the sustainability and success of projects Disruptions to business processes Loss of time and resources Challenges in effectively implementing programs and ensuring employee participation	Strengthening the supply chain Increasing customer satisfaction Establishing a green supply chain infrastructure Ensuring trust Ensuring transparency and accountability Increasing measurability
8 HEINTHER AND TOURISH HEINTHE	Integrating sustainabi- lity accounting practi- ces into processes	Financial Affairs Human Resources Internal Control Investor Relations	Beginning that sustainability costs are appropriately allocated to relevant cost centers and projects Calculating the cost of carbon emissions, water usage, and waste disposal Measuring and reporting on the company's social impacts, such as employee welfare, community engagement, and diversity and inclusion initiatives Conducting Social Return on Investment (SROI) analysis Developing economic sustainability metrics, such as Return on Sustainability Investment (ROSI) or Total Cost of Ownership (TCO) Including sustainability-related expenses and investments in the budgeting process and allocating funds for sustainability projects and initiatives Tracking tax credits and incentives related to sustainable practices Securing support from senior management and executives to prioritize sustainability accounting and allocate resources accordingly Conducting a sustainability risk assessment to identify environmental, social, and governance (ESC) risks that may impact the company's financial performance Exploring sustainability-linked financing options, such as green bonds or sustainability-linked of favorable terms or interest rates based on achieving sustainability targets	Risk of greenwashing Loss or expenditure of time and resources Impact on business processes due to changes, with potential adaptation challenges Increased costs associated with technological investments and modifications Inability to adopt innovations, leading to a loss of competitive advantage	Increasing transparency and accountability Preparing for potential regulations and legal requirements Supporting more conscious and strategic decision-making in areas such as reducing universal impacts, using energy and resources more efficiently, and managing waste

Sustainable Supply Chain and Circular Economy

Our sustainable supply chain policy adopts a comprehensive and holistic approach, addressing environmental, social, economic, and ethical aspects with utmost care. In this context, ensuring the active participation of all our employees and stakeholders has been identified as our top priority.

Environmental

- Carbon Footprint Reduction: We are conducting comprehensive studies aimed at reducing the carbon footprint, one of the significant risks in the steel industry. We are developing optimal solutions to minimize carbon emissions in the procurement of raw materials and auxiliary supplies, as well as in their logistics.
- Environmentally Friendly Materials: We prioritize
 the use of raw materials, packaging, and auxiliary
 supplies that are derived from recycling and are
 environmentally friendly. In this regard, we provide feedback to our suppliers and encourage the
 production of more eco-friendly materials through joint projects.
- Localization and Local Support: In line with our localization objective, we collaborate with local

suppliers in the domestic market, supporting local producers, facilitating the development of alternative products, and ensuring rapid procurement. This approach also helps reduce logistics costs and carbon emissions.

- Reverse Logistics: As part of our reverse logistics practices, we collect packaging and shipping materials for reuse, contributing to the circular economy.
- Industrial Symbiosis: Within the framework of industrial symbiosis studies, we are developing projects where the waste from one production process can be used as an auxiliary material in another process.
- Green Logistics: We prioritize logistics supply partners who adhere to green logistics principles, and by establishing collaborations in this regard, we are developing models that will contribute to green logistics.
- Circular Economy: We integrate recycling and reuse processes to contribute to the circular economy. By developing projects aimed at reducing waste and promoting recycling, we minimize our environmental impacts.



Social

- Safe and Fair Working Conditions: Through our supplier evaluation processes, we encourage our suppliers to provide safer and fairer working conditions for their employees
- Human Rights and Social Responsibility: We encourage the adoption of policies that respect human rights and prohibit child labor, while also promoting the support of social projects through collaboration with local communities.
- Sustainability Goals: In order to support our suppliers in contributing to and internalizing our sustainability goals, we provide regular feedback and closely monitor their compliance with our policies.
- Awareness Training: We organize training sessions for our business partners and employees to raise awareness on sustainability and circular economy topics, and we provide feedback following these training sessions.
- · Responsibility and Respect for Human Rights
- Implementation and Management of Principles: All stakeholder relations are managed in accordance with these core principles. In this context, relevant procedures and instructions are meticulously developed and implemented.



Economic

- Long-Term Relationships and Trust: We establish long-term relationships with our suppliers to ensure mutual trust and collaboration. This approach enables us to carry out improvements that optimize costs within the framework of sustainability and to develop products and processes.
- Economic Sustainability and Risk Management:
 With our sustainable supply chain strategies, we aim to enhance economic sustainability by reducing risks within the supply chain. Specifically, we develop solutions and alternatives to ensure that price fluctuations do not negatively impact the company's profitability. In this context, we closely monitor price movements and trends in sectors

- such as steel markets, LME, chemicals, and forestry products, and minimize risks through strategic purchasing.
- Strategic Planning and Process Management: We effectively utilize our S&OP/IBP processes, which form the foundation of our strategic planning, to set our future objectives and create our roadmap. In this context, we conduct 24-month Demand Planning workshops, assess progress during monthly S&OP/IBP meetings, and take necessary actions. Demand Planning contributes significantly to better Supply Planning, Financial Planning, and Production Planning, thereby establishing a more predictable and solid foundation for a sustainable supply chain and financing.
- Multiple Supplier Strategy and Risk Mitigation: Within the framework of our multiple supplier strategy, we reduce supply risks to a minimum by establishing alternative suppliers and securing price advantages. By classifying suppliers and products according to the Kraljic Matrix, we manage the supplier and product side with a strategic approach in a professional manner, minimizing risks. We establish strategic alliances to gain cost and supply advantages, and furthermore, we develop alternative suppliers and products to avoid dependency on a single supplier or product group in some categories.



- Fundamental Principles of Ethical Understanding: In our companies, the ethical framework is based on six core principles: Environmental Responsibility, Business Ethics and Integrity, Supplier Relations, Product Safety and Quality, Social Responsibility, and Respect for Human Rights.
- Implementation and Management of Principles: All stakeholder relationships are managed in accordance with these core principles. In this context, relevant procedures and instructions are meticulously developed and implemented.



Our Sustainable Supply Chain Strategy

At Çokyaşar, we are committed to rigorously integrating sustainability principles at every stage of our value chain. From production to supply, we adopt sustainable business practices while adhering to our environmental and social responsibilities. We continuously implement improvements in areas such as sustainable material usage, energy efficiency, and waste management. To ensure that our supply chain partners comply with environmental and social standards, we apply meticulous evaluation processes. Additionally, we aim to minimize our environmental impact by extending the lifespan of our products and optimizing recycling processes. This strategic approach not only enhances our operational efficiency but also strengthens our corporate reputation by prioritizing societal and environmental values, contributing to our goal of building a sustainable future

- We effectively implement continuous improvement programs to reduce costs and enhance competitiveness.
- We digitalize our supply chain processes and support them with modern technologies.
- · We are meticulously carrying out all necessary preparations and improvements within the fra-

- mework of the CBAM (Carbon Border Adjustment Mechanism).
- We are creating a more planned and sustainable supply chain structure through the Executive S&OP/IBP (Sales and Operations Planning/Integrated Business Planning) methods.
- By increasing the use of recycled materials in raw materials and semi-finished products, we are reducing environmental impact.
- We prioritize suppliers that have reached a certain level of maturity in their ESG (Environmental, Social, and Governance) processes.
- · We ensure operational sustainability by improving energy efficiency in our supply processes.
- We are developing supply chain processes that contribute to green logistics practices and plan to encourage these initiatives through collaboration with customers and suppliers.
- We regularly assess suppliers' sustainability performance and organize effective collaborative efforts for improvements.
- We are planning initiatives to set sustainable supplier standards and systematically audit compliance with these standards.
- · We enhance reliability by promoting fair, ethical,

- and transparent trade practices throughout the supply chain.
- We are planning initiatives to raise and internalize sustainability awareness in supply chain processes through employee training and feedback.



Risks and Mitigations for a Sustainable Supply Chain

1. Raw Material Procurement and Price Fluctuations

Risk: The limited availability of sustainable and recycled raw material sources, coupled with the implementation of the EU's Carbon Border Adjustment Mechanism (CBAM), which mandates the use of scrap instead of ore in raw material production, is likely to introduce supply-demand imbalances in scrap procurement.

Measures

- We implement accurate and efficient planning for raw material procurement.
- · By establishing long-term agreements with suppliers who source sustainable and recycled raw materials, we build reliable partnerships.
- We organize initiatives to form strategic alliances with alternative suppliers, aiming to diversify risks and enhance supply security.
- Closely monitoring factors and variables influencing price fluctuations, we strive to make strategic purchases through a proactive management approach.
- We plan to utilize financial instruments, such as hedging, effectively to minimize risks and ensure financial stability.

2. Energy Consumption and Emissions

Risk: High energy consumption and carbon emissions

Measures:

- We are investing in renewable energy sources to increase their utilization and support environmental sustainability.
- We plan to effectively implement advanced energy management systems and high-efficiency technologies to enhance energy efficiency.
- To reduce our carbon footprint, we continuously monitor energy consumption, implement reduction measures, and conduct initiatives to minimize environmental impact.

3. Cost Increases

Risk: The initial implementation of sustainability practices may incur high costs.

Measures:

- We are focusing on efficiency improvements and innovative investments that will yield cost savings in the long term.
- We are planning initiatives to effectively utilize green financing sources.

 We aim to achieve long-term cost savings by developing projects that include sustainability practices such as energy efficiency and waste reduction

4. Supply Chain Disruptions

Risk: Events such as natural disasters, political instability, or pandemics leading to disruptions in the supply chain.

Measures:

- We are developing supply chain risk management strategies, collaborating with alternative suppliers, and taking measures to minimize risks.
- We are planning to create alternative logistics models and make existing systems more flexible.
- By building geographically diversified supply chains, we are developing localization strategies to reduce regional risks.
- Through inventory management and flexible supply chain structures, we will ensure proactive preparedness against potential disruptions.

5. International Trade Restrictions

Risk: The impact of cross-border trade restrictions and tariffs on the supply chain.

