

Ege Fren

2022-2023

Sustainability Report

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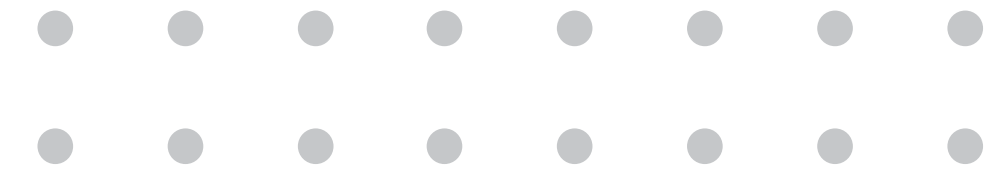
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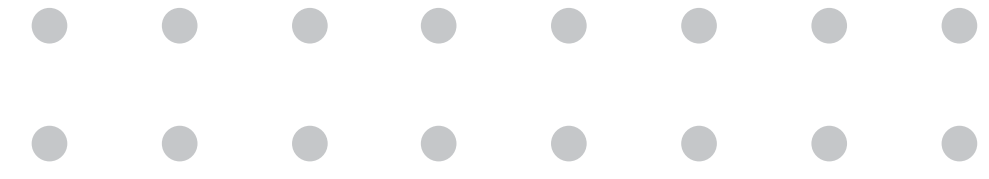
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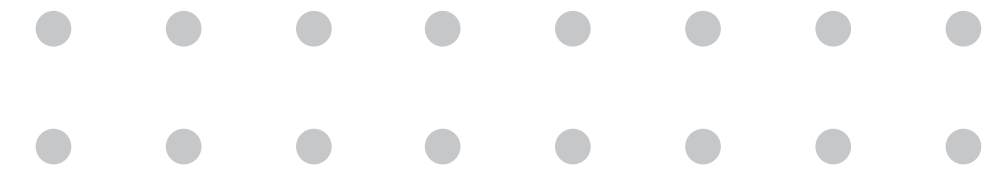




About The Report

Since the day we were established as Ege Fren Sanayi ve Ticaret A.Ş., we have adopted the principles of respect, transparency, and accountability in all our relationships with our stakeholders and suppliers, creating a fair working system.





About The Report

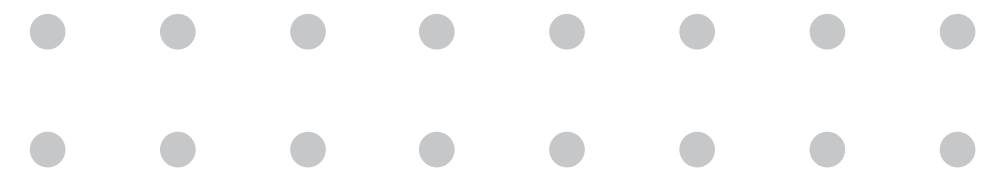
Our institution, which started its activities on January 23, 1987, under the name Ege Fren Sanayi ve Ticaret A.Ş., has 51% of its shares owned by Hüseyin Bayraktar Yatırım Holding A.Ş./Ege Endüstri ve Ticaret A.Ş. and the remaining 49% by Cummins company. Since the day we were established as Ege Fren Sanayi ve Ticaret A.Ş., we have adopted the principles of respect, transparency, and accountability in all our relationships with our stakeholders and suppliers, creating a fair working system.

Within this scope, by creating environmental and social value and emphasizing the importance we give to sustainability, we will continue to publish our Sustainability Report annually, starting with our 2022-2023 Sustainability Report. To prevent the climate crisis and support making the world a more livable place, our company, aware of the importance of the concept of sustainability, continues to raise awareness among all its stakeholders on this matter.

With our forward-looking activities and goals, we commit to working towards leaving a better and more livable world for the future and transparently explaining these efforts through our sustainability reports. We have found it appropriate to declare our first sustainability report in line with GRI requirements. In this context, we have aligned our activities and goals addressing social, environmental, and financial sustainability concepts with the United Nations Sustainable Development Goals (UN SDGs).

You can send all your views and suggestions regarding our report to us here and contact our relevant departments.





Messages From Management



Message from the General Manager



Tayfun ÜZEL
General Manager

Dear colleagues and valued stakeholders,

The year 2023 went down in history as the hottest year recorded globally. We express our condolences to those affected by the disasters caused by climate change both in the world and in our country, and I would like to share the actions we are taking to cope with this climate change. As a company, we continue our efforts to prevent this significant change.

As Ege Fren, we play a role in the processing of iron-steel raw materials in the automotive sector. We are in a key position in the production of brakes, one of the most critical safety parts in vehicles, and we are aware of this responsibility. We continue to produce reliable products and remain a preferred choice by our customers. In our sector, which has high environmental impacts due to the raw materials we use, we aim to minimize the environmental impacts in our production processes while also remembering our social responsibilities. We are developing various projects to increase our contributions to society. We place great importance on our supplier relationships and cooperate in transformation processes in this area to reduce our emissions.

As part of our climate actions, we decided to calculate our emissions according to the ISO 14064-1 standard and to carry out a verification audit with an accredited organization in 2024. By developing our targets so as not to exceed the critical level of 1.5°C global warming, we aim to continue our fight against the climate crisis and achieve net zero emissions by 2035. In this context, I

would like to state that we plan to conduct CDP reporting and become a supporter of SBTi.

In the area of social sustainability, we prioritize education and supporting young people. By supporting the participation of women in employment, we have increased our female employee ratio by 80% in the last two years. In the 100th year of our Republic, we are investing in the future by providing educational support to 100 students. Additionally, through our Vocational Training Center, we ensure that young people are better prepared for professional life and employ our graduates within our company.

We recognize that our employees are our most valuable asset. We organize various social activities to strengthen their motivation and increase their loyalty. Furthermore, we place great importance on maintaining the highest level of health and safety for our employees.

By contributing to the transformation of our industry, we aim to transition to more sustainable and environmentally friendly production processes.

On this occasion, I would like to thank all my colleagues and business partners who contributed to our first Sustainability Report prepared in line with our sustainability goals. I am pleased to share with our valued stakeholders that we will continue to work with all our strength to leave a more livable world for future generations.

Respectfully,



Our Way is Sustainability.

Since 1987, we have been providing innovative, long-lasting, and reliable brakes and spare parts to the world's leading heavy vehicle manufacturers in line with our sustainability goals.



About Us

Ege Fren designs, manufactures, and assembles brakes, brake parts, and various machined cast parts for the automotive industry.

Operating in Izmir, Ege Fren Sanayi ve Ticaret A.Ş. was established on January 23, 1987. 51% of our company's shares belong to Hüseyin Bayraktar Yatırım Holding A.Ş./Ege Endüstri ve Ticaret A.Ş., and the remaining 49% to **Cummins**. We began our operations at our factory located in the Pınarbaşı area of the Kemalpaşa district in Bornova. Today, a portion of our production, along with our spare parts logistics center, administrative building, and R&D center, continues at this location. Our production capacity has been expanded with our factory in the Aegean Free Zone in the Gazimir district.

In the 35th year of our journey, we continue as one of the most important companies in our sector, with our professional and sectoral experienced team. Thanks to this approach, we proved our strength both nationally and internationally **by ranking 205th in the second 500 in 2021 and 246th in 2022 in the evaluation of Turkey's "Top 500 Industrial Enterprises" organized by the Istanbul Chamber of Industry.**

Ege Fren  Bayraktar Ege Endüstri  Meritor

We always strive to advance the successes we achieve in brake production and create a happy environment for our employees by improving our facilities. Aware that the most valuable stakeholders of a company are its employees, we act in harmony with our staff. This approach minimizes the margin of error in our work and ensures customer satisfaction.

We integrate the value we place on the environment, natural resources, labor, and social rights into all our business processes by strengthening our policies, which form the framework of our business methods, in terms of both environmental and social sustainability.

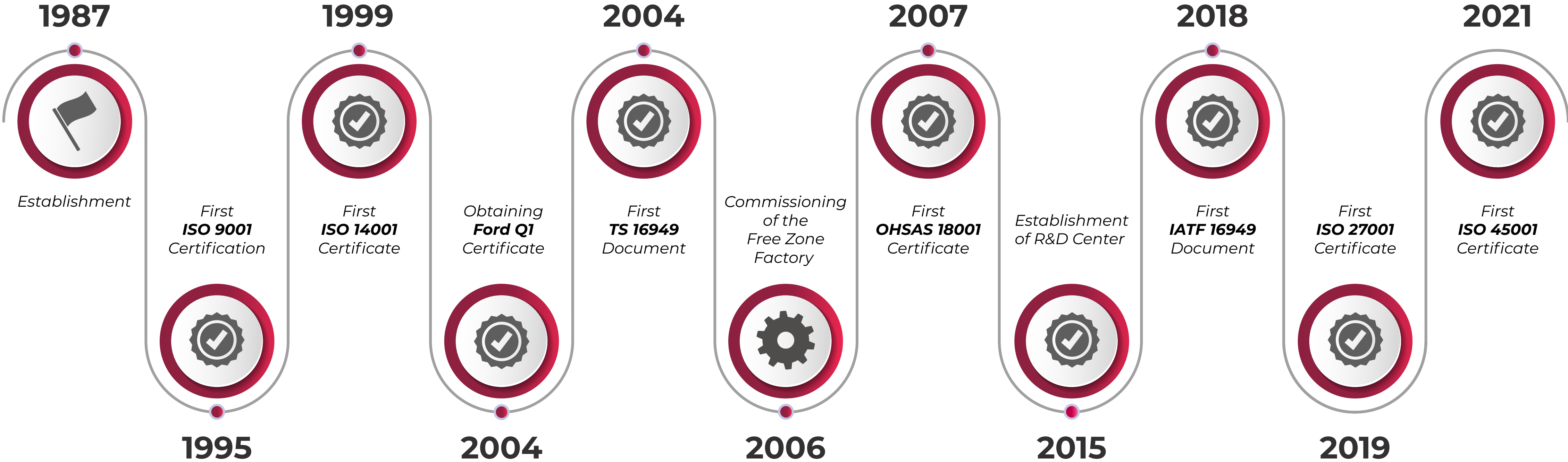
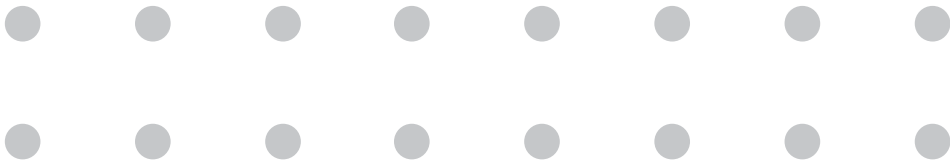
Our Vision;

To be the preferred supplier of assembled brakes and automotive parts in the global commercial vehicle and industrial market.

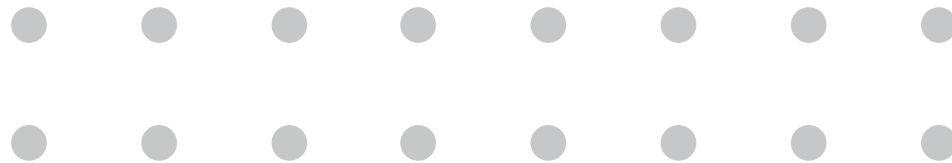
Our Mission;

To maximize our value for our customers, employees, and stakeholders while demonstrating our ability to consistently fulfill our commitments.

Milestones



Our Factories



Pınarbaşı Factory

Our Pınarbaşı Factory, which became operational in 1987, is our first facility. It includes our Administrative Building, Spare Parts Logistics Center, and R&D Center within the same complex. It operates on an area of 14,697 m² open and 8,307 m² indoor area.



Ege Free Zone Factory

Our factory, established in 2006 in the Gaziemir Ege Free Zone for export purposes, operates on an area of 13,130 m² open and 6,766 m² indoor area.

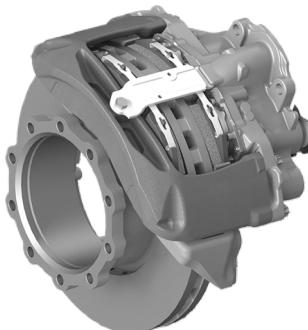
Our Products / Assembled Brakes



Maintaining the highest quality at all times is an indispensable element for us.

Our company continues the journey it started in 1987 by continuously improving its products and adding new ones each year. Thanks to our product quality and consistency, we have succeeded in becoming one of the most preferred companies in the automotive sector. The products produced in our factories are listed below.

ALL BRAKES



Air Disc Brake



Z-Cam Type Brake



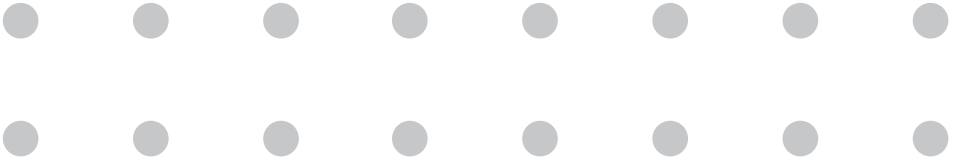
S-Cam Type Brake



All Wedge Type Brakes



Our Products / Components



BRAKE COMPONENTS

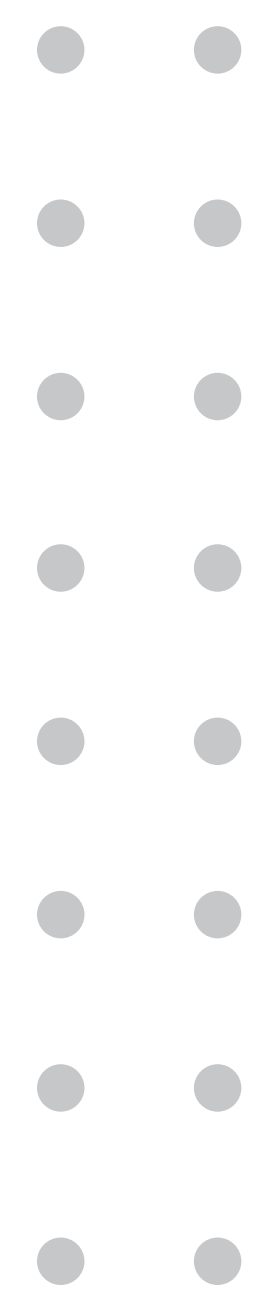


AUTOMOTIVE COMPONENTS



Click the Link to View All Our Products.

[View](#)



Management **Structure**

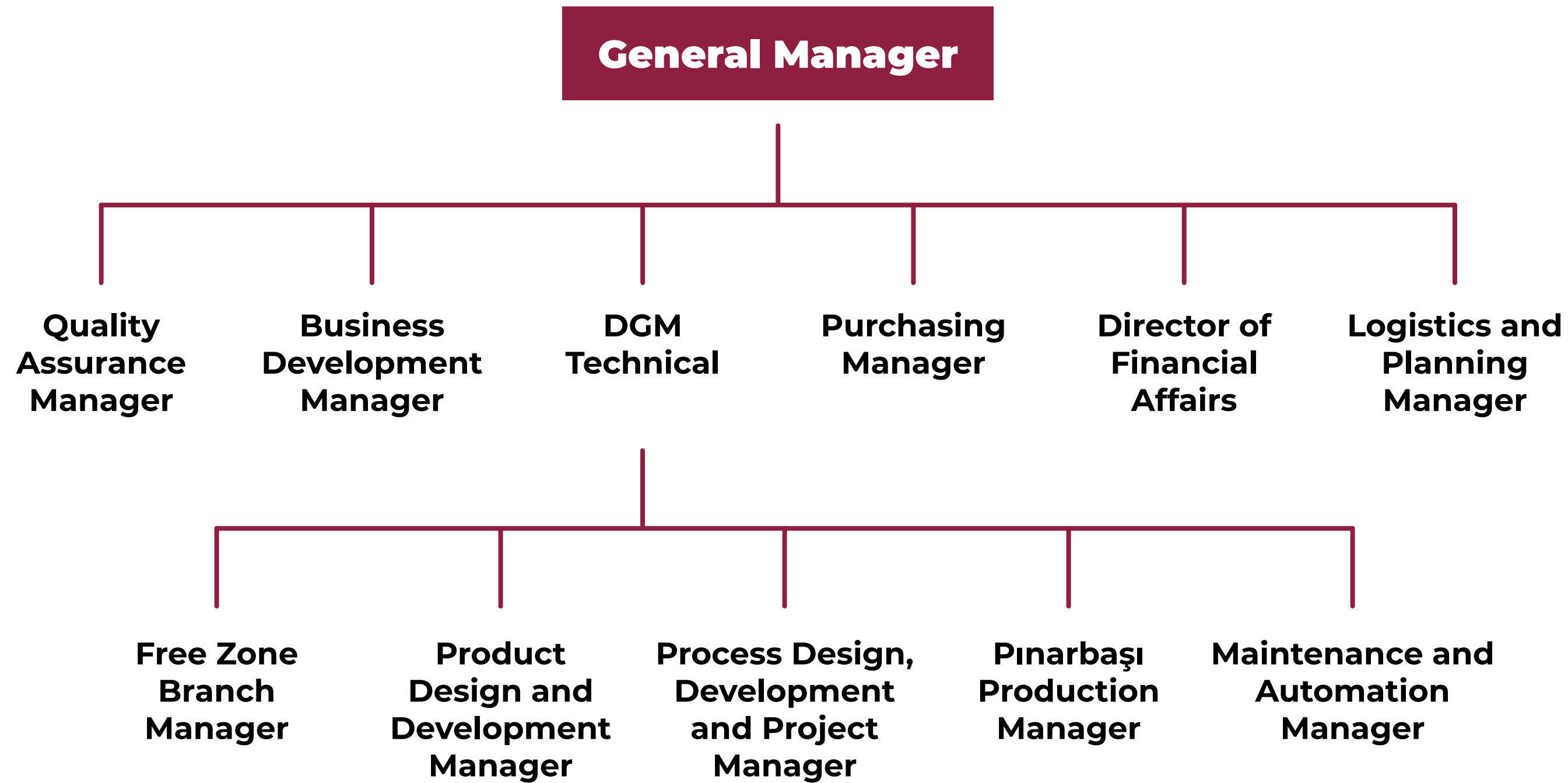
Management Structure

Our board members consist of partners and other professional managers. Our organizational structure has been built by bringing together a strong and experienced team. While creating our organizational structure, we pay attention to adopting a multi-faceted approach. With this approach, we have established a structure with our administrative managers working within our company to highlight the difference of Ege Fren.