Measures:

- We are planning to diversify the supply chain by sourcing from different geographical regions to distribute risks and increase flexibility.
- By leveraging free trade agreements, we aim to take advantage of international trade opportunities to achieve cost benefits.
- We are closely monitoring changes in trade policies and organizing proactive measures to ensure strategic alignment and minimize potential impacts.

6. Lack of Technology and Digitalization

Risk: The insufficient availability of technologies required for sustainable supply chain management.

Measures:

- By investing in digital transformation and Industry 4.0 technologies, we optimize supply chain processes with the highest level of efficiency.
- Through innovative technology applications and comprehensive data analytics, we aim to enhan-

ce supply chain efficiency and achieve operational excellence.

Sustainable Supply Chain and New Technologies

- Industry 4.0 and Digital Transformation: The digitalization accelerated by the Industry 4.0 revolution in the industrial sector necessitates an inevitable digital transformation in supply chain management. The transition from the 1st Industrial Revolution to the 2nd and 3rd took nearly a century, while the 4th Industrial Revolution (Industry 4.0) occurred in just fifty years. It is anticipated that the transition to Industry 5.0 will take place within the next 25-30 years. The rapidly evolving and changing environment necessitates the search for alternative solutions to quickly meet demands across all fields.
- Digital Technologies and Their Advantages: In this digital transformation, technologies such as blockchain, the Internet of Things (IoT), artificial intelligence (AI), and smart contracts are becoming prominent. The integration of these technologies will particularly enhance transparency and traceability in international trade, enabling supply chain transactions to be carried out more quickly, with less bureaucracy, and in a more reliable manner. Additionally, costs arising from in-

- termediaries will be minimized. The use of these technologies in the supply chain can lead to improvements of up to 45% in costs and 75% in time savings.
- Technology Integration Projects: We are developing projects to enhance the effective management, traceability, and operational efficiency of the supply chain by utilizing technologies such as the Internet of Things (IoT), Artificial Intelligence (AI), Blockchain, Smart Contracts, and RFID.
- Goals and Areas of Implementation: We aim to enhance product traceability through blockchain technology and develop green financing instruments. Through Smart Contracts, we plan to eliminate paper-based documentation and their intercontinental transfer, thereby gaining cost advantages. With Artificial Intelligence, we seek to generate optimal solutions in planning, shipping, and production, while increasing efficiency and achieving cost savings. By utilizing the Internet of Things (IoT), we plan to track containers and trucks for the products we export, providing real-time data transmission to our customers. Additionally, we aim to reduce forklift movements, minimize energy consumption, and save time by monitoring these operations.

Corporate Governance

Board of Directors

We have a Board of Directors, Corporate Governance Committee, Early Detection of Risk Committee, and Audit Committee within our organization.

Board of Directors				
Name Surname	Title			
Ömer Çokyaşar	Chairman			
Derviş Çokyaşar	Vice Chairman			
Ahmet Fatih Tamay	Independent Board Member			
Murat Tanrıöver	Board Member			
Ümit Bozer	Independent Board Member			
Corporate Governance Committee				
Abmot Fatile Tamay	Independent Board Member			
Ahmet Fatih Tamay	and Committee Chair			
Ümit Bozer	Independent Board Member			
Emel Armağan	Investor Relations Executive			
Mustafa Eroğlu	Supply Chain Manager			
Early Detection of Risks Committee				
Ümit Bozer	Independent Board Member			
Abment Fatile Tament	Independent Board Member			
Ahmet Fatih Tamay	and Committee Chair			
Audit Committee				
Ümit Bozer	Independent Board Member			
Abmot Fatib Tamay	Independent Board Member			
Ahmet Fatih Tamay	and Committee Chair			

Our Corporate Governance Committee diligently fulfills the duties and responsibilities outlined in its working principles and assumes the tasks assigned to it within the framework of the Articles of Association and the Corporate Governance Regulation. The primary purpose of our committee is to support the Board of Directors in the implementation of corporate governance principles, including conducting investigations in case of non-compliance and identifying potential conflicts of interest. Additionally, the committee oversees the investor relations unit and ensures the proper execution of tasks delegated to the Nomination and Remuneration Committees. The specific responsibilities undertaken by our committee are as follows:

- Establishing Corporate Governance Principles within the Company, ensuring their adoption, monitoring the implementation of these principles, identifying reasons for non-compliance, and detecting conflicts of interest arising from non-compliance, while providing improvement suggestions for implementation.
- Evaluating and making recommendations regarding the structure and working methods of the committees. Closely monitoring developments and trends in corporate governance, and researching their applicability within the Company's ma-

nagement.

- Providing recommendations for the determination of the Company's information policy, overseeing the implementation of the established policies, and reviewing the scope, nature, consistency, and accuracy of disclosures and information provided on the website and in the annual report.
- Identifying the core principles of the Investor Relations department, setting standards for all disclosures made by the Investor Relations department, and overseeing their activities.
- Monitoring compliance with internal regulations to prevent the misuse of trade secrets.
- Playing a leading role in maintaining effective communication between the Board of Directors and shareholders, resolving any potential conflicts, and offering necessary advice to the Board of Directors.
- Monitoring the protection and facilitation of shareholders' rights, particularly the right to access information and the right to review.
- Reviewing the Corporate Governance Compliance Report to be publicly disclosed, evaluating its alignment with capital market regulations and consistency, and verifying whether the information in the report is accurate and consistent with the information available to the Committee.

- Contributing to the establishment and development of the Company's ethical guidelines and overseeing the implementation of Company activities within the framework of these guidelines.
- Ensuring the Company's sensitivity to corporate social responsibility, monitoring its compliance with environmental and public health regulations.
- Carrying out the tasks assigned to the Committee by the Capital Markets Board regulations and the Turkish Commercial Code, as well as other duties that may be assigned.

The Risk Early Detection Committee diligently fulfills the duties and responsibilities outlined in its working principles and assumes the tasks assigned to it by the Articles of Association and the Corporate Governance Communique. The primary objective of the Committee is to identify risks that could jeopardize the Company's existence, development, and continuity at an early stage, ensure the implementation of appropriate risk management strategies, and support the Board of Directors in establishing an expert risk management committee. Additionally, the Committee effectively carries out other duties assigned to it within the framework of applicable regulations.



In addition to the duties outlined above, the Risk Early Detection Committee is also responsible for managing the operational and reputational risks identified under the TCFD Climate Change Risk Analysis.

Operational risks refer to the risks that may disrupt the company's daily activities. Disruptions in production processes, potential supply chain interruptions, workforce-related issues, and vulnerabilities in information technology systems are evaluated under this category. Additionally, the impact of climate change on our operational processes is also examined by this committee.

In addition to operational risks, reputational risks are also monitored by this committee. Reputational risks encompass factors that may pose a threat in the public eye. Early identification of risks related to reputation is of utmost importance. Risks that could negatively impact shareholders and other stakeholders are evaluated under this category.

The Audit Committee continues its work with the aim of meticulously overseeing the Company's accounting system and practices, the public disclosure of the Company's financial information, the functioning and effectiveness of both internal and external audit processes, as well as ensuring the Company's compliance with relevant regulations.

Risk Management

This structured approach helps the committee support proactive risk management, contributing to the company's overall resilience and stability:

- Identifying, analyzing, measuring, monitoring, and reporting areas that may create managerial risks and vulnerabilities; informing management about the detection of these risks and addressing deficiencies, while also consulting relevant stakeholders for their input.
- Conducting early identification of strategic, financial, legal, and other risks that could endanger the company's existence, development, and continuity; taking necessary precautions for the detected risks and carrying out efforts to manage these risks effectively.
- Advising and recommending to the Company's Board of Directors on the management and reporting of these risks in alignment with the Company's corporate risk-taking profile, ensuring that necessary measures are taken regarding identified risks, considering these risks in decision-making processes, and establishing effective internal control systems.
- Reviewing the risk management systems at least once a year; examining significant complaints re-

ceived regarding management and the partnership; ensuring the resolution of these complaints, and guaranteeing that employee notifications on this matter are conveyed to the management in accordance with the principle of confidentiality.

- Establishing effective internal control systems to identify, evaluate, monitor, and manage risk elements that could impact the achievement of company goals based on their impact and probability.
- Ensuring the integration of risk management and internal control systems into the corporate structure of the Company and monitoring their effectiveness.
- Carrying out activities to ensure that risk elements are measured, reported, and utilized in decision-making processes through appropriate controls within the Company's risk management and internal control systems.

The existence of a risk committee integrated into the management system plays a crucial role in preparing for potential future risks and taking necessary preventive actions at an early stage. Risks and opportunities are meticulously monitored and managed through strategic policies integrated into the quality management system. In this context,

an effective risk management strategy is based on three main components: the Risk Management Team, Senior Management, and Management Representatives:

- Risk Management Team (Department Managers): This team is responsible for identifying potential risks, conducting thorough analyses, determining necessary measures, and continuously monitoring the effectiveness of the implemented precautions. They ensure that the management of risks is carried out effectively and that each stage progresses smoothly through the proper application of all processes.
- Senior Management: Responsible for ensuring that necessary measures are taken regarding risks and allocating the required resources to support these efforts. This plays a crucial role in the effective management of risks.

Risk assessments are conducted within our company, and risks are categorized into three main groups.

Main Risk Scopes	Risks	Solution and Measures Taken	Relevant Sustainable Development Goals (SDGs)
Environmental	 Climate change effects Depletion of natural resources Environmental pollution Waste management Energy efficiency Loss of biodiversity 	 We invest in renewable energy sources. We minimise our environmental impact by increasing energy efficiency. We develop sustainable resource utilisation policies. We improve recycling and reuse processes. We use emission reduction technologies. We improve waste management and water treatment systems. We implement waste minimisation strategies and increase recycling rates. We adopt energy-saving technologies and practices. We support projects to protect natural habitats. We implement policies that promote biodiversity. 	7 AFFORMABLE AND CLEAN ENERGY 12 RESPONSIBLE CONSUMPTION AND PRODUCTION AND PRODUCTION 13 CLIMATE 15 ON LAND
Social	 Worker health and safety Employee satisfaction and loyalty Diversity and inclusion Social unrest Human rights violations in the supply chain Relations with local communities 	 We raise labour health and safety standards and provide regular trainings. We provide a safe working environment. We offer training and career opportunities for employee development. We increase employee satisfaction with fair wages and benefits. We develop diversity and inclusion policies. We participate in social responsibility projects by establishing strong communication with the society. We prevent human rights violations by conducting supplier audits. We co-operate with local communities. 	3 GOOD HEATTH AND WELL-BEING 8 DECENT WORK AND ECONOMIC GROWTH ECONOMIC GROWTH 10 REDUCED HEQUALITIES AND STRONG INSTITUTIONS INSTITUTIONS
Economic	 Market fluctuations Currency risk Changes in interest rates Competitive pressures Legal and regulatory changes 	 We develop risk management and flexibility strategies. We provide market diversification. We hedge foreign exchange risk and trade in multiple currencies. We use financial instruments to manage interest rate risk. We stay competitive by investing in innovation and R&D. We are developing legal compliance programmes. We are prepared for uncertainties by making economic analyses. 	8 DECENT WORK AND CONOMIC GROWTH 9 AND INFRASTRUCTURE 12 RESPONSIBLE CONSUMPTION AND PRODUCTION AND PRODUCTION CONOMIC CONSUMPTION AND PRODUCTION CONOMIC CONSUMPTION CONOMIC CONSUMPTION CONOMIC CONSUMPTION CONOMIC CONSUMPTION CONOMIC CONSUMPTION CONOMIC CONSUMPTION CONOMIC CONSUMPTION CONOMIC CONSUMPTION CONOMIC CONSUMPTION CONOMIC CONSUMPTION CONSUMPT

Quality Management Systems Activities

Our company encompasses Özyaşar Tel, Çokyaşar Halat, and Çokyaşar Tel, all of which are integrated under a unified quality management system. Each facility not only adheres to quality management standards but also maintains sector-specific certifications to standardize production and ensure operations continue without compromising quality.

Çokyaşar Quality Management System

OZYASAR TEL	COKYASAR	COKYASAR
ISO9001	ISO9001	ISO9001
IS014001	IS014001	IS014001
ISO45001	ISO45001	ISO45001
ISO50001	TS EN 12385-4	ISO50001
ISO/IEC 27001	TS EN 12385-5	TS EN 10244-2
TS EN 10244-2	IATF 16949	
TS EN 10223-6		
TS EN 10223-7		

Quality standards are critically important in ensuring that our products and services consistently provide a high level of reliability. For this reason, these standards play a fundamental role in improving our internal processes and external customer relations, thereby strengthening our company's corporate reputation.

Internal Control System

Our Audit Committee has established a comprehensive internal control mechanism, which is structured to ensure robust oversight and operational integrity. The committee:

- Reviews the activities, adequacy, efficiency, and organizational structure of the company's internal control unit, and makes recommendations to the Board of Directors on creating a sound internal audit infrastructure. This includes defining the authority and responsibilities of the internal audit unit, formalizing internal control processes, and overseeing the implementation and monitoring of the established system.
- Examines and evaluates internal audit reports prepared by the internal audit unit and provides insights and assessments to the Board of Directors.
- Ensures accountability for the management of the company's computer systems, overseeing security and operational functionality. It also reviews contingency plans to ensure business continuity and the protection of data in case the computer system becomes inoperative.
- Facilitates transparent internal audits and verifies whether warnings and recommendations from auditors regarding internal controls are implemented effectively.

Additionally, within our company, an internal au-

ditor is designated to ensure the effective functioning of risk management and internal operations processes in line with our goals and policies. The internal auditor monitors, evaluates, and provides necessary support and information to relevant parties when needed. Our internal auditor:

- Monitors the company's compliance with all regulations.
- *Prepares and publishes monthly audit plans for all departments for the upcoming year every December.
- Conducts audits and prepares monthly reports detailing audit outcomes, which are then presented.
- Works to ensure the continuous functioning of risk management processes.
- Provides recommendations on risk mitigation measures and cost-saving strategies.
- Reviews and evaluates accounting documents, reports, data, and workflows, issuing warnings to relevant departments when necessary.
- Offers advice to ensure validity, legality, and the achievement of targeted success, and intervenes promptly when required.
- Checks adherence to legal regulations and internal company policies, providing necessary notifications to ensure compliance.
- Keeps up to date with legal regulations and financial products.

- Monitors financial conditions and stays informed of evolving needs.
- Provides support on accounting-related matters as requested by the General Manager and carries out tasks assigned by them.
- Ensures compliance with occupational health and safety instructions within the organization and collaborates with the occupational health and safety committee on related matters.
- Facilitates the communication of the company's Quality, Environmental, and OHS (Occupational Health and Safety) Policies to employees in the department and promotes quality awareness.
- As an OHS Representative, promptly addresses and implements requests and suggestions, recognizing the priority of occupational health and safety.
- Has the authority to halt operations in situations where employees feel at risk or as reported by other staff and promptly informs the OHS Committee and senior management.
- Maintains the cleanliness and orderliness of the work environment and ensures that the workspace is left clean at the end of each workday.
- Ensures the collection and monitoring of packaging waste (such as paper and plastic) in recycling bins.
- Ensures that all unused and energy-consuming equipment is turned off.

Supply Chain Management

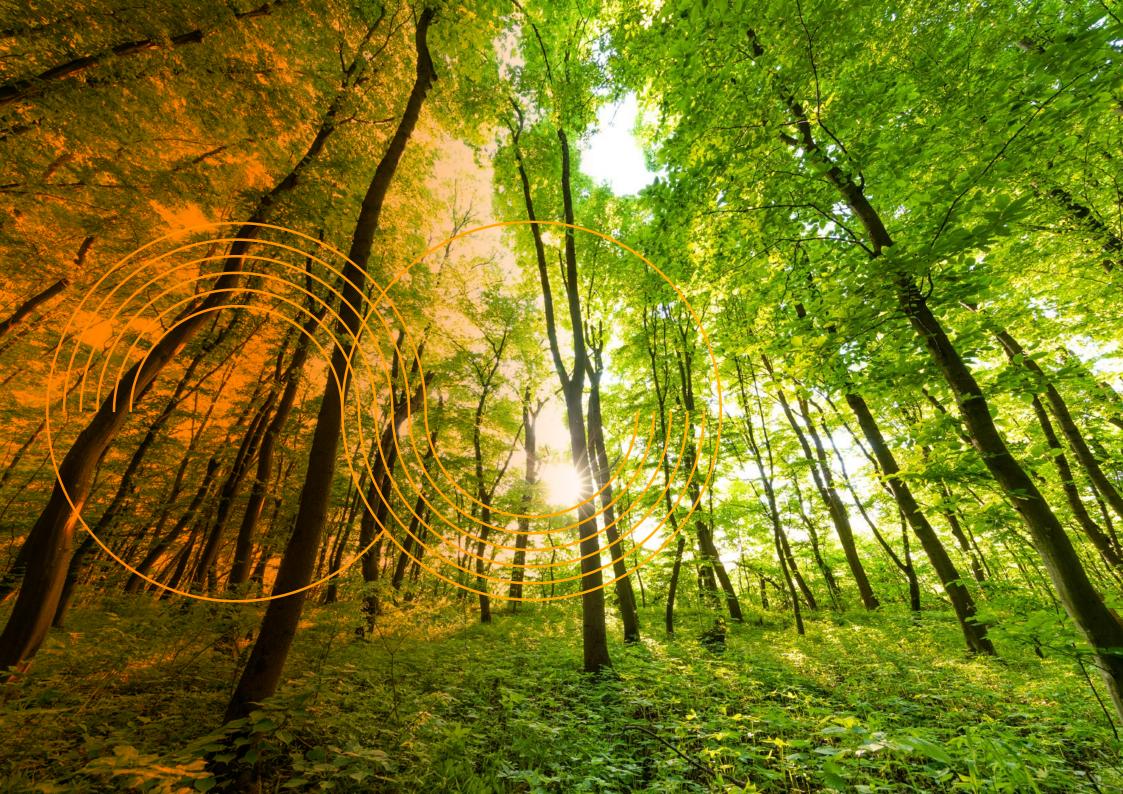
Supplier selection is considered one of the fundamental elements of cradle-to-grave management within our company and is prioritized in the monitoring of both upstream and downstream activities. The process follows a structured approach integrated into the quality management system through Supplier Selection and Evaluation Instructions and Procedures. The management system documentation includes:

- Raw Material and Semi-Finished Product External Operations, Manufacturing Companies
- Calibration and Testing Service, Certification Service, Training Service, Consulting Service
- Customs Service Providers
- · Transport Service Providers
- Subcontracted Labor Services (Personnel, Security, Catering, Transportation) Providers
- Maintenance Service, Machinery and Equipment,
 Software, and Hardware Procurement Providers
- · Other Product and Service Suppliers

In the supplier selection process, we implement specific standards and conduct a pre-evaluation phase for our suppliers. This pre-evaluation process is carried out using a scoring system based on various assessment parameters.

Subject	Desired Score
Price	15
Payment Term	10
Recognition, References	10
Compliance with Legal Requirements	10
Ease of Communication	10
Timely Service and Compliance with Dead- lines	10
Service Satisfaction	10
Timely Notification of Expenses	10
Receipt, Expense Matching	5
Sustainability	10
Total	100





Environmental Performance

Combating Climate Change

One of the greatest challenges humanity faces is protecting ourselves from the destructive impacts of climate change. According to the Intergovernmental Panel on Climate Change (IPCC), if greenhouse gas emissions continue to rise as a result of human activities, a temperature increase of 1.5°C compared to pre-industrial levels is expected to occur before 2050. However, various studies show that if this increase is limited to 1.5°C by 2100, the devastating impacts of climate change can be avoided. In this context, the Paris Agreement aims to continue global collective efforts to keep the global temperature rise from human activities below 1.5°C. As Çokyaşar Holding, we consider it our fundamental responsibility to contribute to these efforts.