Our organizational structure regulates our activities and internal operations in accordance with sustainability principles, ensuring that we continue our journey in the industry while protecting our social values. The management team working within Ege Fren also serves as members of the sustainability committee. Our committee reports the work carried out within the scope of sustainability to the board of directors.



Management Structure



Bayraktar Group Support

As one of the subsidiary companies within Bayraktar Group, we continue to receive support from Bayraktar Group's managers while carrying out our activities. The table below lists our managers, including those on our sustainability committee.

Position
Group Head of Human Resources and Sustainability
Recruitment and Talent Management Manager
Chief Legal Counsel
Director of Information Technology
Business Process Development Manager for Information Systems



Risk Management

To grow economically and provide services that are environmentally and socially responsible within the scope of sustainability, we are committed to building all our values accordingly.

In line with our 5-year strategic plan, we have completed our SWOT and risk assessments. We are implementing our annual action plans based on these assessments. During these stages, the management team continues to be actively involved in our work. All our business processes are conducted in accordance with IATF 16949, and technology-related risks are managed under ISO 27001, with ongoing reviews and improvements each year.

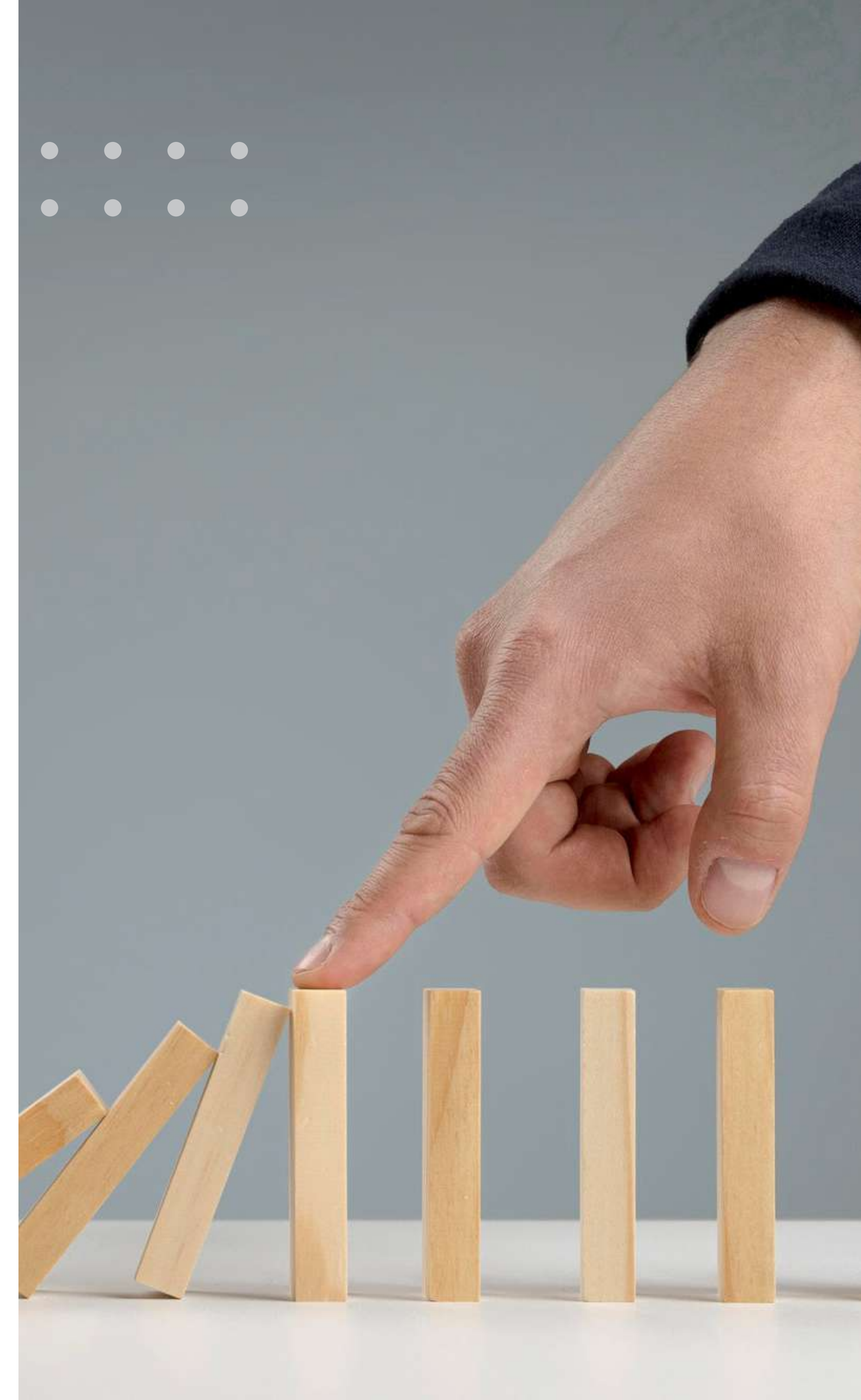
External audit planning for Risk Management is prepared and evaluated by the Holding Internal Audit. This external assessment helps us identify

long-term risks and opportunities, ensuring that all necessary actions are taken.

Any situations within our company that violate Human Rights and Ethical policies are monitored by the Holding Internal Audit. To prevent non-compliance among our suppliers, we refer to our Supplier Handbook, which is included in the appendices of our business contracts. For any issues within our value chain and company, we also have an Ethics Reporting Line on our website where anonymous reports can be submitted and accessed by everyone. Reports to the Ethics Reporting Line are evaluated by the Holding Internal Audit.

Legal cases filed against Ege Fren are provided in the table below.

Number of Lawsuits by Year (Number)	2021	2022	2023
Total Number of Lawsuits Filed	3	1	1
Lost Lawsuit	4	0	1
Won Lawsuit	1	1	0





Quality Management

Brakes, being one of the most important components of a vehicle, are of vital importance.

Therefore, it is crucial for the brakes, which are one of the most important components of a vehicle, to go through a high-quality and safe production process. Our company continues to maintain an approach that meets quality standards in its production system.

Our primary goal is to highlight our success through the quality of our products and services and to strengthen our position in global competition. While delivering our products on time and at the desired quality, we strive to exceed our customers' expectations. Thanks to this perspective in our Quality Management System, we are recognized as a reliable and frequently preferred supplier both nationally and internationally.

To sustain the highest level of customer satisfaction, we continuously organize and improve all our policies related to value chain management. After setting our company goals with this aim, we encourage our employees to develop themselves. One of our core philosophies at Ege Fren is that quality production is achieved through employee satisfaction. We operate with the awareness of the critical importance of our products and select materials and suppliers accordingly. Any feedback or complaints regarding our products are evaluated according to predetermined rules and necessary actions are taken promptly. To enhance and strengthen our Quality Management System, we collaborate with various external organizations for training and improvement activities.

Our company continues to operate in accordance with the IATF 16949 and ISO 9001 Quality Management Standards, as well as the ISO 45001 Occupational Health and Safety Management System, ISO 14001 Environmental Management System, and ISO 27001 Information Security Management System standards. Additionally, we are proud to be among the first 20 suppliers in Turkey to have earned the Ford QI certification and to maintain this distinction.

In terms of product development, operational support, and business alignment, we received the "Success" award in the 2023 Supplier Performance Management (SPM) Program based on an evaluation by a major customer. This award, which confirms that our teams are a reliable partner in achieving excellence in product development and operational processes, is evidence of our success.

Some of the tools we use in our quality processes include:

SAP QM Module, manages internal customer complaints via vSRM and oversees supplier PPAP submissions, supplier issues, and performance management. Digital Document Management System, manages all Quality Management System (QMS) documents and workflows.

We share our Ege Fren Quality Management Policy with all our stakeholders to outline the core principles of our activities. You can access our policy, which we have developed with the goal of achieving excellence in our business, from **here**.

Ethical Management



Our Ethical Code has been established by our parent company, Bayraktar Group. Within the framework of these rules, an Ethical Reporting Line has been implemented on our website. This initiative aims to prevent any misconduct within our value chain and company, and to allow individuals to report any issues without fear of retaliation or sanctions.

In this context, we have ensured that all our employees are informed about our ethical codes and complaint reporting through posters and booklets. We also wanted to share this information once again with all our stakeholders through our sustainability report.

Respect for Human Rights

Respect for human rights is a fundamental value at Ege Fren. We do not discriminate against any individual within our organization based on language, religion, race, gender, sexual orientation, political views, sect, or ethnic background, and we absolutely do not allow such discrimination to occur.

Respect for Personal Rights

Every individual working at our company must ensure the protection of the personal rights and privacy of third parties, as well as the confidentiality of their personal lives, due to their roles.

Courtesy & Respect

Everyone working within our company should communicate with colleagues and third parties in accordance with rules of respect and courtesy.

Integrity

Integrity is undoubtedly one of our core principles at Ege Fren. All employees continuing their activities within our company must demonstrate transparency in their relationships with managers and colleagues. Employees should avoid misleading or suspicious behavior.

Commitment

Enhancing our internal commitment is very important to us. Therefore, we expect all our employees to work in compliance with the policies and procedures established by our company.

Ethical Management



Compliance with Professional Standards

Every employee within our company must update their professional knowledge, adhere strictly to security standards, and make every effort to perform their duties diligently.

Prohibition of Using Duties and Authorities for Personal Gain

It is strictly forbidden for any individual working within our company to use their duties and authorities to benefit themselves or their close associates. Our employees must avoid any form of bribery and corruption.

Avoidance of Conflicts of Interest

A conflict of interest refers to any situation where an employee's actions, either directly or indirectly, could affect their ability to act in the company's best interests in an objective manner, or could give such an impression. Employees must take necessary measures and prepare actions in advance to avoid conflicts of interest.

Conducting Business with the Company

All employees operating within Ege Fren must report to their managers if they or their close associates engage in any commercial activities outside the company related to the products and services we provide. Any misuse of internal information will result in legal penalties. If an employee leaves the company, appropriate measures and legal obligations must still be addressed.

Proper Use of Company Resources

Each individual working in our company must use the resources and motivation provided to them beyond their salary appropriately and avoid waste.

Protection of Confidentiality

Employees are obligated not to share any information related to the company with external parties.

Protection of Company Rights and Interests

Every individual working within Ege Fren is responsible for protecting the company's corporate and commercial reputation.

Economic Sanctions and Export Control

Our employees must manage and evaluate all matters related to export and economic sanctions, controlling all international and inter-country relations.

Accuracy of Financial Data

Each company within the Bayraktar Group must record and report financial data accurately. We commit to ensuring the necessary diligence in this regard.

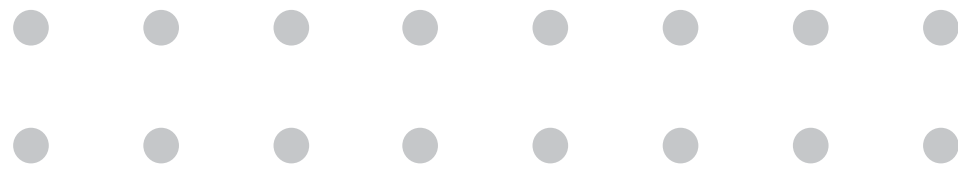
Combating Counterfeit Parts

Protecting our brand rights and avoiding the use of counterfeit parts in our supply chain is crucial for us. If employees encounter such situations, they must report them to the management team.

Reporting Non-Conformities

It is essential that any inappropriate behavior within the company is reported by our employees. We commit to applying all necessary sanctions once such situations are identified and proven.

Information Confidentiality & Security



In accordance with our Information Security Management System Standards, we are committed to providing secure access to information for our customers, employees, suppliers, and other stakeholders. We ensure the control of the information provided by our stakeholders, conduct risk assessments within the framework of information confidentiality and security principles, and take necessary actions if any negative situations are detected. Additionally, we fully comply with laws and regulations related to the modification or loss of information assets and take all necessary precautions.

Our company is responsible for protecting all information recorded within its own operations against both internal and external threats. Therefore, we organize effective systems and organizations to safeguard information recorded within Ege Fren. We also ensure that our policies and systems are certified and continuously improved. This helps protect both our institution's and our brand's image.

In the event of any information security breaches, we apply all necessary sanctions. Moreover, we are responsible for meeting the requirements of national and international regulations as well as legal obligations. Our company's Information Security Management System Committee meets every six months and immediately in the case of extraordinary situations. We are committed to maintaining and improving the system's requirements related to control infrastructure and providing training that benefits employees and authorities.

Our Information Security Management System (ISMS) Committee is composed as follows:

Director of IT
Director of Finance
Procurement Manager
Group Head of Human Resources and Sustainability
Quality Assurance Manager
Information Systems Manager
Head of Information Technology



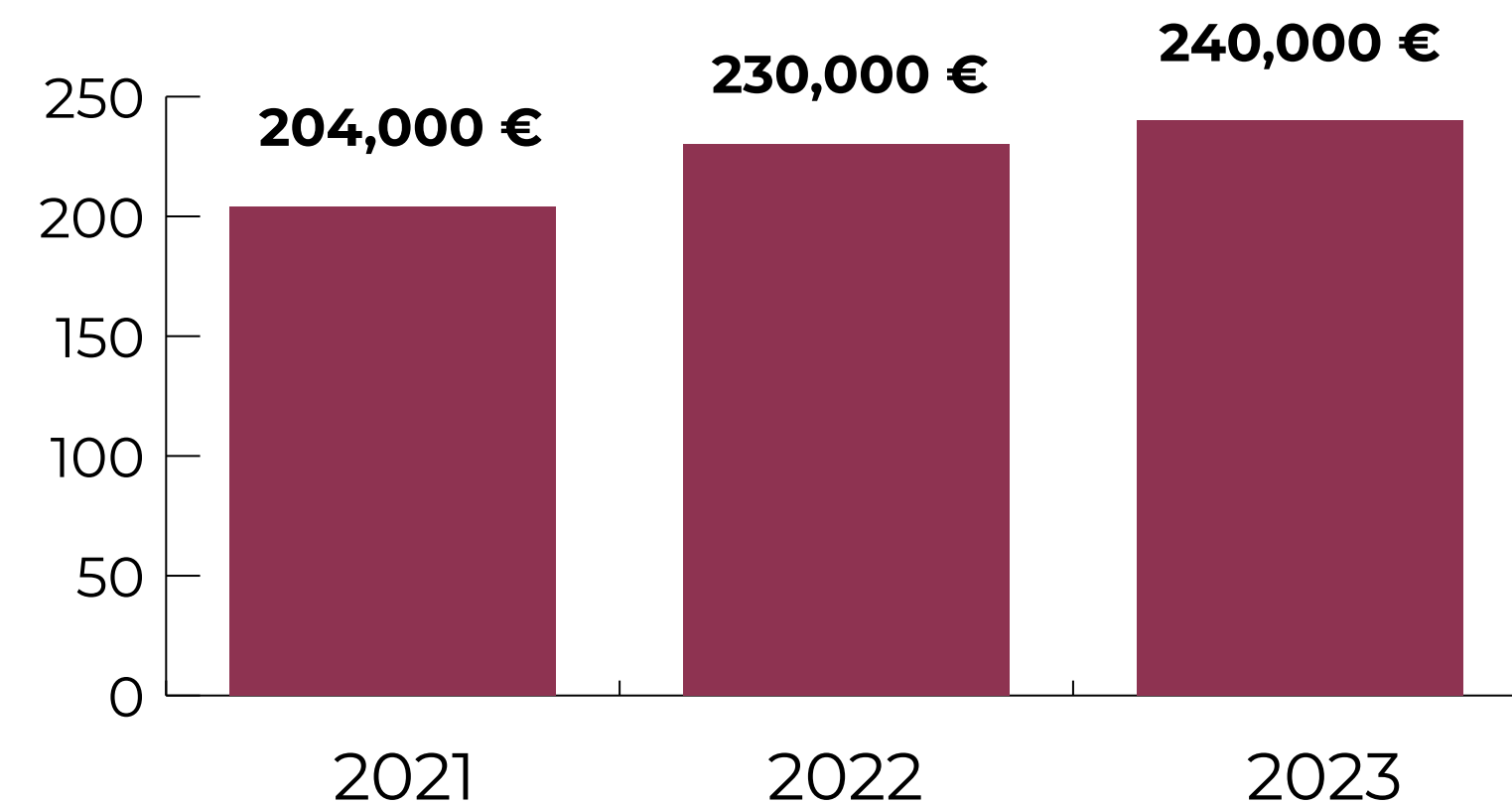
Information Confidentiality & Security



We have established our goals within the scope of Information Confidentiality and Security, as outlined in the table below:

Goal	Base Year	Completion Year	Status in Reporting Year
Information Security and Confidentiality	2022	2024	Devam Ediyor
Continuity	2022	2024	Devam Ediyor
Flexibility & Mobility	2022	2024	Devam Ediyor
Digital Transformation for Sustainability	2022	2024	Devam Ediyor

Our budget allocated for transformation projects;



Our progress on the goals is as follows;

1. Information Security and Confidentiality: To enhance information security and confidentiality, we will use monitoring, control, and alarm mechanisms to track security. Increasing user awareness of information security is also a significant goal.