The European Green Deal has been declared an integral part of the strategy for implementing the United Nations 2030 Agenda and the Sustainable Development Goals. This agreement is a visionary approach based on the principles of a circular economy and a model of carbon-free economic growth. The plan, which aims for the European continent to become carbon neutral by 2050, is a significant step towards a sustainable future. As Çokyaşar Holding, we view contributing to these steps as a responsibility.

In line with the findings of climate science, we carefully monitor international and national legislative regulations related to climate and the environment, and we continuously improve our capacity beyond the requirements of these regulations. The European Union's "Fit for 55" package, which outlines the Green Deal and sets the timeline for its implementation, is one of the primary areas where our operations are most prominent. We see it as both a preparation for the transition risks that lie ahead for Çokyaşar Holding and an opportunity through the innovative practices we will implement.

Following the ratification of the Paris Agreement by the Grand National Assembly of Turkey, we foresee the emergence of a decarbonization agenda and collaborative environment, which will be shaped by leading industrial organizations in our country. In this process, as key players in our sector, we believe that working together for a sustainable future is of utmost importance.

At Çokyaşar, we are committed to actively supporting the fight against climate change and striving to minimize the environmental impact of our operations. We continue our efforts to enhance energy efficiency, reduce energy intensity, and produce electricity from renewable energy sources. Furthermore, we manage the use of natural resources in line with sustainability principles and aim to imp-



lement projects that protect biodiversity. Through our R&D activities, we seek to turn potential environmental threats into opportunities by developing eco-friendly technologies and products. With this vision, we remain dedicated to contributing to a sustainable future

At Çokyaşar Holding, being aware of our carbon footprint is one of the fundamental pillars of our environmental responsibility and sustainability vision. Knowing our carbon footprint allows us to measure the environmental impacts of our activities with concrete data and develop effective strategies to address these impacts. Furthermore, it enables us to fulfill our role in the fight against climate change and our commitment to protecting the future of our planet. This not only helps us reduce our environmental impacts but also empowers us to create innovative solutions, making our business processes more efficient and sustainable.

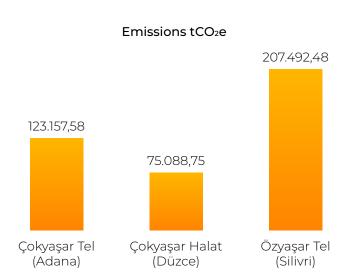
In short, being aware of our carbon footprint is one of the most important steps in our mission to leave a more livable world for future generations.

The first step in managing the impacts of climate change is identifying the sources of greenhouse gas emissions resulting from our activities and developing an inventory. Additionally, our efforts to reduce emissions through project investments form

the basis of the sustainability of our activities in this area.

In 2023, we calculated the emissions resulting from the activities carried out within the boundaries of Özyaşar Tel, Çokyaşar Tel, and Çokyaşar Halat production facilities, considering six specific scopes.

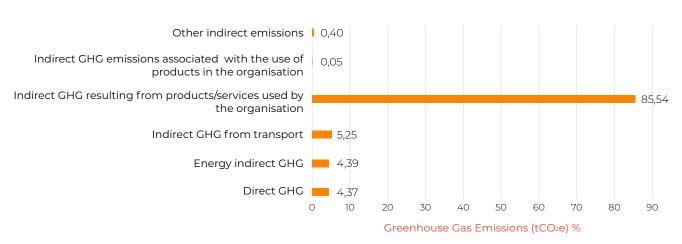
Our Carbon Footprint efforts, in line with the ISO 14064-1 standard, are undergoing validation processes by impartial and independent organizations.





Carbon Emission Rates

Özyaşar Tel 2023 Total Greenhouse Gas Emissions



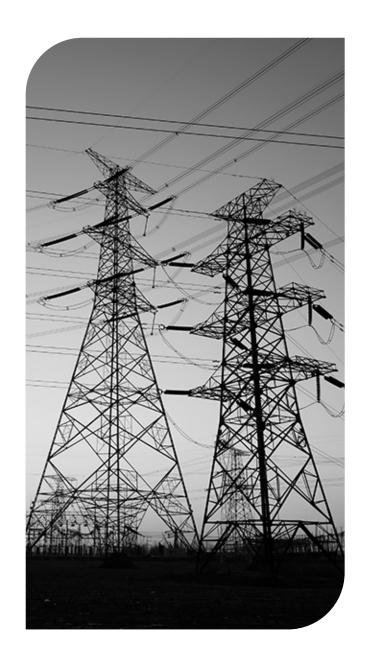
Throughout 2023, we have been mindful that a significant portion of our emissions released into the atmosphere originated from raw material (wire rod) production.

Our Scope 1 and Scope 2 emissions account for approximately 9% of our total emissions. At Özyaşar Tel, sustainability and supply chain management are fundamental and aligned aspects of our operations, and we place the highest importance on these areas.

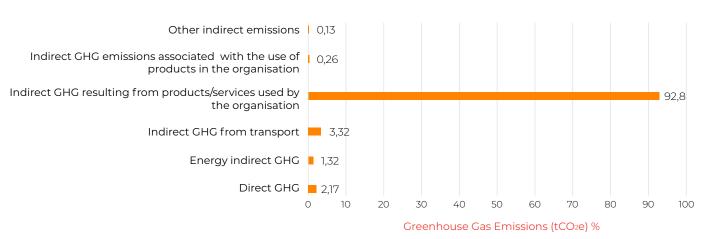
At Özyaşar Tel, we ensure that every stage of our supply chain is managed efficiently, cost-effectively, and sustainably, adhering to our core principles. Through strategies such as eco-friendly material selection, energy efficiency, waste management,

and fair trade practices, we rigorously implement sustainability principles at every step of our supply chain.

At Çokyaşar Tel, we aim to enhance accountability throughout all stages of our supply chain, in line with our sustainability and environmental responsibility principles. In this context, we are diligently working on infrastructure projects to expand the scope of our efforts and further improve sustainable practices across both upstream and downstream activities. By fostering the adoption of environmentally friendly material selection, energy efficiency, waste management, and fair trade practices, we strive to make continuous improvements that will contribute to sustainable business models, not only for today but also for the future.



Çokyaşar Tel Total Greenhouse Gas Emissions in 2023



We are committed to taking conscious actions to reduce or prevent indirect greenhouse gas emissions (Scope 4) resulting from the products and services procured by Çokyaşar Tel. Being aware that approximately 92% of our total emissions originate from raw material production, we continue our efforts in this area with the utmost diligence.

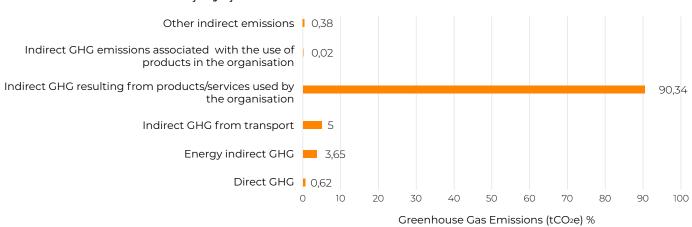
Our Scope 1 and Scope 2 emissions constitute only 4% of our total emissions. In this context, we carefully address strategic partnerships, the use of green raw materials, and green logistics practices, continuing our efforts to minimize emissions with great diligence.

Thanks to the advanced technology and equipment investments we have implemented and

planned, we aim to further reduce our emissions in the coming years. These efforts are crucial for minimizing our environmental impact, achieving our sustainability goals, and ensuring accountability. At our Çokyaşar Tel production facility, we have calculated the total uncertainty by evaluating the uncertainties of activity data and emission factors for each emission source. These calculations are based on tables prepared by the GHG Protocol and IPCC. The total uncertainty rate for 2023 has been calculated at +/- 3.7%, within a reasonable confidence level (95%). In line with published standards and forms, we continue to develop our data collection systematics, aiming to gather accurate data and reduce the level of uncertainty.



Çokyaşar Halat 2023 Total Greenhouse Gas Emissions



At our Çokyaşar Halat production facility, we have identified activities aimed at reducing or preventing indirect greenhouse gas emissions (Scope 4) resulting from purchased goods and services. It has been determined that approximately 90% of our total emissions at the Çokyaşar Halat factory originate from raw material production.

Our Scope 1 and Scope 2 emissions constitute only 5% of our total emissions. However, we meticulously implement necessary improvements related to indirect greenhouse gas emissions from transportation. This includes taking into account both upstream and downstream stages of our supply chain, such as product shipments, business travel, procurement, and waste transportation.

At our Çokyaşar Halat production facility, the total uncertainty has been calculated by considering the uncertainties of activity data and emission factors for each emission source. The calculations were based on the spreadsheets prepared by the GHG Protocol and the IPCC. As of 2023, the total uncertainty rate has been determined at +/- 3.4%, which is within a reasonable confidence level (95%).

Carbon Regulatory Mechanism at the Border (CCRM)

The iron and steel sector has become a significant focus in combating climate change due to its high carbon emissions. In this context, the Carbon Border Adjustment Mechanism (CBAM), implemented by

the European Union, stands out as a regulatory framework aimed at reducing carbon intensity within the sector. CBAM seeks to impose additional costs on imported goods from energy-intensive industries, such as iron and steel, based on their carbon content. The Carbon Border Adjustment Mechanism (CBAM), which plays a crucial role in combating global climate change, was officially published in the Official Journal of the European Union and entered into force on May 17, 2023. As a result, the reporting process for the 17 taxable products has commenced.



Energy Management

As Çokyaşar Holding, we are taking significant steps toward increasing energy efficiency and minimizing environmental impacts through the transition to renewable energy and the correct and efficient use of resources. In line with this vision, we are meeting our energy needs from sustainable sources through the Solar Energy Power Plant (GES) investments we implemented at our Adana and Düzce factories, improving energy efficiency initiatives related to our machinery, and expanding our capacity with projects carried out together with our R&D engineers. Through our energy management projects, we fulfill our environmental responsibility by optimizing our energy consumption and reducing our environmental impacts.

As one of the fundamental pillars of sustainability, we are undertaking various innovative initiatives to reduce energy consumption within our factories and processes.

As a result of the efficiency studies carried out in 2023 at our Özyaşar Tel factory, we achieved a total reduction of 1,183,887 m7. Some of the projects that contributed to this reduction include:

The top of the furnace has been insulated for heat, and periodic flue gas measurements are carried out for energy efficiency.