The first step of moving servers to the Data Center has been completed. Currently, the design of IT processes, process monitoring/control, report, and alarm configurations are being finalized, with completion planned for September 2024.

2. Continuity: Our goal is to provide uninterrupted service for critical applications and ensure the continuation of business processes in case of a disaster. Additionally, ensuring continuous access to data is among our goals.

The first step of moving servers to the Data Center has been completed. Synchronization and backup configurations to support business continuity for critical business systems have been implemented, with trials conducted and monitoring in place. Completion is planned for June 2024.

3. Flexibility and Mobility: We aim to offer location-independent work opportunities to office employees and demonstrate the flexibility to quickly implement changes in business processes.

In January 2024, we fully transitioned to Microsoft Office 365 during the process of preparing our Sustainability Report.

4. Digital Transformation for Sustainability: According to our established strategy, we aim to support the company's technological needs and growth over the next 5-7 years. We also plan to integrate environmental impacts into our decision-making processes during this period.

The use of servers running critical business systems from the Data Center has begun. Work on obtaining ISO27001:2022 certification and conducting environmental impact assessments has started, with completion planned for October 2024.

You can review the complete policy we have established for Information Confidentiality and Security [here](#).



As stakeholders in Turkey's leading export sector, the automotive industry, we are working to transform Turkey into a global R&D and manufacturing hub.

At Ege Fren, we conduct our R&D activities with an approach that considers the evolving automotive technologies and innovations.

When it comes to driving safety in the automotive sector, R&D and innovation in braking systems hold a crucial place. As technology advances, the need for innovation in the automotive sector, including vehicle braking systems, becomes increasingly important.

The activities conducted in R&D centers are among the most critical components of technological and innovative approaches for the future. Recognizing that our R&D efforts will enable us to establish a strong presence in the global market, we operate with this awareness.

As an institution with R&D Center status under the "Law No. 5747 on Supporting Research and Development Activities," we continue to advance our work with effective approaches in product design, development, and innovation.

We have proven ourselves in brake production. We continually strive to improve and expand our efforts in manufacturing brake components. After completing the designs for brake parts, we conduct various analyses and tests in our R&D center to ensure that all necessary conditions are met.

At Ege Fren, our current R&D projects focus on developing products that reduce brake pad and disc wear, design products that minimize the negative impact of heavy commercial vehicles on society and the environment, and reduce fuel consumption to the minimum.

Our R&D Strength



Our R&D Strength

Through our projects in this area:

- The "Lightweight Rotor Hub Design Project" has achieved up to 16 kilograms of weight reduction in steerable axles and a 30% improvement in brake disk cooling performance.
- The "22.5-Inch Air Disc Brake Pad Return Spring Design Project" has resulted in an average fuel savings of 0.3% in heavy-duty vehicles.
- The "Brake Disk and Pad Design Project for Reducing Brake Emissions," initiated in 2024, aims to reduce friction pair particulate emissions by up to 90%.

In the 2022-2023 period, the products developed under our R&D efforts have reduced emissions and particulate matter harmful to health, such as carbon monoxide, which can cause cardiovascular diseases, respiratory damage, and strokes. With a philosophy focused on minimizing environmental impact, we aim to make these environmentally friendly products ready for vehicle use by 2024.

Our other goals and strategies for R&D include:

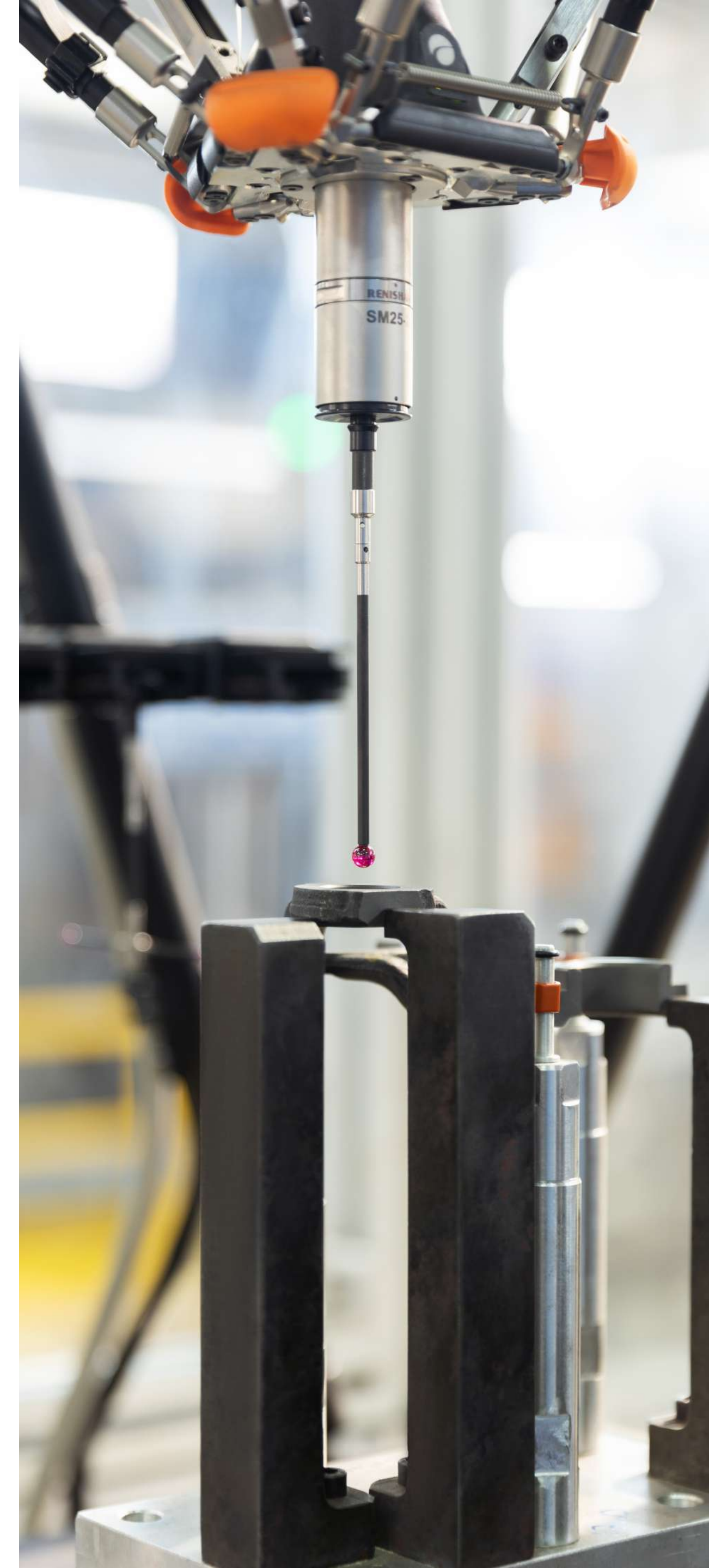
- Supporting our partner Cummins' global engineering and validation activities,
- Becoming the European center for drum brake design and production,
- Establishing a brake production and engineering center for the Turkish heavy vehicle market,
- Improving our product quality and process standards,

- Increasing product and process efficiency to reduce costs,
- Expanding the Ege Fren product portfolio.

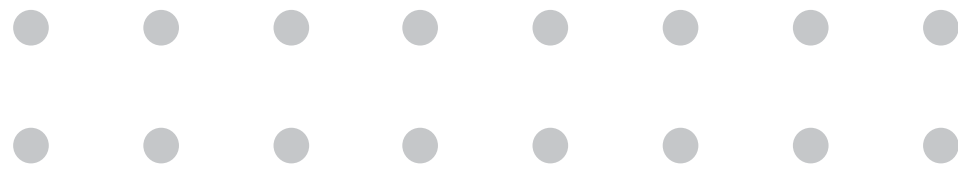
To achieve these goals, we are identifying changing sector and customer needs to ensure our products have higher performance and longer lifespans. We are continuously preparing projects aimed at modifying our production processes to meet sector needs and designing products that could serve as alternatives to imported ones in the Turkish market.

The table below shows our completed R&D goals and projects. In addition to these projects, we also have goals for patent applications and scientific publications within our R&D scope.

Goals	Status of Completion in the Reporting Year
Completion of laboratory and vehicle tests for lightweight rotor and hub design.	Completed
Completion of hydraulic brake laboratory tests for the defense industry.	Completed
Completion of laboratory and vehicle tests for the return spring design that reduces pad wear.	Completed
Completion of laboratory tests for 17.5-inch air disc brakes.	Completed
Completion of design and simulations for hydraulic-controlled parking brake.	Completed



Our R&D Strength



In 2022, we achieved significant success by securing 5 patents, which also enabled us to benefit from additional tax reductions, providing economic advantages to our company. In 2023, by increasing the share of our R&D expenses within total revenue, we qualified for further tax reductions. The R&D expenditures for the past three years are detailed in the table below:

	2021	2022	2023
Total R&D Expenditure (Million TL)	7,4	14,2	31

Our R&D center is structured into several key departments: product design and development, process design and development, project management and continuous improvement, and product and process quality development. We continue to work on new product designs and modifications of existing products to adapt them for different vehicles. We also focus on enhancing the quality and performance criteria of the functional features and components within our products.

Through our R&D center, we not only advance our existing products but also lead technological advancements in the automotive sector. This allows us to continually produce new projects and innovations. Our R&D projects are managed in distinct phases, as follows:

- Idea and Feasibility (Phase 0)
- Planning (Phase 1)
- Product Design (Phase 2)
- Process Design (Phase 3)
- Design/Product Validation (Phase 4)
- Serial Production + Feedback + Continuous Improvement (Phase 5)

As a result of our R&D projects, we aim to preserve and expand our business volume through the development and enhancement of new products. This, in turn, helps us to meet customer needs by creating new business opportunities and diverse product lines.

We continuously strive to develop our product portfolio and create new business opportunities while improving production efficiency and reducing costs. This approach contributes to increasing the profitability of both our company and our R&D center.

The know-how gained from our ongoing projects has allowed us to build the necessary infrastructure for new product development, enabling us to file patents and publish scientific papers. This enhances the value of our company and our projects, helping us establish a strong position in the national market.

As of December 31, 2023, our R&D center’s team consists of 23 researchers, 7 technicians, and 1 support staff, totaling 31 personnel.

Information about our team that continues its activities in our R&D center is given in the table below.

Number of R&D Employees	2021	2022	2023
Male	23+2	25	25
Female	4+1	5	5+1
Total	27+3	30	30+1

The (+) sign indicates the number of support personnel.

Our R&D Strength

At our R&D center, we are actively securing patents for our developed products and making utility model applications for our new models. In 2022, we made 5 new patent/utility model applications and secured patents for 5 previous applications. In 2023, we obtained 5 new patents and utility models, and filed applications for 5 additional patents and utility models. We also registered 3 brake designs in European Union countries. The details of our registered patents and utility models are listed below:

Registered Patents/Utility Models:

No	Patent
2018/12737	Temperature Monitoring Device for Brake Pads
2018/20819	Innovations in Brake Discs and Rotors for Heavy Commercial Vehicles
2019/17429	Innovations in Brake Temperature Sensor Signal Processing
2019/22492	Innovations in Disc Brake Adjustment Mechanism Test Units
2019/22505	Innovations in Brake Disc Ventilation Fins
2019/02384	Portable Brake Dynamics Testing Device
2020/19895	Innovations in Shoe Mounting of Drum Brakes
2021/015525	Single-Piston Electromechanical Disc Brake for Service Vehicles
2021/016135	Sliding Caliper Disc Brake with Residual Friction Prevention Features
2021/019369	Innovations in Brake Shoes for Drum Brakes

The application numbers and names of our applications made in 2023 are given below:

No	Patent
2023/002836	Brake Pad Wear Sensor Bracket for Heavy-Duty Vehicles
2023/003362	Automatic Brake Pad Clearance Adjustment Mechanism
2023/003914	Innovations in Brake Pad Centering System for Hydraulic Release Parking Brakes
2023/014414	Dual Piston Automatic Pad Gap Adjustment Mechanism with Hydraulic Release Parking Brake
2023/019054	Innovations in Wheel Rotors for Heavy-Duty Vehicles

Our R&D Strength



As Ege Fren, our R&D center's activities have been approved by the Ministry of Industry and Technology following their evaluation in 2023. We have been authorized to continue our R&D work under this scope.

- PA107-UT001 – “Design of Continuous Monitoring Electronic Wear Sensor for Disc Brakes”
- PA190 – “Design of Electromechanical Disc Brake Drive System”
- PA196 – “Design of Disc Brake and Rotor and Verification Tests for FNSS Vehicles”

projects carried out in our R&D center were completed in 2023. In addition, we have three new R&D projects that we have initiated during our activity period.

Here is the current status and progress of our projects:

Hydraulic Controlled Parking Brake Design (PA208): The design processes for this project are ongoing. We are working on two types of brakes, each with different pad compression force capacities.

Digital Control System Design for Internal Logistics and Material Movements (PA213): We have developed a reporting system that allows us to monitor weekly stock days. A system has been established for tracking stock costs.

Electric Disc Brake Design for 17.5-Inch Rim Size** (PA218): The design processes are in progress. We are working on developing a mechanism to utilize the vehicle's motion energy to actuate the brake.

Brake Disk and Pad Design for Reducing Brake Emissions: Research activities for this project are ongoing. Methods used in passenger vehicles have been reviewed, and it has been decided to implement rotor coating operations. Research on the necessary powder contents, tools, and infrastructure for the coating systems is continuing.

Our R&D Strength

Here is the development status of the ongoing and previously initiated projects at our R&D Center as of 2023:

- PA150 Design of Cooling Channel Disc Brakes for Heavy-Duty Vehicles: Product design, prototype manufacturing, and laboratory testing have been completed. The product has been presented to the customer, and preparations for serial production are finalized. Vehicle testing began at the end of 2023.

- PA184 Design of 17.5-Inch Air Disc Brakes: Design, prototype manufacturing, and laboratory testing have been completed. Development tests for water and mud resistance are ongoing. Dynamic braking tests are being conducted at Cummins' facilities, our partner and potential customer. Planning is underway with local vehicle manufacturers for vehicle tests.

- PA197 Design of Pad Return Spring for Disc Brakes: Laboratory and vehicle testing have been completed. The customer has published a serial production plan to apply this product to their vehicles. Production preparations are ongoing.

- PA201 Design of Hydraulic Disc Brakes for Defense Vehicles: Prototype production and laboratory testing have been completed. Vehicle tests will be initiated with the customer.

In 2023, our R&D Center has prepared and published four national and international scientific papers.