The ceramic bath was replaced with a metallic boiler, and a VAP project was implemented.







Some of the projects that our Çokyaşar Tel production facility plans to realise are presented below:

The factory lighting is managed through automation.

The electrical panel rooms are more efficiently cooled through the integration of VRF and Chiller systems.

The hot water requirement is met by utilizing the waste heat from the compressor.

The heating of zinc and annealing furnace air has been implemented to improve efficiency.

By continuously monitoring the combustion regime and ensuring that the entrance and exit doors of the annealing furnace remain closed, we have achieved improved efficiency.

A ceramic blanket insulation system was installed on top of the furnace in the zinc furnace to improve thermal efficiency.









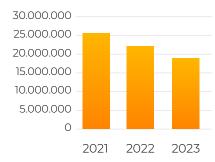
At our Çokyaşar Tel production facility, we conducted a comprehensive energy efficiency study in 2023. As energy resources continue to deplete, energy efficiency is becoming increasingly important every day. In this context, we are conducting a detailed energy audit to identify the efficiency potentials in energy-intensive areas, determine innovative technological alternatives that can replace existing systems, and carry out feasibility studies.

Energy Efficiency Measures	Energy Type	Savings Amount (TL/year)	CO2 Reduction Amount (tonnes/year)
Melting Furnace Burner Adjustment	Natural Gas	215.693,28	64,02
Circulation and Cooling Pumps	Electricity	555.511,08	80,36
Replacement of Electric Motors with High Efficiency Class Motors	Electricity	255.811,49	37,00

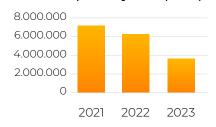
As a result of the efforts we undertook to improve efficiency and reduce costs, we have identified efficiency focus areas in management, operation, and production, leading to an annual energy saving potential of 211,573.48 kWh. This saving represents 1.52% of the total current energy consumption. The anticipated annual cost savings amount to 1,027,015.85 TL. As a result of all these efforts, an estimated reduction of approximately 181 tons of CO₂ is targeted, while achieving about 5.67% energy savings.

	Savings Amount				F	
Fuels	Quantity (/year)	Original Unit	Energy (Tep/year)	Cost TL	Energy Saving Rate %	
Electricity	211.458,14	kWh	18,19	811.322,57	3,42%	
Natural Gas	115.344,00	kWh	9,92	215.693,28	0,75%	
Total	326.802,14	kWh	28,1	1.027.015,85	1,52%	

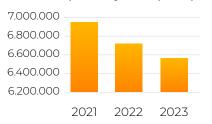
Özyaşar Tel Electricity Consumption by Year (kWh)



Çokyaşar Tel Electricity Consumption by Year (kWh)

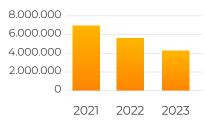


Çokyaşar Halat Electricity Consumption by Year (kWh)

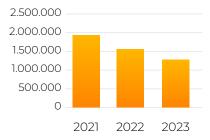




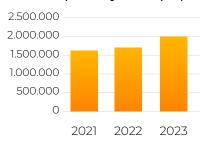
Özyaşar Tel Natural Gas Consumption by Year (m³)



Çokyaşar Tel Natural Gas Consumption by Year (m³)

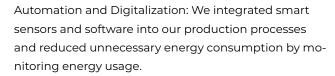


Çokyaşar Halat Natural Gas Consumption by Years (m³)



In our production facilities in Düzce, Adana, and Silivri, the electricity and natural gas consumption over the years has decreased thanks to the energy efficiency projects we have implemented. Some of the reasons for this reduction are as follows:

Energy Efficiency Improvements: At our Düzce, Adana, and Silivri facilities, we have implemented various improvements to increase energy efficiency over time, including the use of new, energy-efficient machines and technologies, the installation of energy-efficient lighting systems, and the modernization of existing equipment.



Energy Management Systems: By implementing energy management systems in all our production facilities, we analyzed our energy consumption and identified and eliminated unnecessary energy expenditures.

Alternative Energy Sources: We have made investments in renewable energy sources at our Adana and Düzce production facilities, reducing our dependence on fossil fuels.

Environmental Regulations and Goals: In line with our sustainability goals, we have made environmental regulations and developed strategies to reduce the energy consumption of our factories, and we continue to improve these strategies.



















Renewable Energy Source Utilisation / SPP Production

At our Çokyaşar Halat factory, in 2023, we generated 1,005,842 kWh of energy, covering approximately 16.92% of our total energy consumption with renewable energy.

At our Çokyaşar Tel factory, thanks to the Solar Power Plants we implemented in 2022, we produced 24,688 kWh in the first year, and increased it to 2,048,114 kWh in 2023, preventing the emission of 1,113.35 tons of CO_2 into the atmosphere.

SPP Production Amount (kWh)



2023 Diesel Oil Utilisation Amounts (lt)



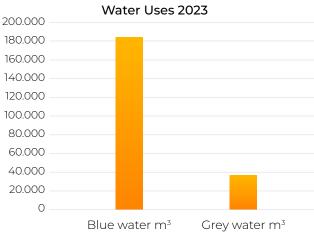
Water Management

As Çokyaşar Holding, reducing the water footprint of both our consumers and operations is one of our top priorities. In our production facilities, we carefully implement water efficiency, water recycling, and reuse projects with the goal of minimizing water extraction.

As Çokyaşar Holding, minimizing clean water usage is among our top priorities in line with the goals we have set. To achieve this, we closely monitor and implement the best practices in the industry.

For water recovery, we identify potential improvement areas suitable for the operational scale of our facilities and integrate units into our systems accordingly. In water usage, we carefully evaluate the quality of water at every stage and ensure the correct water quality is maintained at each point. We plan our recovery efforts by considering the water needs of the region, the climate, and the specific conditions of our operations, ensuring sustainable improvement initiatives in our facilities.





At Özyaşar Tel production facility, we implemented a project to soften wastewater using advanced technological systems and recycle it back into the factory processes. Thanks to the advanced treatment technology we launched in the last quarter of 2023, we successfully recovered 3,485 m³ of water.

With this project, we achieved over 99% removal efficiency for parameters such as conductivity, chloride, total hardness, and iron, compared to the wastewater values. As a result, annually, the amount of fresh water required to fill 33 Olympic-sized swimming pools (each holding 2,500 tons) will be sourced from our treated wastewater instead of being drawn from wells or the municipal water supply.

We have contributed to the protection of both natural water resources and ecosystems.

We achieved energy efficiency.

By improving water quality, we ensured a safe water supply for industrial and agricultural activities and achieved savings in our water usage.

We contributed to the preservation of water resources and ecosystems.

By eliminating pollutants from water sources, we helped improve public health and prevent waterborne diseases.

We have made it possible to use water sustainably in line with our sustainability goals















In 2023, we carried out Water Footprint studies across all our production facilities in compliance with the ISO 14046:2014 and ISO 14073:2017 standards.



As Çokyaşar Holding, the water management policies of our suppliers directly and indirectly influence our overall water management strategy. By adopting sustainable water use policies, our suppliers significantly contribute to reducing our water footprint and advancing our environmental sustainability goals. Together with our suppliers who actively work on water management, we aim to minimize global risks such as climate change and water scarcity, prevent potential disruptions in our supply chain, and ensure the sustainability of our business operations.

In collaboration with our suppliers, we are developing innovative projects in the field of water management and contributing to the improvement of water management technologies through these projects. Therefore, we are fully aware that the sensitivity of our suppliers to water management policies plays a critical role not only in our sustainability journey but also in enhancing our competitive advantage. As Çokyaşar Holding, we prioritize partnerships with companies that align with our sustainability principles and requirements in supplier selection. Currently, our collaborating suppliers are companies that show sensitivity to sustainable water management and operate in line with these principles.



Waste Management

As Çokyaşar Holding, we operate with the awareness of the strategic importance of waste recovery in the steel industry. By reprocessing scrap metals, slags, and other by-products generated in our production processes using modern recycling methods, we minimize raw material waste. This approach not only reduces environmental impacts but also decreases energy consumption, thereby enhancing our operational efficiency.

To minimize waste generated from our operational activities and ensure the maximum reuse of recyclable waste, we adopt a comprehensive waste management policy. In line with this, segregating waste at the source and integrating it into recycling processes is one of our primary objectives in all our production processes. As Çokyaşar Holding, we aim to contribute to the conservation of natural resources and minimize the environmental impact of waste through our waste management policies.

By developing collaborations with our suppliers and business partners on integrated waste management systems, we are implementing projects that promote the reuse of waste rather than its disposal.

Targeted Year	Targeted Amount of Recovered Raw Materials
2030	%83
2050	%96

In accordance with the Zero Waste Regulation published in the Official Gazette No. 30829 on 12/07/2019, we have successfully implemented the Zero Waste Management System across our three factories. As a result of these comprehensive efforts, each of our factories has earned the right to receive the Zero Waste Certificate.







Ozyaşar Tel Waste Amounts

Through the measures taken, Özyaşar Tel restructured its waste management strategies by the end of 2022 and adopted a more sustainable model for waste production. As a result of these strategic adjustments, the amount of hazardous waste was reduced to 3,279,273 kg, and non-hazardous waste was recorded at 2,753,719 kg in 2023. These improvements have been a significant step toward reducing environmental impacts and utilizing resources more efficiently. At Özyaşar Tel, we aim to continually review and enhance our waste management strategies to further strengthen our environmental responsibility.



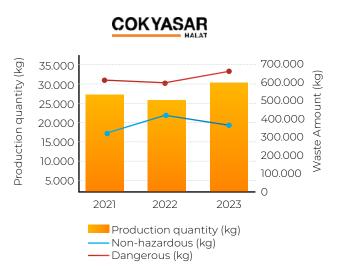
Çokyaşar Tel Waste Amounts

The increase recorded in 2023 coincides with a period in which our factory reassessed its environmental management policies and established new systems aligned with sustainability goals. Additionally, the transition to our new facility, the commissioning of new production lines, and structural changes within the factory temporarily led to an increase in waste quantities. However, following the completion of this transformation process, the goal is to bring waste quantities back under control and align them with our sustainability objectives.



Çokyaşar Halat Waste Amounts

Our Çokyaşar Halat factory has demonstrated a remarkable waste management performance in the past three years, prioritizing environmental responsibility in its production activities. As of 2023, the factory has disposed of 672,835 kg of hazardous waste and 367,068 kg of non-hazardous waste.



Chemical Management

As Çokyaşar Holding, adhering to the highest environmental standards in the use and disposal of chemical substances is of great importance for the preservation of natural resources and minimizing adverse environmental impacts. Within the framework of our environmentally conscious policies, we continuously make improvements in chemical management to protect ecosystems and ensure a sustainable environment.

In our approach to chemical management, we prioritize social responsibility, focusing on protecting the health of our employees and the wider community. To this end, we organize comprehensive training programs on the safe handling, storage, and transportation of hazardous chemicals. Over the past year, we have delivered 40 hours of training to 12 employees, enhancing their awareness and strengthening occupational health and safety standards. Furthermore, we actively collaborate with all stakeholders in our supply chain to maintain the highest level of chemical safety at every stage.

Efficient chemical usage contributes to cost reduction by minimizing waste, while full compliance with legal regulations helps prevent potential penalties and reputational damage. In this context, we position chemical management as a vital element in ensuring both environmental and economic sustainability.

Air Emissions

As a service provider operating in the steel industry, our factories occupy a critical position regarding air emissions. The production processes carried out within our facilities, energy consumption, and the processing of raw materials lead to air emissions. We have specific monitoring systems for air emissions at three different locations, and we prepare our emission reports at regular intervals.

At our Özyaşar Tel factory, we have a total of 54 chimneys. To protect air quality in our production processes, we conduct regular measurements and, when necessary, perform additional measurements and activities to ensure that our operational processes are aligned with sustainability principles. The parameters we monitor in the chimneys, which vary depending on the units they are connected to, include CO, NOx, SO2, dust, total organic carbon, and HCl. As a result of the measurements and periodic inspections carried out at the facility, we have been found to be in compliance with national and international standards.

At our Çokyaşar Tel factory, there are a total of three chimneys. These chimneys include the annealing furnace chimney in the galvanizing unit, the scrubber chimney, and the zinc bath chimneys. The chimneys at our facility serve process-related functions. In accordance with the Air Pollution Control Regulation (SKHKK), we monitor CO, NOx, SO2, dust, and volatile organic carbon in the annealing

furnace and zinc bath chimneys. In the scrubber chimney, we only analyze dust and volatile organic carbon parameters.

At our Çokyaşar Halat factory, there were two chimneys in 2021. One of these chimneys was for the steam boiler, and the other was for the mechanical surface cleaning scrubber. In the mechanical surface cleaning scrubber chimney, volatile organic carbon, HF, and HCl parameters were monitored, while CO, NO2, NO, SO2, and dust parameters were regularly tracked in the steam boiler chimney. As of 2023, the number of chimneys at our Çokyaşar Halat factory has been increased to five, and different parameters have started to be analyzed. We carefully monitor CO, NO2, NO, SO2, and dust parameters in the steam boiler chimney, and dust, HF, and HCl parameters in the scrubber chimney.

As Çokyaşar Holding, we continue our activities with determination, demonstrating our sensitivity towards the environment and climate in all our operational processes. We are not only focused on carbon emissions but also maintain a strong commitment to addressing other pollutant parameters.

Use of Recycled Products

As part of our sustainability vision, we are committed to maintaining our environmental responsibility at the highest level throughout every stage of our supply chain. In our raw material selections, we take conscious steps to conserve natural resources and prioritize the use of recycled materials. In 2023, 42% of the raw materials we purchased consisted of recycled products. With this

approach, we not only strengthen our efforts in waste management but also significantly reduce our carbon footprint by increasing energy savings.

We meticulously implement eco-friendly practices in our product packaging processes. The durability and reusability of stacking materials are carefully assessed with the aim of delivering long-term environmental benefits. These materials, designed in line with the principles of the circular economy, support sustainability at every stage

from production to the end user, and by selecting recyclable packaging materials, we minimize the environmental impact of waste.

At Çokyaşar Holding, while acting with an awareness of our environmental responsibilities, we do not overlook economic sustainability. The use of recycled raw materials contributes to cost optimization, while choosing high-quality and durable packaging materials generates long-term cost savings.





Social Performance

Sustainability is a comprehensive concept in to-day's world, where businesses are evaluated not only by their economic performance but also by their environmental and social impacts. Social performance refers to the contributions a company makes to society and its effects on the community. In our company, social performance consists of a set of criteria that measure how responsibilities to employees, customers, suppliers, the community, and other stakeholders are fulfilled. In addition to other performance metrics, social performance plays a critical role in our sustainability journey.



Employee Skill Acquisitions

The success of our company is largely dependent on the abilities of our employees and the development of these skills. Efforts aimed at enhancing the talents and achievements of our employees are carefully carried out to support their individual development and improve organizational performance.

In our company, employees are considered the most important stakeholders, and their professional development is one of the top priorities. In this regard, we have developed the Çokyaşar Academy Program. All our employees benefit from this program. Çokyaşar Academy is designed to support and advance the personal and professional development of our employees. The benefits provided to employees through the digital academy are listed below:

- \cdot Easy Access (web interface or mobile application)
- $\cdot\,$ Flexible Access Independent of Time
- Development with Dynamic, Unlimited, and Free Learning Resources
- · Various Learning Methods
- · Interactive Training and Gamification
- · Subject Matter Expert Webinars
- · Alignment with Company Strategies

Our company has performance metric systems in place, and there is a performance evaluation regulation integrated into the quality management system. Performance evaluation is conducted once a year for all personnel who have completed their probation period (after 2 months) and whose employment relationship is ongoing. The evaluation (scoring) period is carried out within 30 days after the end of the year. There are two main categories in the evaluation process:

- · Competency-Based Evaluation
- · Goal-Based Evaluation



Competency-Based Evaluation: This system measures both the personal and job-related competencies of employees. It is divided into two categories: Core and Managerial. While all employees are responsible for core competencies, managers are also evaluated in terms of managerial competencies.

Goal-Based Evaluation: All employees are subject to goal-based evaluation, with goals determined through mutual agreement between the manager and the employee. Through the performance evaluation process, Çokyaşar Holding provides a dynamic work environment for its employees and offers support in enhancing productivity.

Examples of these initiatives include organizing events such as the "23 April - Çokyaşar Children's Drawing Contest," providing gift vouchers for International Women's Day, and hosting activities like ice cream and bowling events under the "Bi'mola" concept. These activities are designed to foster team spirit, celebrate special occasions, and offer a fun break for employees, contributing to both motivation and a positive company culture.

Social Activities

We are aware that internal communication within the company, fostering interaction between departments and employees, plays a crucial role in creating a cohesive and productive work environment. We recognize that employee satisfaction and productivity are significantly enhanced when a balance is struck between professional life and social activities. In this context, our company implements several initiatives to ensure that our employees feel valued. These include providing a "Welcome Package" to new hires to strengthen their sense of belonging, celebrating special occasions, offering birthday gifts and time off, and organizing internal events aimed at boosting communication and motivation.

Employment, Diversity and Human Rights

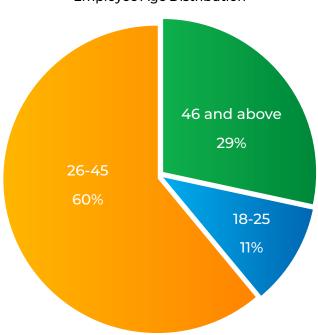
By adopting the principle of equality among employees, we are aware that equality and inclusivity should become the culture of our workplace. In our company, decisions regarding hiring, promotions, and training are made with the principle of equality, without discrimination based on factors such as race, color, marital status, disability, age, ethnicity, gender, or nationality. Equal opportunity is always

a priority. Drawing inspiration from the dynamism of our young employees and the experience of our middle-aged workforce, we have made diversity the main focus of our operational processes. With the potential for continuous growth and job creation, our company has raised awareness across all of our locations, and the number of our employees is presented.

Location	Number of Employees
Çokyaşar Halat	165
Male	159
Woman	6
Çokyaşar Holding	50
Male	27
Woman	23
Çokyaşar Tel	130
Male	125
Woman	5
Özyaşar Tel	405
Male	383
Woman	22
Grand Total	750

In our company locations, recruitment is conducted based on competencies, and we have made ensuring equal opportunities in the workplace a fundamental principle. In this context, we support female employment at every level of the work process. Additionally, youth employment has been established as an important priority in our management mentality. The age distribution of our employees at our locations is presented below.





The necessity of providing employment without discrimination, regardless of language, religion, race, or physical condition, is one of our core principles. In line with this, we prioritize the employment of individuals with disabilities and, as of 2023, we are working with a total of 16 employees with disabilities. To ensure equal opportunities and establish ethical behavior standards, we have created an Ethics Principles Regulation. With this regulation, we aim to ensure that our employees, as well as those in our affiliated companies, act in the best interests of the company, uphold company values, and unconditionally comply with ethical standards.

Within the framework of the regulation, the procedures and principles regarding honesty, behavior standards, confidentiality, salary confidentiality, compliance with laws and regulations, situations where personal interests may arise, corporate communication, use of company resources, behavior and communication, human rights, equal opportunities, adherence to working hours, political activities, bribery and corruption, gift giving/receiving, and communication with stakeholders are defined in detail.

In the relevant regulation, it is emphasized that discrimination based on factors such as race, color, age, gender, marital status, disability, ethnicity, or nationality cannot occur during hiring, evaluation, promotion, training, development, discipline, compensation, and termination decisions, and that equal opportunities for all are fundamental. Within the framework of the Ethics Principles Regulation, a human rights management framework is also defined. In line with this framework, we and our affiliated companies will fully respect and support individuals' rights and freedoms in all the areas where we operate. Under no circumstances will discrimination based on gender, ethnicity, race, color, nationality, economic status, political views, religion, or other beliefs be tolerated.