Details of these publications and their venues are as follows:

- "Modelling And Control Of Electromechanical Disc Brake For Heavy-Duty Vehicles" - Proceedings of the Institution of Mechanical Engineers, Part D: Journal of Automobile Engineering

- "Topology Optimization of Hydraulic Disc Brake Caliper Housing Used in Heavy-Duty Vehicles" - 3rd International Symposium on Automotive Science and Technology (ISASTECH 2023)

- "Effect of Return Mechanisms on Drag Torque and Fuel Consumption in Sliding Caliper Air Disc Brakes" - 2nd International Congress on Engineering and Science

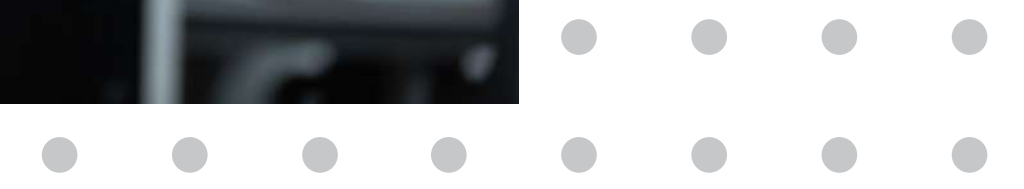
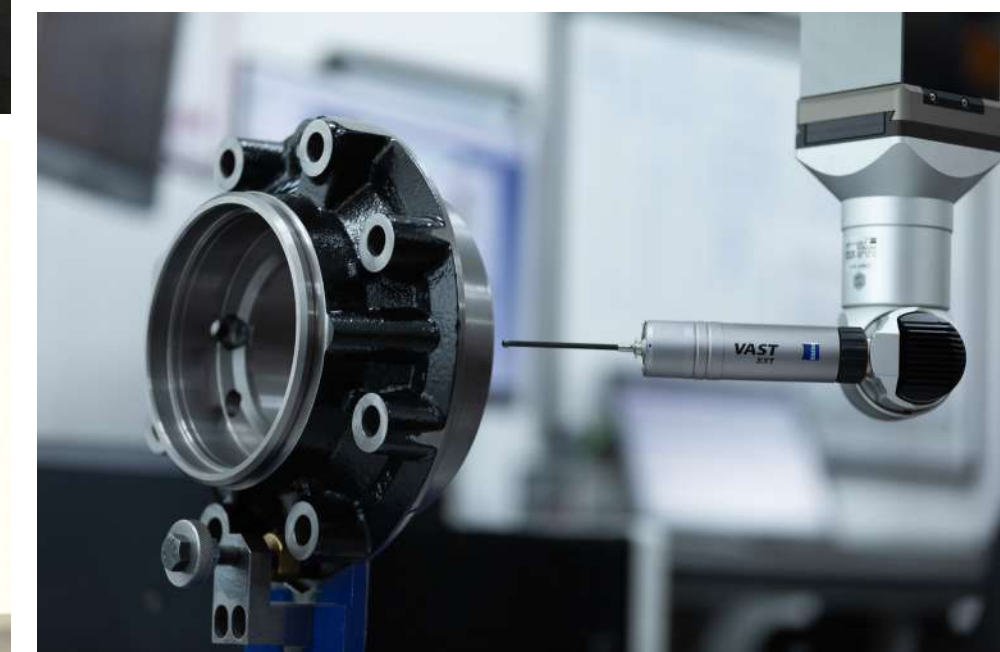
- "Numerical and Experimental Examination of Piston Return Function in Hydraulic Disc Brakes" - 2nd International Congress on Engineering and Science

Our R&D Strength

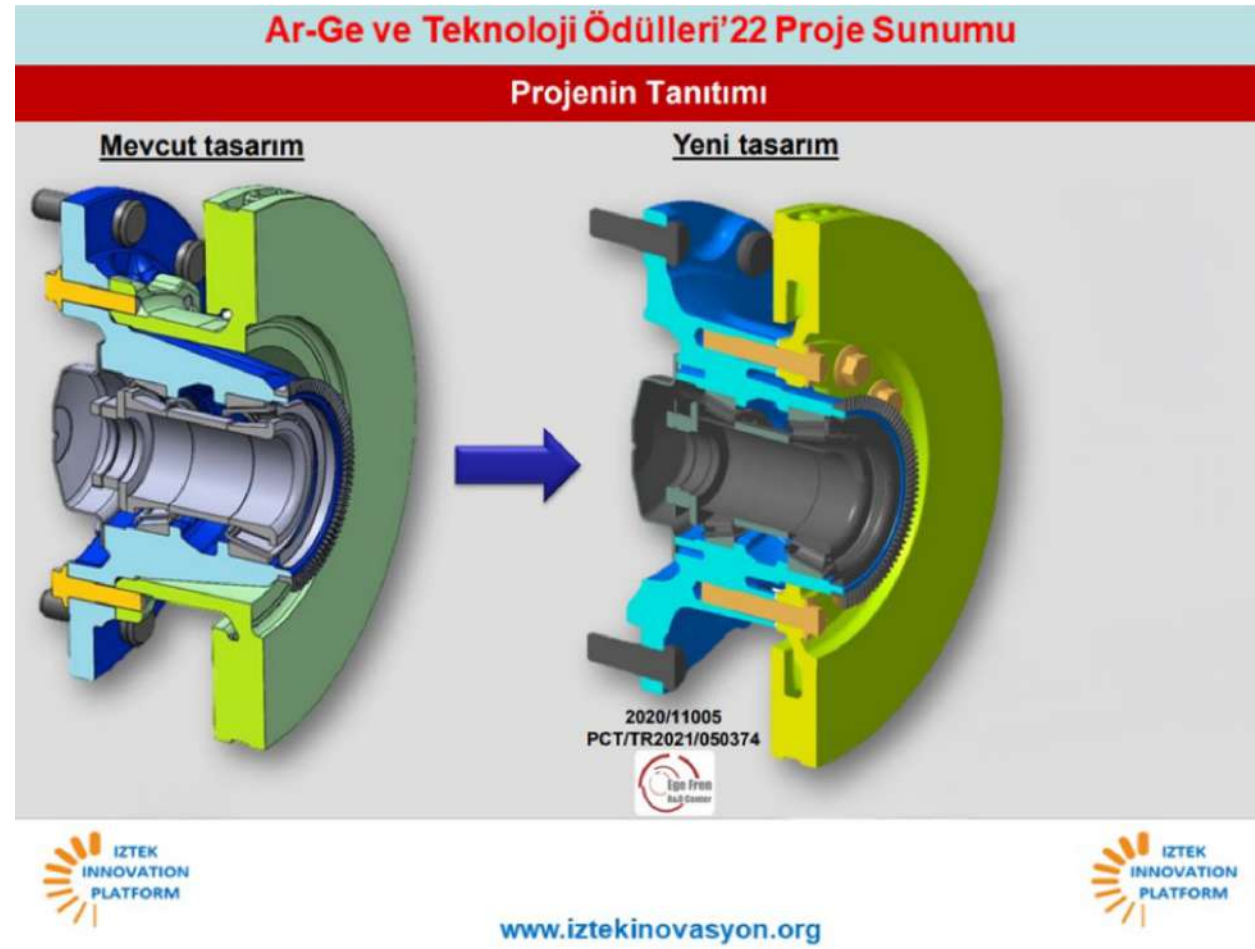
Thanks to our R&D projects and scientific articles that we have carried out during our reporting year, we strive to help increase the developments that will be experienced both in the sector and in society.

The path we follow to realize the medium and long-term strategy of our R&D Center consists of the following steps.

- 1. Development of human resources:** Development of cooperation with universities, increase of knowledge about vehicle systems, increase of internal and external trainings, increase of experience in homologation and vehicle tests, increase of participation in scientific activities.
- 2. Development of design capabilities:** Increase of technical knowledge about disc brakes, development of product, test and production method simulation capabilities.
- 3. Development of test capabilities:** Development of existing measurement capabilities, new test unit design and investments, increase of knowledge and skills regarding the measurement of brake particle emissions.
- 4. Increase of strategic new product design projects**



Our R&D Strength



Through our R&D efforts, we have the opportunity to reflect our company's values, continuously improving our projects while identifying new activities and increasing our production volume.

Our R&D initiatives led to the development of lightweight and enhanced cooling performance rotor and caliper designs. We were honored with the second-place award in the "Best R&D Projects of the Year" category at the İZTEK Innovation R&D and Technology Awards 2022. This recognition, while our

product is still in the commercialization phase, is highly valuable for the promotion of our product and the motivation of our R&D team. It continues to inspire and guide us in preparing future projects.

To stay updated on industry developments and participate in relevant events, our team members actively engage in various conferences and exhibitions. In 2022, we participated in:

- Eurobrake'22,
- ICAENS 2022 (3rd International Conference on Applied Engineering and Natural Sciences)
- Saha Expo
- IAEC – International Automotive Engineering Conference
- ACEA: Getting #ZeroEmissionTrucks on the road
- A Brake Emission-Focused Overview of the United Nations Technical Regulation Proposal for Euro 7

In 2023; We held visits and meetings at the IDEF International Defense Industry Fair, which has been organized by Turkey since 1993, an important defense and security fair that brings together defense industry companies, military experts, academics and representatives from all over the world. We participated as a delegate in EuroBrake 2023, which was held in Barcelona with physical participation for the first time after the pandemic. We represented our company with 4 people at the world's largest brake technology conference, which took place on September 12-14.

Some other organizations we attended in 2023;

- 11th International Engineering Architecture and Design Congress,
- 3rd Numesys Automotive Technologies Conference,
- ISASTECH 2023, 3rd International Symposium on Automotive Science and Technology
- Electroless Nickel Plating and Case Examples Conference
- Euro 7 Brake Dust Solutions and Related Brake Testing Applications



IDEF 2023



EuroBrake 2023



Our Digitalization Process

Being aware that sustainability and the foundations of our era are increasingly being built upon technology, we continue to improve and develop our efforts in this regard every day. Through the activities we have carried out this year and in previous years, along with our goals, we not only bring benefits to our institution but also strive to undertake initiatives that can benefit our employees, stakeholders, and society as a whole. Below, we have shared our completed activities and goals from the past to the present within this scope.

In 2010,

We established the Promanage online monitoring system for our production machinery. We started monitoring our OEE (Overall Equipment Effectiveness), availability, performance, and quality data in real time.

In 2013,

We started using SAP (Systems Analysis and Program Development) as our ERP (Enterprise Resource Planning) software, enabling us to implement SAP Modules for all our operations.

In 2015,

We took the first steps toward a paperless factory by managing our documents and workflows through the Digital Document Management System.

In 2018,

SAP Success Factors was implemented for human resources processes such as performance management, talent management, and training.

In 2019,

We successfully established our project management system using Windchill-PLM (Product Lifecycle Management) to enhance our project and project document tracking system.

The Promanage maintenance module was activated, digitizing all our maintenance processes and eliminating paper usage in this process.

In 2020,

The Promanage quality module was implemented, allowing all quality measurements in the production area to be tracked and reported digitally and in real time.

In 2021,

We started using MS Power BI business intelligence software. We began developing data-driven decision-making mechanisms by creating dashboards from data obtained from different sources.

Industrial computers were deployed in the production areas and integrated with our document management modules. As a result, paper usage in production areas was reduced by 90%, and our data access speed increased.

Our Digitalization Process

In 2022,

The INDUSTRY 4.0 MATURITY LEVEL ASSESSMENT was conducted in collaboration with MEXT and Frounhofer through a 3-day maturity level assessment study, revealing our strengths and weaknesses for digital transformation.

Energy analyzers were commissioned for both our Pınarbaşı and Free Zone factories. Thus, our data was combined with production data, making it possible to monitor our instantaneous and total energy consumption.

In 2023,

We aim to develop a joint project with Promanage to automate production planning and scheduling with AI support.

We are working on a plan where repetitive tasks will be automatically performed using MS Power Automate, without human intervention.

We are working on collecting process data from machines using sensors and analyzing it with machine learning algorithms to detect anomalies in advance.

We are aiming to increase the duration of value-added processes by creating a digital value stream mapping method to track our stock movements in real time.

In 2024,

We have goals such as the Digital Twin, IT Security Infrastructure, and Business Process Transformation Project, as well as the second INDUSTRY 4.0 MATURITY LEVEL ASSESSMENT - 2nd CHECK UP.

In 2025,

We aim to initiate the transition project to S4 Hana.





Supplier Relationships

Our relationships with suppliers are managed under the leadership of our Purchasing Department. The Purchasing Department is responsible for coordinating all our processes with suppliers and ensuring that they are conducted in accordance with the established standards. We include companies in our supplier list that have been audited by an accredited certification body and have at least the ISO 9001:2015 certificate.

Suppliers from whom we procure parts identified as "Highly Critical" by our customers are defined as "High Impact" suppliers. Therefore, we expect such suppliers to have at least the IATF 16949:2016 certificate. Additionally, based on our customers' requests, we may also require some suppliers to have ISO 14001 environmental and/or ISO 45001 occupational health and safety management system certificates. **We have already started working on expanding our expectation that high-impact suppliers have ISO 14001 and ISO 45001 certificates, regardless of customer requests.** We aim to develop a project to extend this practice to all our suppliers. As Ege Fren, we are responsible for the reliability of the products we purchase, so we monitor the currency of our suppliers' quality certificates.

Furthermore, in organizing our supplier relationships, we adhere to the Supplier Handbook we have created. You can **review** all the details of the requirements we have set out in this handbook.

In the partnerships we establish with our suppliers, we strive to build a working system based on understanding and trust. With this approach, we offer cooperation to become one of the leading

companies in our industry. We continue our work by considering every positive approach that can benefit our company and our suppliers, and we act by analyzing all risks and opportunities when forming our supply chain.

In addition to our responsibility for the safety of our products, we are also aware of our responsibility to protect human rights, occupational health and safety, social rights, and ethical values in the production of the raw materials we use.

Therefore, in regulating our relationships with suppliers, we act with consideration for the value we can add to the environment and people. As with every stage, we also take human rights into account when organizing supplier relationships.

In our relationships with suppliers and in the business practices we have established, we make every effort to comply with the environmental and social requirements of the concept of sustainability.

In this regard, we expect our suppliers to establish and implement rules and practices in the following areas:

- **Ethical practices,**
- **Human Rights and Social Compliance practices,**
- **Occupational Health and Safety Management,**
- **Environmental Impact Management.**

Starting from 2024, these areas will be evaluated by our teams. Improvements will be followed up with action plans based on the risk assessment results in our supply chain.

Supplier Relationships

When selecting our suppliers, we prioritize local suppliers. Within this scope, we increased our local supplier rate to 90% in 2023. In the coming years, we aim to increase this rate even further. You can see the growth in the number of our suppliers over the years in the table below.

Number of Suppliers	2022	2023
Total	2.342	2.634
Local Rate	2.071	2.375
Local Supplier Rate	%88	%90

The data related to purchasing volume is shown in the table below. In 2023, 80% of our purchasing budget was allocated to local suppliers. This not only supports the reduction of our logistics-related emissions but also contributes to our national economy.

Supply Volume (Million TL)	2021	2022	2023
Total	593	1.247	1.858
Local Purchase Total	495	1.060	1.485
Local Purchase Rate	%83	%85	%80

A large portion of our purchasing budget is allocated to the procurement of cast parts. In the table below, you can find data related to the companies from which we procure these cast parts.

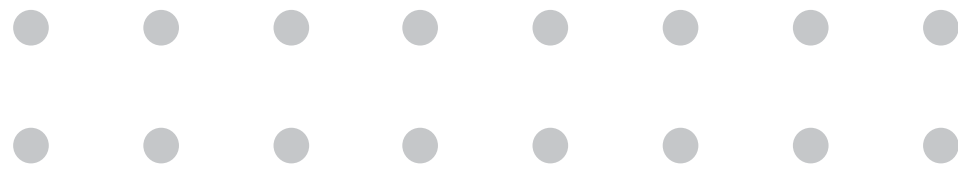
Supply Volume (Million TL)	2021	2022	2023
Casting Suppliers Country	2	2	2
Number of Local Casting Suppliers	10	10	10
Number of Casting Parts Suppliers	11	11	11





Sustainability Management

Sustainability Approach



In the post-industrial revolution period, with the change in our consumption habits, intensive fossil fuel consumption and unconscious consumption of natural resources, we are now aware that we are facing climate change today. This situation has led us to align our activities with the United Nations Sustainable Development Goals and to determine our goals and to constantly report our work. Our fight against climate change continues with the effort to adapt our processes, measure our impacts, increase the positives and reduce the negatives.

We continue to hold our committee meetings regularly every month under the leadership of our Human Resources and Sustainability President and General Manager. We evaluate the performance outputs related to our processes in our monthly YGG (Management Review) meetings without separating them from our quality management system, and provide information transfer by explaining them under the sustainability topic in the Board of Directors meetings.

We continue our current projects by giving the utmost importance to the efficient use of energy and raw materials in terms of environmental sustainability. Our impact assessment continues in the fields of logistics operations, use of recycled raw materials, waste, emissions and water management.

Our company has started committee work in order to determine its strengths and areas of development within the scope of sustainability as of 2021. It continues under the leadership of our Holding Human Resources and Sustainability Group President and with the contributions of all committee members.



Sustainability Approach

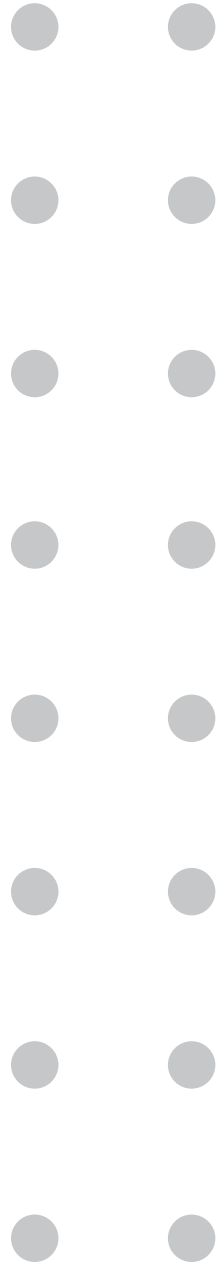
Our Environmental Activities

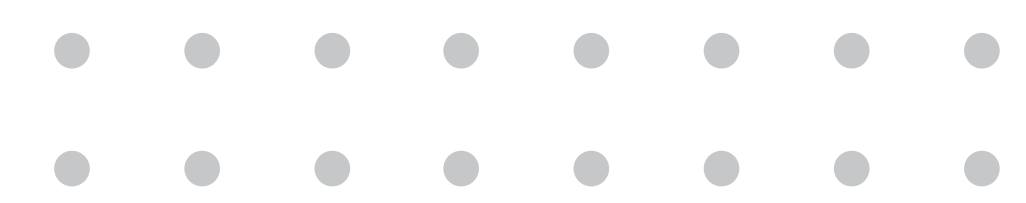
With the determination of our priorities in our development points, our policies were reviewed in the first stage and updated with the addition of our sustainability perspective. Then, we decided to calculate our emissions originating from our activities according to the ISO 14064-1 standard. We started our calculations as of the 2021 activity year. A verification audit decision was made with an accredited organization as of 2024.

We are happy to commit that we will address our fight against the climate crisis in accordance with the 1.5 °C target with the outputs of our evaluations. ***In this context, our work aims to conduct CDP (Carbon Disclosure Project) reporting as of 2025 and to create a roadmap to reach net zero emission value by 2035 as a supporter of SBTi for our 1.5 °C target and to share the roadmap we have created and our rates of reaching our targets in our sustainability reports.***



We continue our work to determine and increase our impact in the social field. We have started our initial work on this issue to identify our areas of development and to strengthen these areas. Our sustainability journey, which we have combined with the continuous improvement perspective that forms the basis of our 35-year strong corporate identity, is progressing in a way that will improve our social and environmental impacts.





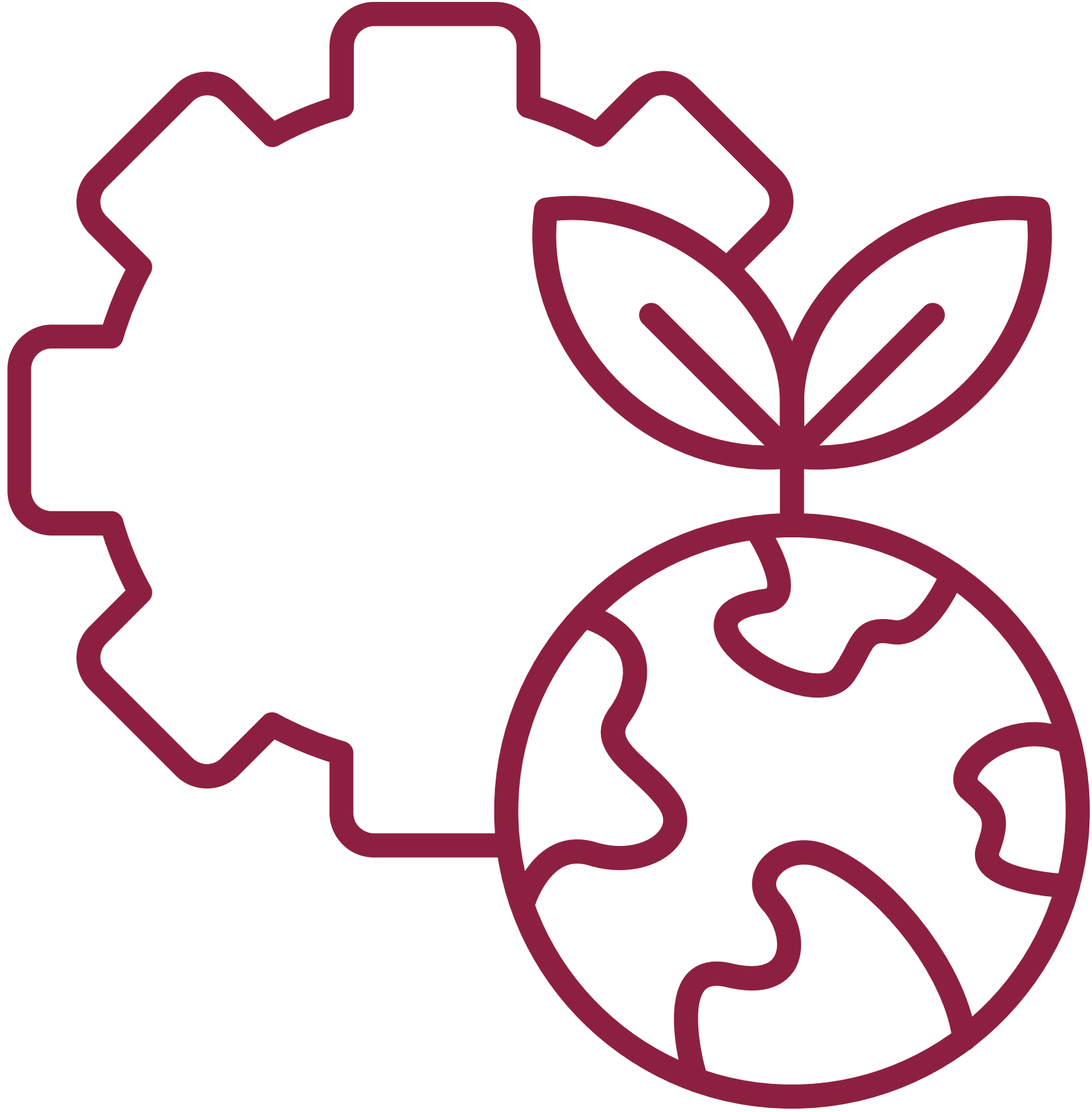
Sustainability Approach

Social Compliance Activities

Within the scope of social sustainability, we aimed to support education and young people as a priority, we carry out long-term training and development programs in cooperation with NGOs, with the support of our employees and our institution, and we continue to prioritize our attitude towards social values.

Within this scope, in order to measure the practices of our company and our suppliers in this field in the field of social compliance in 2024, we aimed to start our work for compliance with the SA 8000 standard and to have our company certified by being audited within the framework of the standard.

Our institution, which aims to show a stable development with our performance in environmental and social areas as well as our financial performance, takes care to create a predictable and sustainable working style with all our stakeholders. With the awareness that the factor that will trigger the development of our institution in this direction at the highest level is our human resources, we provide working conditions in line with our values and goals with a management focused on equality and development.



Sustainability Approach

Continuous Improvement

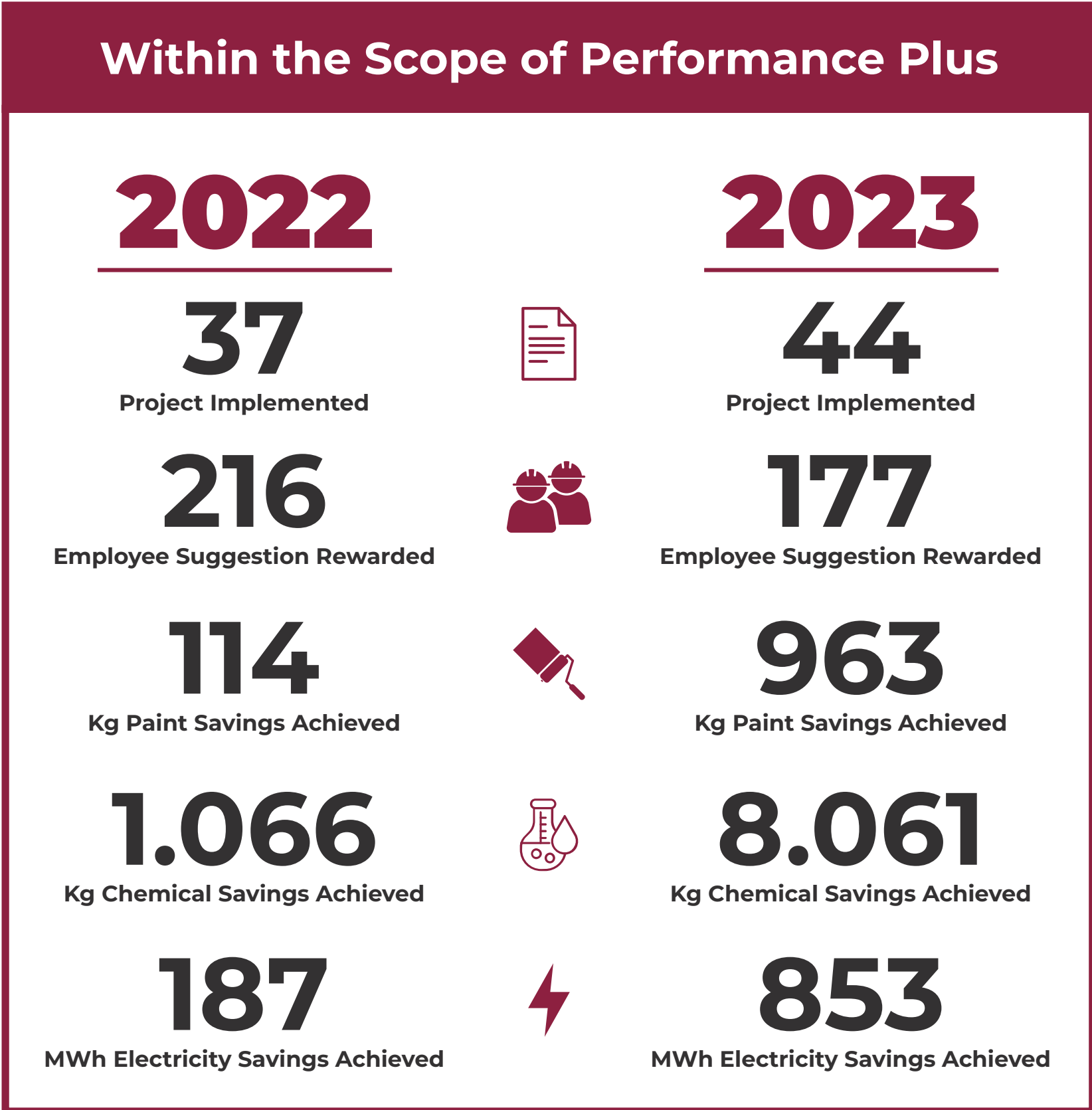
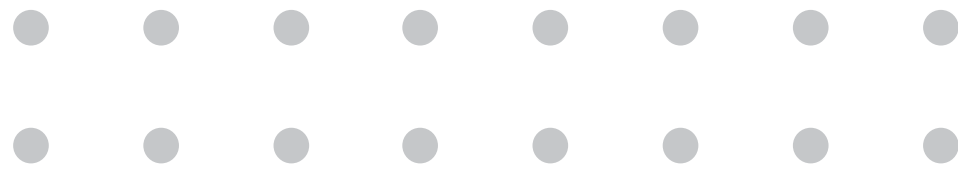
We have been continuing our improvements in the Kaizen format since 2012. Kaizen is a concept that expresses a gradual but rapid development in processes, employees, processes, time and technology in order to increase customer satisfaction and affect competitiveness in a certain period of time, and a decrease in costs. Since we started, we continue our continuous improvement studies in nearly 2000 items in Kaizen studies, where we can receive contributions from our colleagues working in production with the competencies we have created in our employees. Our main Kaizen studies continue under the titles of employee ergonomics, 5S, unit production time, occupational health and safety, environment, improvement in consumable use, efficiency, quality, energy consumption and logistics.

The 5S championship flag is given to the teams that receive the highest score in the monthly audits to exhibit in their departments, and good practices are constantly encouraged by sharing them on our internal communication channel, Sharepoint web page. Our teams that are below the average make presentations at management review meetings every 3 months to explain the nonconformities and how they were resolved, and continue their work for a more organized work environment.

Within the scope of Performance Plus, it is our reward suggestion system that we implement with the participation of our General Manager as a result of the evaluation of the suggestions shared with us every year.

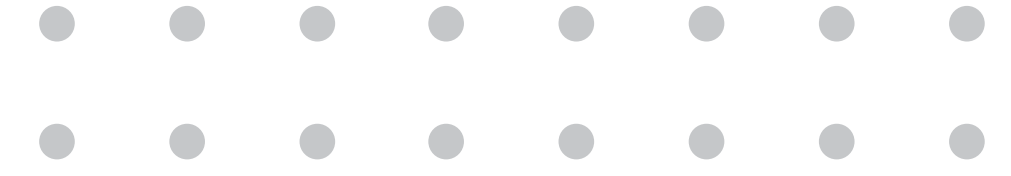
Performance Plus is a suggestion reward system that evaluates the suggestions shared with us every year and is implemented with the participation of our General Manager.

Thanks to our “Performance Plus” recommendation system, in which 81 projects were implemented in 2 years and 393 of our employees were rewarded, 1,107 kg of paint was saved, 9,127 kg of chemicals were saved and 1,040 MWh of electricity was saved.



SSustainability Approach

Continuous Improvement Rewarding





Sürdürülebilir Kalkınma İçin KÜRESEL AMAÇLAR

Contribution to Sustainability

As Ege Fren, we continue to support the following United Nations Sustainable Development Goals. Our practices in these areas are detailed below.



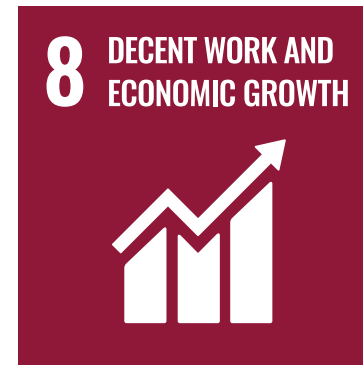
Quality Education

We believe that Quality Education is a right for every individual. As Ege Fren, we continue to support inclusive and quality education for all and promote lifelong learning. Through our Apprenticeship School, affiliated with the Vocational Education Center, we reintegrate young people who have been distant from education and offer them opportunities for professional development. With long-term internship programs, we create opportunities for university students to prepare for working life before graduation. We also value the knowledge, skills, and development of our employees, continuing our planned training programs. We provide time adjustments and financial support to our employees who are pursuing master's and doctoral degrees. As an institution, we sincerely aim to continue and expand our efforts towards the goal of Quality Education.



Gender Equality

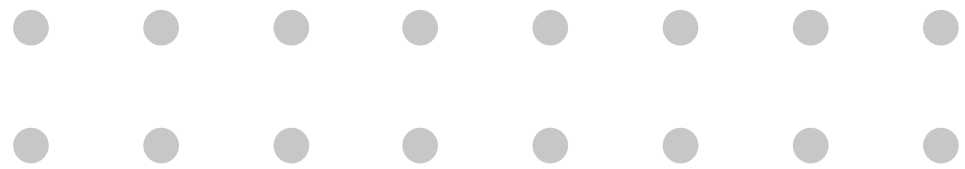
We are aware of the need for Gender Equality to advance in our country. As Ege Fren, we strive to increase the presence of women in our work areas. In our recruitment processes and career plans, we adhere to the principle of providing equal opportunities to individuals under equal conditions. We are proud to have increased the number of female employees by 90% in 2023 compared to 2021. **Additionally, in the last training period, 25% of our Apprenticeship School students were girls.** This achievement is a testament to the importance and effort we place on Gender Equality.



Decent Work and Economic Growth

In line with this goal, all our hourly employees have been granted union rights, with the same rights extended to our salaried employees. We continue our preventive activities to ensure occupational health and worker safety. To support the education of young people, we have provided educational support to 100 students in the 100th year of our Republic. Additionally, to reduce the number of unemployed young people in our region, we support the educational processes at our Vocational Education Center. Established with the permission of the Turkish Ministry of National Education in 2014, our center provides on-site education to many students, contributing to the development of young people. This allows us to better prepare young people for working life, and we conduct this process transparently and fairly for all candidates. We strive to employ our graduate students within the company. Through this project, we aim to integrate young people who have been distant from education into working life.