In addition to the Ethics Principles Regulation, the Anti-Bribery and Anti-Corruption Policy has also been integrated into our quality management system. Bribery and corruption can be carried out in many different ways. Among these;

- · Cash payments,
- · Political or other donations,
- · Commissions,
- · Social benefits,
- · Gifts and hospitality,

are among the behaviors that could create benefits, and measures are taken to prevent such actions.

Corrective, Preventive, and Awareness-Raising Activities

Corrective and preventive actions processes in all our locations have been integrated into the quality management system through a procedure. With the Corrective and Preventive Actions Procedure, we aim to identify the causes of non-conformities arising within the Quality Management System and eliminate the sources of these causes by investigating the root causes of the issues. In this regard, corrective actions are initiated in the following situations:

- Based on the decisions made in Management Review meetings,
- As a result of findings related to customer satisfaction.
- In the event of an increase in customer complaints,
- To eliminate non-conformities found during internal audits, customer audits, and certification inspections,
- · In case of issues related to processes,
- \cdot If there are problems with the targets,
- To eliminate recurring errors that arise within the Quality Management System,

- In the event of significant errors, corrective actions are taken to eliminate these errors.
- In case of an increase in non-conforming products, scrap, or waste quantities, corrective actions are initiated to reduce them,
- · When a non-conformity arises from suppliers,
- Corrective actions are initiated in any situation that is identified through data analysis and requires correction.

The corrective action request is made through the Corrective and Preventive Action Request Form. The person who detects a non-conformity that requires corrective action marks the corrective action section on the form, fills in details such as the date, the person making the request, and a description of the non-conformity, and submits the form to the Quality Management System Representative. The corrective action is evaluated by the Quality Management System Representative, and the actions taken are recorded in the results section. Additionally, after each corrective and preventive action is completed, it is brought up again in the management review meetings, and the monitoring process continues.

Corrective and preventive actions, after being forwarded to the relevant departments through

the Corrective Action Form, go through the following processes:

- 1. A brief description of the nonconformity,
- 2. Formation of a problem-solving team and communication of the issue to the team,
- 3. Identification of immediate corrective/preventive actions,
- 4. Root cause analysis of the problem,
- 5. Determination of the actions to be taken regarding the nonconformity,
- 6. Monitoring the effectiveness of the implemented actions, and
- 7. Final results and evaluation.

As a result of monitoring corrective actions, if it is found that the actions have not been implemented or the nonconformity has not been resolved, the issue is revisited with the involvement of the responsible department, and the file is not closed until the problems are fully resolved.

Occupational Health and Safety

There is a Health and Safety Instruction integrated into the quality management systems of all our locations. This instruction is designed to eliminate potential hazards regarding Occupational Health and Safety and ensure that necessary precautions are taken for all employees. The following points should be taken into consideration during the implementation process:

- To eliminate situations that pose potential hazards in terms of the ISO 45001 Occupational Health and Safety management system and/or report them to the manager to ensure necessary precautions are taken.
- To use all protective technical safety equipment provided by the employer related to the job and ensure its use by the team under their supervision.
- To report necessary information, updates, developments, and any issues related to the specified duties and responsibilities to their manager and to provide updates on activities.
- · To coordinate and manage their team.
- Ensuring compliance with the necessary occupational health and safety instructions within the facility and coordinating efforts on these matters

with the occupational health and safety committee.

- Ensure that the Company's Quality, Environmental, and OHS Policies are communicated to employees within the department and that quality awareness is promoted.
- Promptly fulfill the requests and suggestions of the OHS Representative, with an awareness that occupational health and safety take precedence over all else and with the understanding that the relevant individuals on these matters report directly to their immediate supervisor.
- Be authorized to halt any relevant operation during their shift if they perceive that workers are at risk or if such concerns are reported by other employees, and promptly inform the OHS Committee and their immediate supervisor on the matter.
- Ensure that waste generated in the unit is collected separately in designated waste areas, without mixing; if chemical materials are used within the unit, provide the necessary training and ensure proper implementation.
- Ensure that the work environment is cleaned and organized, and that the work area is left clean at the end of the shift.

- Ensure that packaging waste (such as paper, plastic) is collected in recycling bins and monitor the process.
- Ensure that scrap materials generated in the department are taken to the scrap area and monitor the process.
- Ensure that all unused equipment consuming energy is turned off. Prevent unnecessary water consumption.
- It is listed as working according to the instructions in the section, adhering to warning signs and labels, and using personal protective equipment.
- The activities are listed as working according to the instructions in the section, adhering to warning signs and labels, and using personal protective equipment.



Social Responsibility Projects

- Social responsibility projects are valuable activities carried out to meet the needs of society, improve quality of life, and support sustainable development. In this regard, with the awareness of the importance and support social responsibility offers to society, we make tree donations to all our stakeholders through the TEMA Foundation.
- During the COVID-19 pandemic, masks and wire donations were made to institutions and organizations, and panel fence assistance was provided to the garden of the Diyarbakır Gözlüköy Primary School.

- As a symbol of the importance given to education, a school was built in 2008 in the Darende district of Malatya in the name of our founder and honorary president, Mr. Ahmet Çokyaşar.
- In 2021, Çokyaşar Holding donated bags to employees at the ITU Foundation and provided scholarships for the foundation's students with the proceeds.
- In line with the expectations of Mustafa Kemal Atatürk, the founder of the Republic of Turkey, for the future generations, we signed a sponsorship agreement with the Silivri Sports Club to support the training of athletes.
- In 2022, to support women's employment, which is the focus of our operational processes, and to encourage its spread throughout the country, we supported women's day and provided assistance to working women by purchasing handcrafted products through the Women's Labor Evaluation Foundation (NAHIL).
- We provided financial support for the construction of an activity hall at the primary school in Çerkezköy, Tekirdağ.





Innovative Employment

Youth employment is of great importance for the economic and social development of a country. Young people bring a fresh and innovative perspec-

tive to the workforce with their dynamic and energetic approaches.

Increasing employment opportunities plays a critical role in maintaining social peace and prosperity.

In this context, enhancing the employability of young people and supporting them with education and vocational skills is of great importance.

Our company, which adopts an innovative approach to employment, enhances operational efficiency, reduces costs, and takes advantage of new market opportunities by encouraging young people to develop new ideas, technologies, and business models. Furthermore, the innovative workforce offers the ability to quickly adapt to changing market conditions and technological advancements, making it a critical factor for sustainable growth and development in the long term. These strategies support continuous learning and development among employees, helping them

become more skilled and motivated individuals.

In this regard, believing in the power of young and innovative employment, we have created the "Young Talent Development Process Handbook." This handbook provides a comprehensive explanation of the details and operational process of our recruitment program, "Future Stars."

The steps of our recruitment process are as follows:

- · Application and preliminary screening
- · First interview
- Technical interview
- · Project assignment
- · Group work
- Job offer

The Future Stars program is a comprehensive process aimed at supporting the development of young talents over a six-month period. During this time, the focus is on enhancing participants' professional and personal skills, as well as providing them with experience in the professional work environment. At the end of the program, a mutual evaluation is conducted with the young talents; this evaluation is carried out by our company's Human Resources department. Additionally, at the end of the six months, a special graduation ceremony is organized for the young talents.



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COKYASAR



Kolay Başvuru İçin QR Kodu Okutabilirsin

> infinite possibilities



Economic Performance

Our strategic position in the global market, as reflected in the export data for 2021, 2022, and 2023, comprehensively showcases our company's performance in the international trade arena and its efforts to achieve sustainable growth targets. This data provides a detailed analysis of export strategies shaped by changing economic dynamics and market demands, highlighting our strategic directions and impact on the market.

The year 2021 marked a period of reopening and economic recovery following the pandemic, during which our company experienced a significant increase in exports, particularly in industrial rope and wire products. The rise in demand and improvements in the supply chain during this period significantly enhanced our competitive strength in the global market.

In 2022, despite a partial decline in our export volume due to economic uncertainties and supply chain disruptions, we developed strategies to adapt to sectoral fluctuations and changing customer demands, successfully maintaining our market share.

In 2023, our company's export performance rebounded. During this period, we gained attention with our innovative product development and market expansion strategies, achieving a notable increase in export volume by entering various geographic regions. In particular, our expansion in European markets has strengthened our presence in international trade and supported our sustainable growth objectives.

As Özyaşar Tel ve Galvanizleme Sanayi A.Ş., we are proud to be positioned at a high investment grade within the corporate credit rating system. Our "Long-Term National Issuer Credit Rating" of 'A(tr)' and "Short-Term National Issuer Credit Rating" of 'JI(tr)' serve as strong indicators of our financial reliability. Our long-term credit rating of A(tr) signifies low credit risk, affirming our ability to meet obligations on time. Meanwhile, our short-term rating of JI(tr) reflects the strength of our capacity to meet short-term liabilities.

Our investment targets, debt structure, profitability, equity indicators, and foreign currency position are closely monitored, while the sustainability of domestic and international demand is also carefully tracked. Additionally, macroeconomic indicators, market conditions in national and international markets, and sector-specific regulations are among our assessment criteria.

Our strong sales performance, improvements in cash flow metrics, the positive trend in our net debt/EBITDA ratio, and the high share of export sales within total sales are factors that support our financial

robustness. The geographical diversification of our exports, our investments aimed at enhancing production capacity and efficiency, and our long-standing experience in the industry are key factors that positively contribute to our credit rating.



Management and Evaluation of Tax Risks and Tax Approach

In our organization, tax management and assessment are comprehensively addressed by a board established under the leadership of the Financial Affairs and Accounting unit. This board is founded on compliance with tax laws and revenue provisions, maintaining constant communication with all units and organizing meetings as necessary to ensure coordination.

This board, established to manage and assess tax risks, carefully reviews and analyzes both domestic and international tax regulations. It provides updates on current tax legislation in the countries where the company operates and offers guidance in the company's favor. By closely monitoring changes in tax legislation, the board identifies potential situations that may benefit or disadvantage the company, ensures that all actions and transactions comply with regulations, and facilitates the identification of risks and opportunities.