Contribution to Sustainability



Industry, Innovation and Infrastructure

Supporting inclusive and sustainable industrialization, as well as improving our products during the production phases, are among our main goals. The lifespan, maintenance, and repair ease of our products are considered during the design phase. Using our products in a vehicle will result in a 0.12% fuel savings. We have ongoing efforts to reduce harmful particles that emerge during the use of our products. The traceability and energy consumption of our production processes are continuously monitored digitally. Robots support our production processes. We continue to improve our processes with new machinery investments. We are taking precautions to prevent occupational diseases by creating a digitally supported system for employee ergonomics.



Responsible Consumption and Production

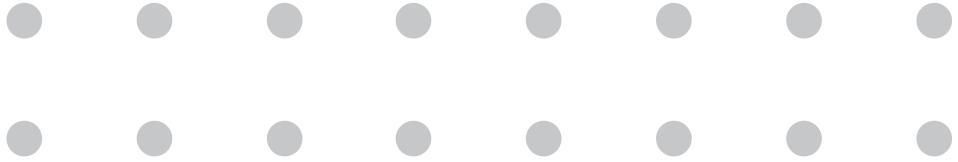
As Ege Fren, in line with the goal of Responsible Production and Consumption, we evaluate the environmental impacts resulting from our activities. In this context, we work to prevent environmental pollution and ensure that natural resources like water and energy, as well as raw materials, are used efficiently within the ecological balance. Alongside these activities, we aim to minimize our carbon footprint and other air emissions. We increase the reuse of materials in our production and shipping processes, and we manage our waste in ways that minimize harm to the environment.



Climate Action

We recognize that climate change is one of the undeniable issues of our time. We value this in every moment of our production-to-consumption process and take actions aimed at preventing climate change. To mitigate our negative impacts and prevent pollution resulting from our activities, we aim to ensure that natural resources like water and energy, as well as raw materials, are used efficiently while maintaining ecological balance, and we strive to reduce our carbon footprint and other emissions that contribute to climate change.

Prioritization Analysis



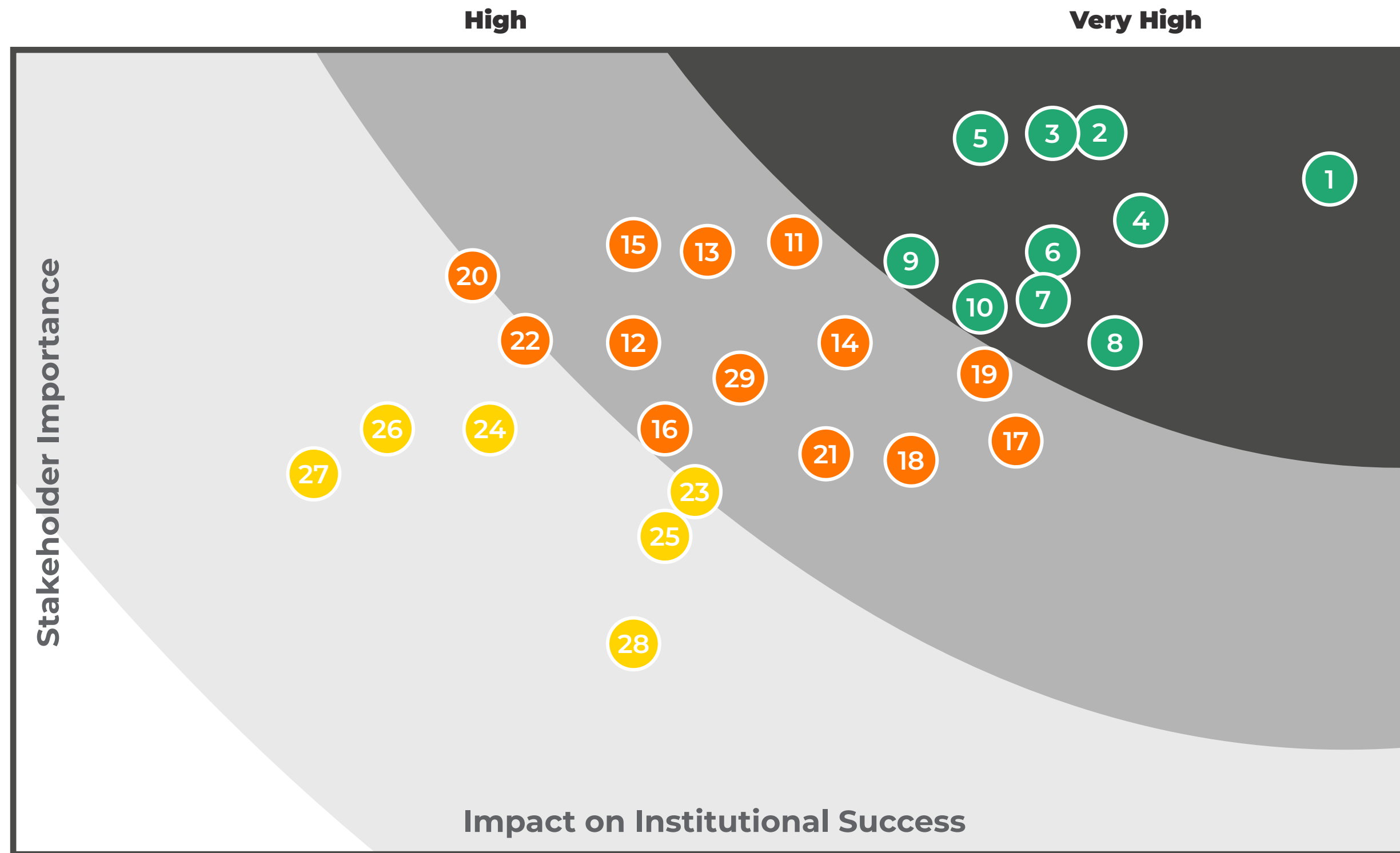
As Ege Fren, we manage our sustainability activities with a strategic management approach. We keep our strategies dynamic and update them as needed according to current conditions. Within the scope of our sustainability activities, we determine our priorities and subsequently shape our processes according to GRI and AccountAbility (AA 1000) standards.

As part of the prioritization analysis, we conducted a workshop with our internal stakeholders. As a result of the workshop, we asked our stakeholders to evaluate Ege Fren's performance in terms of sustainability issues. In addition to the internal stakeholder evaluations, we also conducted a survey with our external stakeholders to gather their importance and performance data. We consolidated the data from both internal and external stakeholders and prepared our prioritization matrix, which we share with you below along with the priority groups.

On the X-axis is "The impact of the issue on the success of the organization," and on the Y-axis is "The importance of the issue to the stakeholder." As the numerical values increase on the matrix, the importance of the issue to the stakeholder and its impact on the success of the organization increases.



Prioritization Analysis



Priority Topics

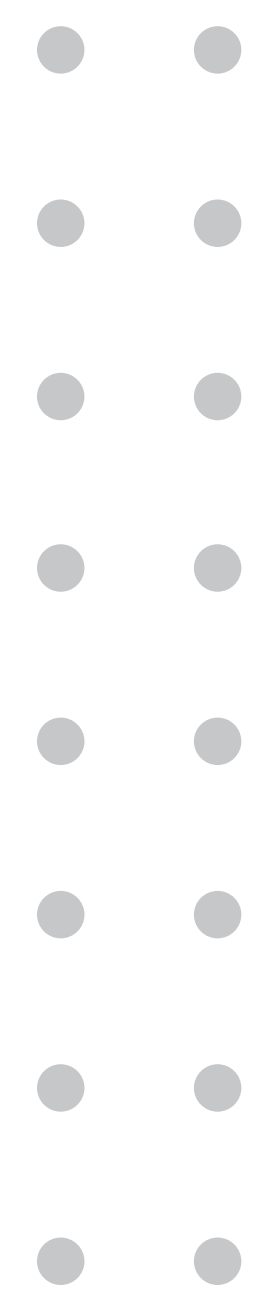
Topic ID	Topic Name
23	Local Procurement
24	Creating Employment
25	Employee Performance Management
26	Grievance Mechanisms
27	Wastewater Management
28	Information Security Management

High-Priority Topics

Topic ID	Topic Name
11	Energy Efficiency Management
12	Corporate Governance
13	Consideration of ESG in Corporate Procurement
14	Corporate Financial Performance
15	Equal Opportunity and Diversity, Inclusion / Gender Equality
16	Prevention of Bribery and Corruption
17	Employee Satisfaction
18	Digitalization
19	Waste Management
20	Use/Production of Renewable Energy
21	Employee Career Management
22	Corp. Social Resp. (Cont. to Society) / Creating Positive Social Impact
29	Water Management

Very High-Priority Topics

Topic ID	Topic Name
1	Customer Satisfaction
2	Ethical Principles and Ethical Practices
3	Employee Rights
4	Occupational Health and Safety
5	Climate Change and Greenhouse Gas Management
6	Ensuring Sustainability for the Value Chain
7	Efficient Use of Raw Materials
8	Use of Advanced Technology
9	Employee Training
10	R&D / Product Development / Innovation



Impact on the Environment



At Ege Fren, we place great importance on integrating Environmental Management and Sustainability Principles into our business processes. We are committed to acting responsibly from economic, environmental, and social perspectives concerning the impacts of climate change, one of today's most significant risks. Our goal is to minimize our environmental impact and work towards a sustainable future to improve the quality of life and preserve natural resources for future generations.

Since 1999, under the guidance of the ISO 14001 Environmental Management System, we have been strengthening our environmental management processes. We employ a full-time environmental engineer within our company and collaborate with an environmental consultancy firm to manage our environmental processes more effectively. In monthly meetings, we review regulations and evaluate our environmental performance with our consultant. Our environmental management team conducts chimney emission measurements every two years.

We conduct monthly waste tracking to monitor and

manage our waste management processes. We prioritize efforts to reduce waste and continuously take measures to minimize waste generation.

Some of our practices and targets in this scope include the recovery of boron oil used in our production phase, creating alternatives to reduce the use of VCI Bags (Volatile Corrosion Inhibitor Bags), and contributing to recycling by sending recyclable metal shavings, wood, and plastic waste to licensed recycling companies.

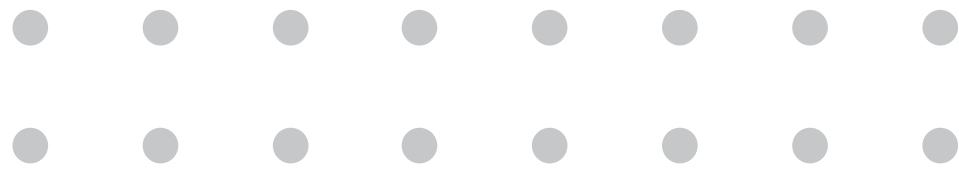
We will continue our efforts to reduce our environmental impact continuously, aiming to create a better future for the environment and society. We act with a sense of responsibility towards all stakeholders in society and make our environmental awareness a fundamental part of our business strategies. The Ege Fren Environmental Management System Policy established within this scope can be accessed here.

At Ege Fren, we provide training to ensure our environmental efforts are more conscious and efficient. The details of these trainings are provided in the table below:

Location	2022		2023	
	Pınarbaşı	Free Zone	Pınarbaşı	Free Zone
Number of Employees Participating in Environmental Training	152	133	192	214
Total Environmental Training Hours Given	152	133	192	214

Environmental Management

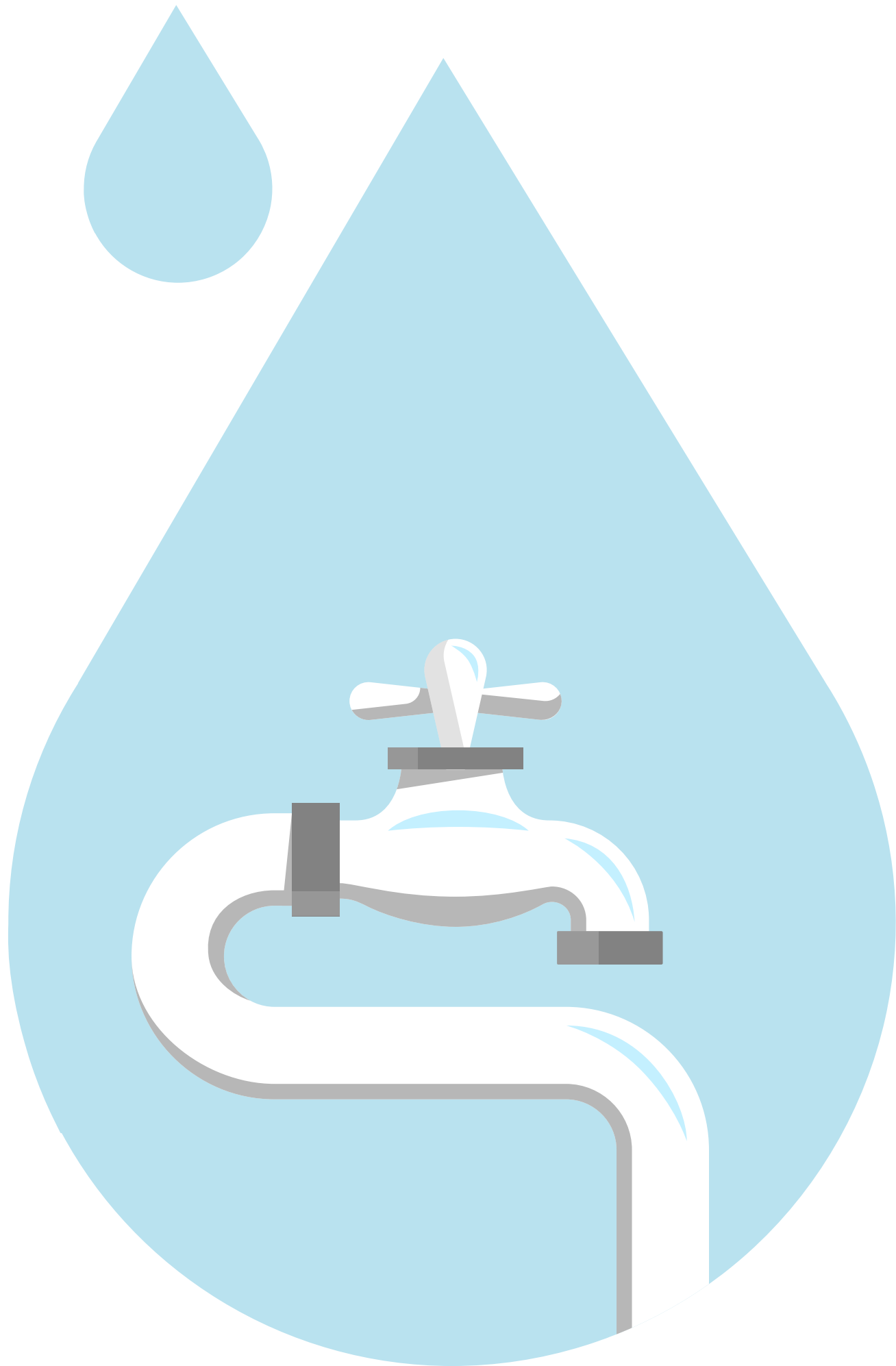
Water Management



Water is a vital resource and an indispensable element for sustainability. We implement various strategies to use water efficiently and conserve it in our business processes and production activities. We encourage all our employees to understand the value of water and contribute to its efficient use. Establishing a culture of conscious water consumption is an important step in increasing water conservation within our company.

In our production processes, water consumption is monitored to ensure its efficient use, and priority is given to the implementation of water-saving technologies. Wastewater management is also a crucial element in the protection of water resources.

Effectively managing water resources and preventing water wastage not only helps reduce our operational costs but also contributes to the preservation of our natural resources. At Ege Fren, we recognize the value of water and remain committed to water management to leave a healthy environment for future generations. We will continue to enhance our efforts and make improvements in water management to protect and efficiently use water resources.



	2021	2022	2023
Water Consumption Amount (m ³)	22.946	25.156	27.072



As global energy demands rise and environmental concerns grow, energy management processes have become one of the cornerstones of sustainability. Energy is a fundamental component of business processes, and when managed effectively, it presents significant opportunities for reducing environmental impacts and using resources efficiently. Therefore, energy management is a critical strategic step for businesses focused on reducing their carbon footprint, increasing energy efficiency, and transitioning to environmentally friendly practices.

With the increasing importance of energy management processes, we at Ege Fren also place great emphasis on energy management. Our energy management processes are meticulously carried out by our Maintenance & Automation Directorate. In this process, we hold regular monthly meetings with our Deputy General Manager to evaluate energy-related matters.

As Ege Fren, we are conducting various initiatives to

strengthen our energy management processes within our facility. Thanks to the energy analyzers installed on our machinery, real-time data is collected. We closely monitor our energy consumption through a Microsoft Power BI dashboard. This system has allowed us to detect idle waiting times of machinery and implement an automation system that automatically shuts down machines when not in use.

While utilizing natural light within the facility, we are transitioning to an LED and automated lighting system that adjusts intensity according to the amount of natural light. Additionally, we have begun monitoring natural gas usage in our painting processes, and based on analyses, necessary improvements will be planned following maintenance and inspections.

The data for the past three years is indicated in the table below.

Energy (GJ)	Pınarbaşı			Free Zone		
	2021	2022	2023	2021	2022	2023
Natural Gas	5.238	5.110	5.080	9.866	8.955	11.443
Grid Electricity	16.869	17.855	16.362	18.926	20.450	20.377
Total	22.107	22.965	21.442	28.792	29.405	31.820

Energy Management

Waste Management

As Ege Fren, we adopt an approach that complies with national and international regulations regarding waste management and continuously strengthen our activities aimed at increasing environmental awareness. We conduct our processes according to the principles of the ISO 14001 Environmental Management System, which we adhere to. Additionally, in 2021, we reinforced our system by obtaining our Zero Waste Certificate. Under the leadership of our Environmental Engineer, who is responsible for waste management, we meticulously manage all our waste management processes.

To effectively manage our waste processes, a responsible committee, consisting of our Environmental Consultant and the company's Environmental Engineer, meets monthly to ensure continuous compliance with environmental regulations and review improvements regarding environmental issues. Our waste management starts with the proper separation of waste at the source, which is then collected in designated temporary storage areas and sent to licensed disposal and recycling facilities in compliance with legal regulations. Annual reports are submitted to the Ministry. Moreover, data regarding our waste is continuously collected and evaluated in monthly review meetings and during the year-end Management Review Meeting. Risks and opportunities relevant to our environmental management processes are identified and recorded. An external audit is conducted annually across all departments to ensure compliance with our ISO 14001 Environmental Management System.

In this context, our waste data for the last 3 years is provided on the side.

EGE FREN - PINARBAŞI			
	2021	2022	2023
NON-HAZARDOUS WASTES (tons)	2.395	2.425	2.782
HAZARDOUS WASTES (tons)	28	21	15
Total (tons)	2.423	2.446	2.797
Recycling %	98,8	99,1	99,4

EGE FREN – SERBEST BÖLGE			
	2021	2022	2023
NON-HAZARDOUS WASTES (tons)	2.629	2.679	3.145
HAZARDOUS WASTES (tons)	66	82	63
Total (tons)	2.695	2.761	3.208
Recycling %	97,5	97,0	98,0

EGE FREN Toplam			
	2021	2022	2023
NON-HAZARDOUS WASTES (tons)	5.024	5.104	5.927
HAZARDOUS WASTES (tons)	94	103	78
Total (tons)	5.118	5.207	6.005
Recycling %	98,1	98,0	98,7

Climate Change & Emission Management

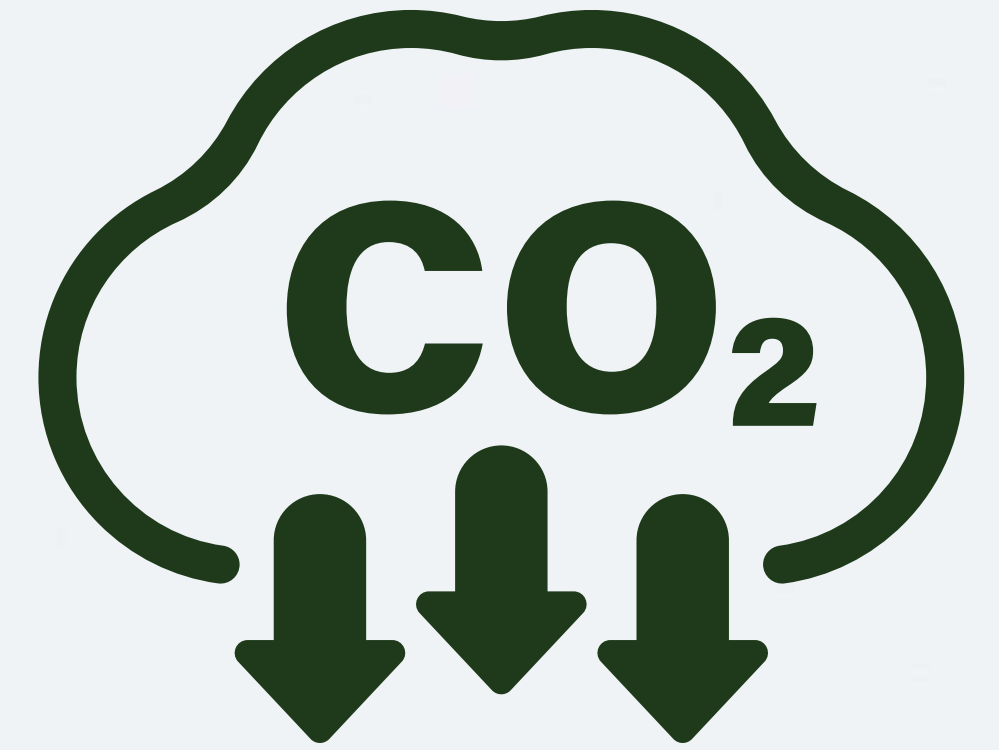
Due to human activities over the past century, the increased concentration of greenhouse gases in our atmosphere has brought all living beings on Earth face to face with climate change. Aware of the pressure on all life forms caused by the disruption of the balance in our atmosphere, we are shaping our business strategies by considering risks that may impact climate change. We are closely monitoring the green transformation in the business world and revisiting our processes to be part of this reshaping.

Recognizing that our greatest impact on this global issue is our greenhouse gas emissions, we have established and continue to strengthen our emission management.

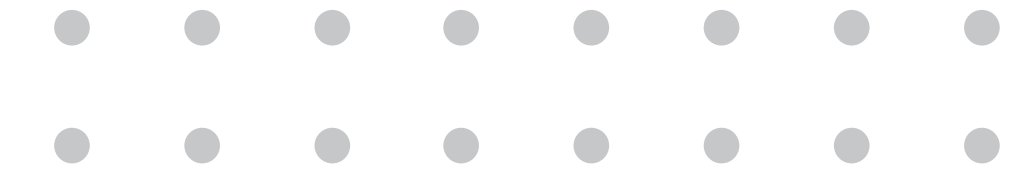
Emission management is a critical approach to monitoring, analyzing, and reducing the greenhouse gas emissions resulting from our company's activities. With this approach, we have identified both direct and indirect sources of our emissions. We aim to create control points at these sources and develop reduction strategies. To combat climate change, we plan to begin CDP climate change reporting from 2025 and, as a supporter of SBTi, aim to achieve net zero emissions by 2035. Our roadmap and the annual progress toward our targets will be shared in our sustainability reports.

As part of our emission management, we first set our strategies and targets to support the reduction of greenhouse gases arising from our natural gas and electricity consumption. We have integrated our strong waste management system into this management. Our dialogues with our customers and suppliers continue within the framework of reducing emissions from our logistics operations, increasing the use of recycled raw materials, and reducing carbon intensity in our value chain.

To ensure the effective implementation of our emission management strategies, we are also involving our employees in the process. Through training, we enable them to contribute to emission management. In this way, we aim for every individual in our organization to contribute to and take responsibility for the fight against climate change.



Climate Change & Emission Management



Ege Fren Free Zone and Pınarbaşı			
Category Name	2021 (tCO2e)	2022 (tCO2e)	2023 (tCO2e)
Category 1 Direct HSGE	949	915	1.278
Category 2 DSGE from Imported Energy	4.306	4.671	4.480
Category 3 DSGE from Transportation	5.314	2.306	2.513
Category 4 DSGE from Products Used by the Institution	-	51.350	51.878
Category 5 DSGE from Products/Services of the Institution	-	0	0
Category 6 Greenhouse Gas Emissions from Other Sources	-	4.908	4.718
Toplam	39.883	64.491	64.849

To ensure the healthy and harmonious existence of all living species on our planet, we will continue to actively work on climate crisis and emission management. We will take effective measures against climate change and fulfill our global responsibility by acting together to protect the environment and our natural resources. With the awareness of our responsibility against the climate crisis, we are determined to take steps for a greener, cleaner, and healthier world.

In this context, we undertake the task of calculating our greenhouse gas emissions and transparently disclosing our reduction activities. We share our total emission amount calculated according to Category 1 and Category 2 in 2021, and according to ISO 140064-1 standard in 2022 and 2023, and our carbon footprint per kg product, as stated in the tables below. Our 2023 emission calculations have been verified by an accredited organization within the scope of ISO 14064, and our verification report can be accessed here [here](#).

The data for categories 1, 2, 3, 4, and 5 of our Ege Fren Free Zone and Pınarbaşı factories, calculated in accordance with the ISO 14064 standard, are also included in the tables.

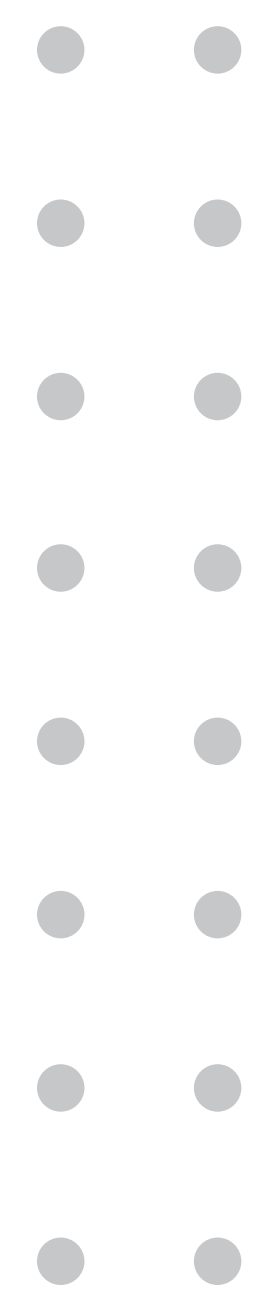
Ege Brake Total Carbon Footprint

2,68

2022
(kg CO2e/kg product sales)

3,54

2023
(kg CO2e/kg product sales)



Social Compliance **Performance**

Human Resources Approach



At Ege Fren, we adopt a people-oriented approach at every stage of our operations and management system, fulfilling all our environmental and social responsibilities within the scope of sustainability. In this journey that we have started with our employees and all our other stakeholders, we act in a way that reflects the values and policies of our company. We strive to create a team of highly motivated and innovative employees who prioritize our values and internal operations.

According to our Human Resources Policy, which we have prepared with consideration for the Universal Declaration of Human Rights, we ensure the protection of the rights and freedoms of all our stakeholders, especially our employees, and demonstrate fair behavior. No employee at our company is excluded or disrespected due to their personal preferences. We act with the awareness that ensuring social sustainability is primarily dependent on the satisfaction of our employees. In our company, which has established its policies by considering the Universal Declaration of Human Rights, there is absolutely no forced labor or bullying of any individual. We also prioritize the protection of personal rights in all agreements made with our suppliers and other stakeholders.

One of the most important issues in our Human Rights policy is not employing child labor. Therefore, we fully comply with our legal requirements and take care to ensure the verification of information concerning our employees and all other stakeholders. We also consider this issue when making agreements with our suppliers. We adopt the stance of not participating in any activities that harm or undermine human rights as a responsibility towards our stakeholders and employees.

We continue to offer equal conditions and opportunities to all our employees and absolutely do not allow any discrimination based on language, religion, race, or gender. In line with our principle of equality, we ensure that our compensation strategy adheres to these conditions and that overtime or additional benefits are paid. Furthermore, we respect the leave rights of our employees and act in accordance with the laws. During our compensation processes, we take into account job descriptions and distributions, and we communicate performance and reward criteria to our employees.

In terms of Job Evaluation, we follow the Job Evaluation Methodology of an international firm and adjust our compensation policy accordingly. The most important criterion at this stage is that our employees fulfill their duties and responsibilities.

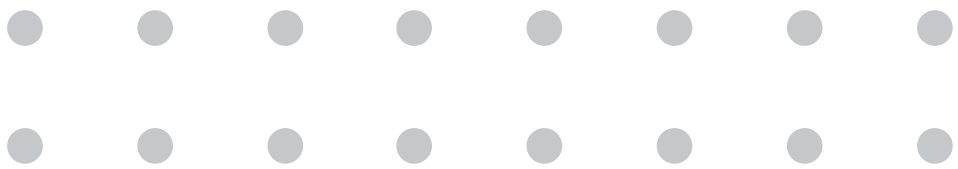
When determining our policy, based on a position and level-based management system, we provide senior managers or those in higher positions with additional benefits such as private health insurance and vehicle assistance. We also conduct internal evaluations based on the results of annual survey research conducted by an international company, with the participation of our Human Resources department. Based on information gathered from various sources, we determine the necessary increase in employee wages and implement these findings within our Compensation Policy with the approval of the Board of Directors. Additionally, we reflect the monthly union rights in the wages of both hourly and salaried employees, and we also provide private health insurance and personal accident insurance.

Human Resources Approach

Rights Provided to Full-Time Employees	2021	2022	2023
Private and Supplemental Health Insurance	83	89	450
Personal Accident Insurance	400	432	462

In 2024, our company is planned to be audited and certified under the SA 8000 standard, which is a management system that supports ensuring social compliance within our company and controlling it among our suppliers. With this certification, both in our company and throughout our supply chain, we will be able to evaluate issues such as child labor, forced labor, occupational health and safety, freedom of association, discrimination, disciplinary practices, and working hours, as well as identify potential risks in advance and ensure international level assurance.

You can review our Human Rights Policy, which has been prepared in alignment with the vision of "creating highly committed, value-creating, motivated, innovative employees and teams within the framework of the company's values and culture" and in compliance with the Universal Declaration of Human Rights and the United Nations Global Compact, [here](#).





We see creating a healthy and safe working environment within our company's operations as our most important duty. For this purpose, we manage our activities according to ISO 45001, which we are certified in. In our production facilities, which are classified as hazardous work environments according to the law, we pay close attention to implementing all the requirements within the scope of Occupational Health and Safety. We also make sure to continuously improve the efforts we undertake in this context.

In line with our company's commitment to valuing people, we carry out our activities by establishing a healthy and safe system that covers all our employees and assess the risks that may arise from chemical, physical, or ergonomic factors. In case of any adverse situation, we ensure that the necessary actions are taken. We also ensure that our Occupational Health and Safety policies are embraced by our employees, and we continue to develop our goals in this direction. You can access our policy [here](#).

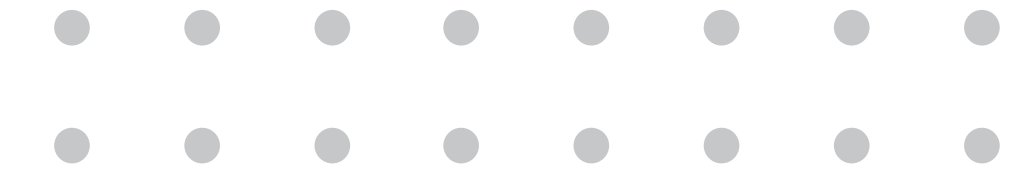
The Occupational Health and Safety performance of our company for the last 3 years is indicated in the table below.

OHS Performance Indicators	2021	2022	2023
Number of Accidents	20	23	13
Lost Workdays Due to Accidents	89,4	184	129
Accident Severity Rate	0,08	0,08	0,10

We adopt the principle of "Working with Zero Workplace Accidents" as our most important rule within the scope of Occupational Health and Safety. We continue to work with all our might to ensure that there are no accidents or injuries. In this context, there have been no workplace accidents resulting in death or serious injury in our company during the reporting period. All data related to workplace accidents is reported to the ministry in accordance with legal regulations, even if there is no loss of workdays.

Occupational Health & Safety

Occupational Health & Safety



One of our top priorities as an organization for ensuring Occupational Health and Safety is the completion of risk assessments and the continuation of our activities within this scope. We inform all our employees about this and provide orientation and legally required recurrent training on our work system. Additionally, as the most important rule of our work process, we provide every employee with personal protective equipment suitable for their job and keep in contact to renew them considering their lifespan. Moreover, we require all suppliers operating within our company to use the mentioned equipment as well. Following our evaluations, to ensure ergonomic working conditions, we have started the observation and detection of working conditions that may pose risks for musculoskeletal disorders among our employees and initiated corrective actions for each production and office environment process.

In building our Occupational Health and Safety culture, we move forward with our employees, valuing their opinions and input. The active participation of our employees in this process not only strengthens internal commitment within the company but also significantly contributes to the growth and development of our system.

The participation of our employees, including our subcontractors, in Occupational Health and Safety audits is indicated in the table below.

OHS Management System and Employees Included in Audits	Sayı	Toplam
Number of Employees Included in the OHS Management System (Including Subcontractors)	519	100%
Number of Employees Included and Audited by the Institution (Including Subcontractors)	519	100%
Total Number of Employees	519	100%

We equip our factory with fire protection equipment, as required by Occupational Health and Safety regulations, and take the necessary precautions. All the equipment we use is regularly inspected, and in case of any malfunction, we resolve the issue promptly to maintain the integrity of our Occupational Health and Safety system. The details of OHS training provided during the reporting period are indicated in the table below.