The board's responsibilities include preparing tax returns, organizing and reporting presentations on its work, and ensuring the flow of information regarding taxes such as customs duties, environmental taxes, and VAT. Additionally, it undertakes inven-

tory procedures at the end of each period, performs closing operations, and reports the analyzed results to the relevant management. Conducting research on company-specific matters to provide accurate information and recommendations, as well as managing international tax agreements for multinational companies, also fall within this scope.

Managing tax risks is one of the board's most important responsibilities. Given the complexity of tax regulations, strategic plans are developed to identify and mitigate risks to ensure that the company meets its tax obligations in the most optimal way. Periodic tax assessments and general tax approaches are also subjects that the board continually works on.

By reviewing the risks identified by the board, we transparently guide our company with tax strategies that strengthen financial performance and align with sustainability principles. We view the Carbon Border Adjustment Mechanism (CBAM), planned to take effect in 2026, as a significant risk in taxation and recognize that the products produced by our company fall within the pilot sectors designated under this regulation.

As a company, we are proactively assessing the impacts of these new regulations to manage tax risks

and enhance operational efficiency by expanding our sustainability efforts. We aim to minimize the environmental impact of our products by strengthening carbon footprint reduction strategies and improving energy efficiency, supported by advisory services. In this context, steps are being taken to transition to renewable energy sources, adopt carbon reduction technologies in production processes, and reinforce sustainability criteria in supply chain management. Furthermore, to comply with new tax regulations under CBAM, we are working collaboratively with internal and external stakeholders, maintaining close cooperation with tax advisors for swift adaptation to legislative changes, and developing strategies to sustain our company's competitive strength.

This holistic approach supports the effective management of tax risks and the long-term success of our company, in alignment with our sustainability strategies.

Tax Strategy

Our company maintains a balanced tax strategy aimed at minimizing tax burdens while ensuring legal compliance and optimizing financial performance. We are committed to full compliance with tax laws and regulations in all jurisdictions where we operate, considering all risks to advance transparently and ethically as a core strategy.

This strategy encompasses not only the fulfilment of legal obligations, but also the execution of tax policies in line with the company's sustainability goals and ethical values. Our company prioritises fairness and honesty in tax planning, avoids tax havens and adopts accountability to the society as a principle.

We fulfil our social and environmental responsibilities by addressing tax policies from a sustainability perspective, and with this approach, we aim to create both financial success and long-term social and environmental value. Our company's tax strategy is based on the principles of transparency, compliance, fairness and sustainability, building trust with all stakeholders and strengthening the company's ethical stance.





Certificates

OZYASAR

ISO 50001 **Energy Management** System Certificate



TS EN 10244-2



I SO 9001 Quality Management System



TS EN 10223-6



ISO 14001 Environmental

Management System



TS EN 10223-7





ISO 45001

Occupational Health and Safety



ISO 27001 Information Security Management System



COKYASAR

ISO 9001 Quality Management System



14001:2015

ISO 45001

ISO 14001

Environmental Management System



TS EN 12385-4



TS EN 12385-5



COKYASAR

ISO50001 Energy Management System Certificate



ISO 9001 Quality Management System



ISO 14001 Environmental Management System



I SO 45001 Occupational Health and Safety



TS EN 10244-2



Environmental Performance Indicators

Özyaşar Tel ve Galvanizleme - Greenhouse Gas Emissions (tCO₂e)						
Period Scope 1 Scope 2 Scope 3 Scope 4 Scope 5 Scope 6						Scope 6
2023 9.067,17 9.100,62 10.901,75 177.490,38 107,02 828,16						

Çokyaşar Tel - Greenhouse Gas Emissions (tCO ₂ e)						
Period Scope 1 Scope 2 Scope 3 Scope 4 Scope 5 Scope 6						Scope 6
2023 2.672,67 1.625,57 4.090,84 114.290,39 322,38 155,73						

	Çokyaşar Halat - Greenhouse Gas Emissions (tCO₂e)					
Period Scope 1 Scope 2 Scope 3 Scope 4 Scope 5 Scope 6						Scope 6
2023 464,67 2.739,29 3.750,74 67.831,51 16,10 286,43						

Özyaşar Tel ve Galvanizleme - Water Consumption / Waste Water Discharge						
	Birim	2021	2022	2023		
Water Consumption	m³	109.893	109.893	138.265		
Waste Water Discharge	m³	-	-	117.003		
	Çokyaşar Tel - Water Consumption / Waste Water Discharge					
	Birim	2021	2022	2023		
Water Consumption	m³	61.865	55.346	45.784		
Waste Water Discharge	m³	55.679	49.811	41.206		
	Çokyaşar Hala	t - Water Consumption / Waste Wa	ter Discharge			
	Birim	2021	2022	2023		
Water Consumption	m³	-	-	9.223,00		
Waste Water Discharge	m³	-	-	8.863,00		

Özyaşar Tel ve Galvanizleme 2023 Water Footprint					
Conclusion Unit					
Blue	129.406	m³/yıl			
Grey 21.579,21 m³/yıl					
Green - m³/yıl					

Çokyaşar Tel 2023 Water Footprint					
	Conclusion	Unit			
Blue	45.815,39	m³/yıl			
Grey	40.600,16	m³/yıl			
Green	-	m³/yıl			

Çokyaşar Halat 2023 Water Footprint					
	Conclusion	Unit			
Blue	9.223,00	m³/yıl			
Grey	3.356,32	m³/yıl			
Green	-	m³/yıl			

Özyaşar Tel ve Galvanizleme Sanayi Waste Amount (tonnes)					
Period	Amount of Hazar- dous Waste	Amount of Non-Ha- zardous Waste			
2023	3.279	2.753			
2022	4.460	2.827			
2021	4.210	3.548			

Çokyaşar Tel Waste Amount (tonnes)					
Period	Amount of Hazar- dous Waste	Amount of Non-Hazardous Waste			
2023	190,420	2.168			
2022	60,540	1.668			
2021	85,450	1.710			

Çokyaşar Halat Waste Amount (tonnes)						
Period	Amount of Hazar- dous Waste	Amount of Non-Ha- zardous Waste				
2023	672,835	367,068				
2022	605,594	411,214				
2021	621,899	330,210				
	Period 2023 2022	Period Amount of Hazardous Waste 2023 672,835 2022 605,594				

Özyaşar Tel ve Galvanizleme Sanayi - Production Quantity					
	Unit	2021	2022	2023	
Total Production	Tone	114.643	98.781	88.515	
Çokyaşar Tel - Production Quantity					
	Unit	2021	2022	2023	
Total Production	Tone	45.163	37.030	38.587	
	Çokyaşar Tel - Production Quantity				
	Unit	2021	2022	2023	
Total Production	Tone	26.907	25.624	30.091	

	E	nergy Utilisation Data – Özyaşar Te	el .	
	Unit	2021	2022	2023
Electricity Consumption	kWh	25.534.609	22.006.657	18.999.205,20
Natural Gas Consumption	m³	6.792.855	5.814.976	4.417.706,19
	Ene	ergy Utilisation Data - Çokyaşar Ha	lat	
	Unit	2021	2022	2023
Electricity Consumption	kWh	6.958.226,00	6.691.128,80	6.962.896,00
Natural Gas Consumption	m³	163.598,00	162.958,00	203.730,00
	E	nergy Utilisation Data- Çokyaşar Te	el	
	Unit	2021	2022	2023
Electricity Consumption	kWh	7.391.911	6.111.666	3.393.676,44
Natural Gas Consumption	m³	1.927.403	1.611.615	1.293.461,00
	Çok	yaşar Halat – Energy Generation (G	EES)	
	Unit	2021	2022	2023
Total Production	Tone	-	-	1.005.842 kWh
	Ço	kyaşar Tel - Energy Generation (GE	SS)	
	Unit	2021	2022	2023
Total Production	Tone	-	24.688 kWh	2.048.114 kWh

Social Performance Indicators

Employee Data

Total Number of	Woman	Male	Total
Employees	33	667	700
Çokyaşar Rope	Woman	Male	Total
Employee Distribution	6	159	165
Cokyaşar Wire	Woman	Male	Total
Employee Distribution	5	125	130
Ozyaşar Wire	Woman	Male	Total
Employee Distribution	22	383	405

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GRI Standard	Description	Page Number
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GRI 2: General Disclosures 2021		
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GRI 2: General Disclosures 2021	2.2 Organisations Included in Sustainability Reporting	About Çokyaşar, p. 9
GRI 2: General Disclosures 2021	2.3 Reporting Period, Frequency and Contact Details	About the Report, p. 4
GRI 2: General Disclosures 2021	2.4 Restatement of Information	Sustainability Management/Policy, p. 23 Sustainability Goals p. 35 Environmental Performance, p. 51-64
GRI 2: General Disclosures 2021	2.5 External Assurance	No external audit was conducted within the scope of the sustainability report.
GRI 2: General Disclosures 2021	2.6 Activities, value chain and other business relationships	About Us, p.8-21 Economic Performance, p.74-76 Stakeholder Engagement, p.27
GRI 2: General Disclosures 2021	2.7 Employees	Employee Skills and Achievements, p. 66
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GRI 2: General Disclosures 2021	2.9 Governance Structure and Formation	Sustainability Transformation, p. 23 Board of Directors, p.44
GRI 2: General Disclosures 2021	2.10 Nomination and Election of Members to the Highest Governance Body	Çokyaşar Holding does not share this information with the public in accordance with its privacy policies.
GRI 2: General Disclosures 2021	2.11 Chairman of the Highest Governance Body	General Manager Message, p. 5
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GRI 2: General Disclosures 2021	2.18 Assessing the Performance of the Highest Governance Body	Board of Directors, p. 44
GRI 2: General Disclosures 2021	2.19 Wage Policies	Çokyaşar Holding does not share this information with the public in accordance with its privacy policies.
GRI 2: General Disclosures 2021	2.20 Wage Determination Process	Çokyaşar Holding does not share this information with the public in accordance with its privacy policies.
GRI 2: General Disclosures 2021	2.21 Annual Total Compensation Rate	Çokyaşar Holding does not share this information with the public in accordance with its privacy policies.
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