OHS	2022			2023		
	PB	FZ	TOTAL	PB	FZ	TOTAL
OHS Training						
Number of Employees Participating in OHS Training (Including Subcontractors and Apprentices)	263	340	603	287	232	519
Total OHS Training Hours Provided (Including Subcontractors and Apprentices)	1.146	1.771	2.917	3.444	2.784	6.228

We uphold the highest standards in implementing Occupational Health and Safety measures, continuing our efforts to ensure a safe working environment. In doing so, we create a positive impact on both the success of our company and the well-being of society.

Gender Equality

As an organization, we highly value every effort to ensure social compliance and equal opportunities, and we are committed to participating in projects that create employment opportunities for women. In this context, we support the education of girls and continue to encourage both our employees and stakeholders to do the same. We take care to protect the rights of women and all our employees within our company. All female and male employees in our company are treated equally, and they have the same standards concerning maternity leave. Additionally, we do not interfere with the time it takes for our employees to return to work after their maternity leave. The number of employees in our company who were eligible for maternity leave and returned to work this year is shown in the table below.

Total Number of Employees Eligible for Maternity Leave	Male	Female	Total
2022	12	3	15
2023	19	4	23

Number of Employees Who Returned to Work After Maternity Leave	Male	Female	Total
2022	12	2	14
2023	19	4	23

Considering the data above, most of our employees who took maternity leave have returned. Our company, highlighting its sensitivity to family and private life through its maternity leave policy, has demonstrated that there is no pressure in this regard and has succeeded in ensuring employee satisfaction across all areas with its liberal approach.



Diversity & Inclusion



We aim to fully implement sustainability principles not only in terms of environmental performance but also in our social performance. In this regard, our primary goal is to ensure the satisfaction of our employees. Due to the value we place on our employees and the awareness we have created in this area, we have succeeded in creating employment opportunities for both young people and many individuals looking to develop themselves in the automotive sector.

When selecting our employees, we do not discriminate based on religion, language, race, gender, political views, or age, and we continue to express our satisfaction with internal diversity at every opportunity. Additionally, we act with an awareness of the business-enhancing aspects of adhering to diversity and inclusion principles.

Although our industry involves heavy labor, we make a concerted effort to have female employees in different departments and strive to ensure gender equality. While we continuously work to improve the number of female employees in our company, we also make it a priority to include them in our management team. The number of employees at Ege Fren over the past three years is indicated in the table below.

Number of Employees by Year	2022	2023
Male	385	386
Female	61	76

Number of Employees (Excluding Contractors)	2022		2023	
	Male	Female	Male	Female
Monthly Paid	72	31	75	32
Hourly Paid	313	30	311	44

Number of Employees by Length of Service	2022		2023	
	Female	Male	Female	Male
0-5 Years	52	190	67	188
5-10 Years	5	84	5	96
10 Years and Above	4	111	4	102
Total (By Gender)	61	385	76	386
Total	446		462	

Training Programs

As an organization that values its employees and always prioritizes their rights, we continue to provide training in various fields within our company, helping our employees develop in their respective areas. We also support our employees in their career planning and strive to contribute to their overall development.

We operate with an awareness of the importance of the concept of sustainability from both social and environmental perspectives. Our primary focus in this context is to raise awareness among our employees about the requirements of this concept. Therefore, we offer training on sustainability and many other topics relevant to our industry. The opportunities we provide to our employees at Ege Fren help them enhance their competencies and achieve their career goals in the shortest possible time.

We ensure that all of our employees, regardless of their seniority or competency level, benefit from our training programs. Additionally, we organize orientation programs to help new employees gain knowledge about our industry and company. We review and monitor our programs annually to ensure they fully meet the personal and professional development needs of our employees.

Orientation Program

Every employee who begins working at Ege Fren participates in our orientation program following their recruitment process. This program is designed to support their personal potential and creativity.

Development Plans

We create development plans by considering the corporate and individual development needs of our employees. We review and renew this program annually.

Our Backup Planning

We are creating a future-oriented development plan for our employees who continue to work in critical positions within Ege Fren and preparing a planning for the program where they will be backed up in the future.

Backup

We are making long-term development plans for our employees in critical positions, focusing on the position they will be backed up for in the future.

Talent Management

The talents and functions of each employee at Ege Fren are very important to us. Therefore, we anticipate the potential needs and negative impacts on key positions within our company. To be fully prepared for all factors, we create a "Career and Succession Plan." This plan ensures that we closely monitor the development of each employee, preparing them for future roles.

Training Programs

The number of male and female employees participating in the training sessions provided by our company this year is specified in the table below.

Average Training Hours per Employee	2021	2022	2023
Total	33	32,1	37,81

When setting up our training programs, we are committed to ensuring that our employees receive education under equal conditions and opportunities. We make every effort to provide all necessary resources and do not discriminate based on language, religion, race, or gender. To support our employees' career development, we approach the organization of our training programs with great dedication. In this context, we have increased our training budget by **215% compared to the previous year**. The training budgets for our company over the past three years are provided in the table below.

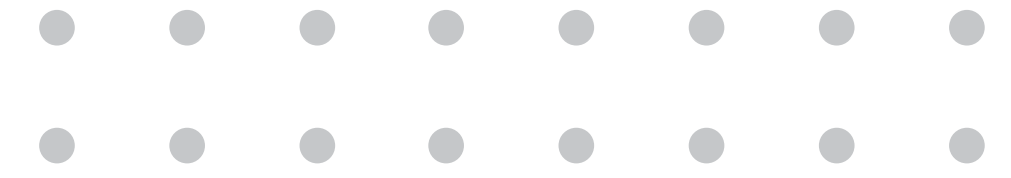
Total Training Budget (TL)	2021	2022	2023
Total	190.000	600.000	1.065.800

Ege Endüstri-Ege Fren Apprenticeship School 2014 – 2023

We continue our activities with the belief that **“Training is an Investment with No Risk of Loss”**. We are committed to ongoing development as our most important investment. With this mindset, we established our Apprenticeship School.



Training Programs



Through the activities conducted at our Apprenticeship School, we support many young individuals seeking to develop in the sector, contributing to their professional growth and working to reintegrate them into society. Our goals in this context are as follows:

- To reintegrate young individuals who, for various reasons, cannot continue their education into society and the workforce,
- To encourage them to pursue learning by contributing to their professional development,
- To ensure that students who have left their education and training unfinished can continue their education process,
- To maintain a culture of institutional commitment and possess a potential workforce,
- To prepare a ground for young individuals who wish to work as apprentices, journeymen, and masters within our companies.

With these objectives in mind, we have been continuing our apprenticeship class activities since 2014.

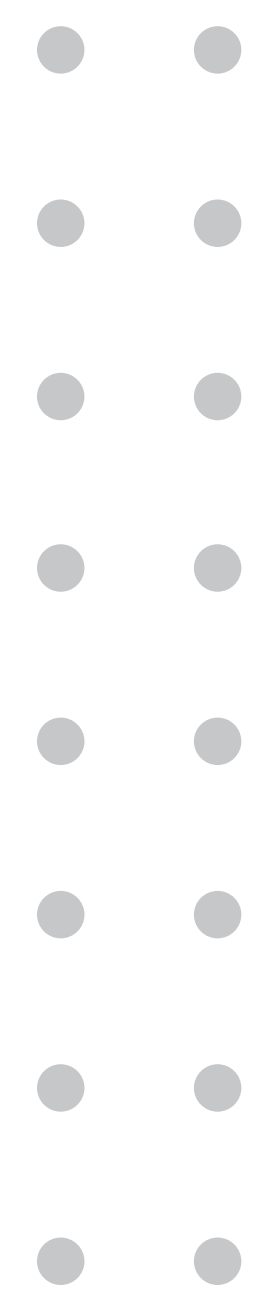
Our Apprenticeship School has successfully completed its legal requirements and ministry inspections. Following the completion of these inspections, our Apprenticeship School was established with 36 apprentice candidates. We take pride in the fact that, while continuing our activities related to the apprenticeship class in past years and our reporting year, we now have more than 30 senior colleagues who graduated from these classes and continue their activities within our organization.

We began our projects with 36 apprentices based on three vocational fields: Machine Technologies (CNC, Computerized Machine Manufacturing Processes), Machine Maintenance and Repair, and Metal Technologies, including welding.

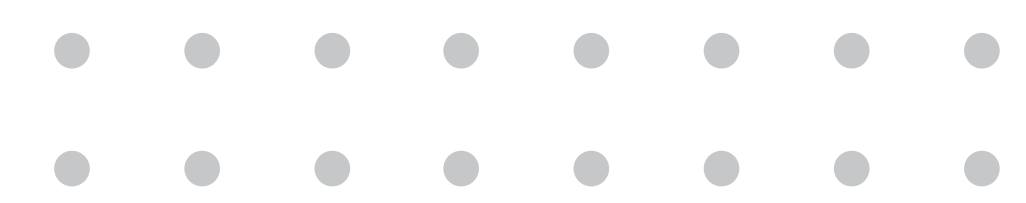
Today, we are proud to report that we have conducted 6 semesters of theoretical classes and provided 640 hours of training. Additionally, while continuing our activities with 70 students, we graduated our first batch of graduates in 2017.

In addition to theoretical training, we also provide practical training for our apprenticeship candidates, which is tailored to their vocational fields. Through our work at Ege Fren and Ege Endüstri, we have provided many students seeking sector-specific knowledge with opportunities for income and education. The tables related to our Apprenticeship School graduates can be found below.

	Number of Apprentice Recruitments	Apprentice Graduation	Permanent Position
2014-2023 Period Total	164	65	51



Contribution to Society



Social Responsibility Projects

At Ege Fren, we strive to create positive changes that can serve as examples for future generations and positively impact our environment and social lives. We are aware of the responsibilities we have towards our employees and society, and we believe that social responsibility projects are highly valuable. In this context, we carry out numerous projects that address community needs, align with the expectations of our employees and stakeholders, and prioritize environmental protection and improvement. We are committed to enhancing and advancing our social responsibility efforts both now and in the future.

Our Company's Projects:

Dokuz Eylül University Pediatric Oncology Department Gift Donation

With this project, we aim to touch the hearts of sick children and bring smiles to their faces. Our efforts not only give them hope but also serve as an inspiration to some individuals and institutions.

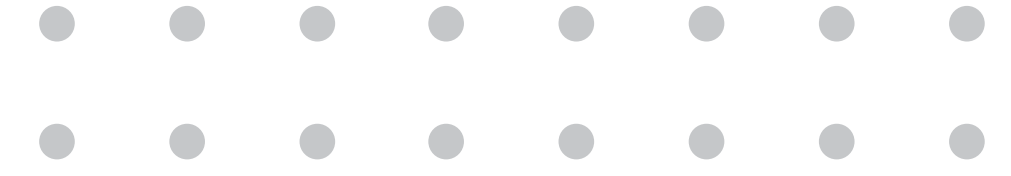


"Pedalla" with EÇEV

In collaboration with EÇEV (Ege Contemporary Education Foundation), we participated in the "Pedal for Education" bicycle tour to support equal opportunities in education. This initiative provided a pleasant social activity for our employees while contributing to the crucial issue of educational equality.



Social Responsibility Projects



100 Scholarships for Vocational High School Students

In celebration of the 29th October Republic Day and the 100th Anniversary of the Republic of Turkey, we provided education scholarships through the Turkish Education Foundation to 100 vocational high school students. This initiative aims to create educated and enlightened generations who will further advance the path laid by our founder, Mustafa Kemal Atatürk.



International Women's Day and Aid to Affected Regions

On March 8th, International Women's Day, we prioritized donations for women in disaster-stricken areas on behalf of our female employees. Additionally, we supported the Izmir Metropolitan Municipality's efforts for children, embodying our hope-driven initiative, the "Hope Movement."



TÜRK EĞİTİM VAKFI
1967

May 19th Commemoration of Atatürk, Youth and Sports Day

19 Mayıs Atatürk'ü Anma, Gençlik ve Spor Bayramı'nda çalışma arkadaşlarımız adına Türk Eğitim Vakfı'na bağış yaptık. Bu bağışın önemli bir kısmını depremden etkilenen öğrencilerimiz için oluşan fona aktardık.

Stronger Together with Our Employees

At Ege Fren, we recognize that our employees are our most valuable asset. Therefore, we view enhancing their motivation as a key responsibility and continue to explore innovative approaches to strengthen our initiatives in this area. Through engaging and enjoyable activities with our employees, we have the opportunity to reinforce our commitment to them.



Fishing Activity

With our "Let's Go Fishing!" event, we provide our employees with a unique activity and interaction space, offering them a refreshing break from their routine.



Fit Broccoli

Through our "Fit Broccoli" program, we assign a comprehensive personal nutrition coach to our employees. This initiative allows us to make a professional impact on their health and wellness.

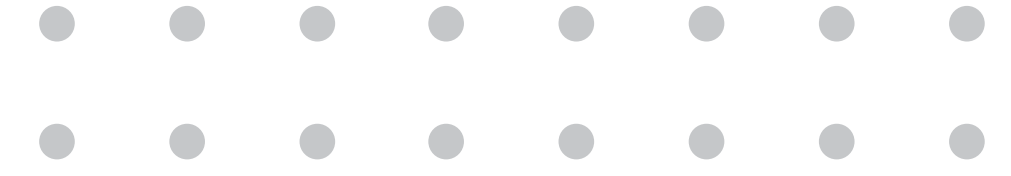


Bring a Friend Program

Under the "Bring a Friend" initiative, we prioritize candidates referred by our employees in our recruitment process. This program helps us find and welcome new talent through the connections of our current team members.

Stronger Together with Our Employees

Social Activities



Sports Activities: Our basketball team, Tek Pota League, represents us by consistently delivering improved performances without ever giving up.



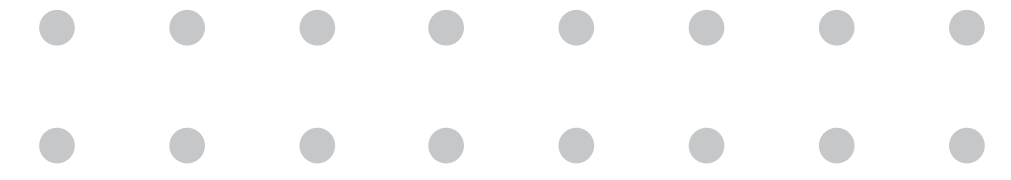
Psychological Resilience Webinar: In March, we held a webinar on Psychological Resilience: Durability and Flexibility with Hülya Üstün Eleviş.



Happiness Workshop: In April, we conducted a workshop with Gizem Dağ on "Is There a Formula for Happiness?"

Stronger Together with Our Employees

Theater Activities



Monthly Theater Support: We support our employees and their families in attending events organized by the İzmir State Theater, affiliated with the Ministry of Culture and Tourism.

April 23rd National Sovereignty and Children's Day: On this day, we make donations to the Ege Contemporary Education Foundation on behalf of our employees' children. We specifically focus on providing hope to children who have fallen behind in their education due to reasons such as earthquakes.



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	201-3 Defined benefit plan obligations and other retirement plans	50-51 Human Resources Approach
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GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	30-31 Supplier Relationships
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GRI 205: Fighting Against Corruption 2016	205-1 Activities Assessed for Risks Related to Corruption	16-17 Ethical Management
	205-2 Communication and Training on Anti-Corruption Policies and Procedures	16-17 Ethical Management, 30-31 Supplier Relationships
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GRI 3: Material Issues 2021	3-3 Management of the material issue	30-31 Supplier Relationships
GRI 206: Anti-Competitive Behavior 2016	206-1 Total Number and Outcomes of Lawsuits Relating to Anti-Competitive Behavior and Activities	30-31 Supplier Relationships
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GRI 3: Material Issues 2021	3-3 Management of the material issue	33-37 Sustainability Approach, 43 Environmental Management
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	305-3 Other indirect (Scope 3) greenhouse gas emissions	47-48 Climate Change & Emission Management
	305-4 Greenhouse gas intensity	47-48 Climate Change & Emission Management
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GRI 3: Material Issues 2021	3-3 Management of the material issue	46 Waste Management
GRI 306: Waste 2020	306-1 Waste Generation and Significant Waste-Related Impacts	46 Waste Management
	306-2 Management of Waste-Related Impacts	46 Waste Management
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Sustainability Oversight for the Value Chain		
GRI 3: Material Issues 2021	3-3 Management of the material issue	30-31 Supplier Relationships
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers screened using environmental criteria	30-31 Supplier Relationships
	308-2 Adverse environmental impacts in the supply chain and actions taken	30-31 Supplier Relationships

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Employment creation		
GRI 3: Material Issues 2021	3-3 Management of the material issue	56-58 Training Programs, 50-51 Human Resources Approach, 54 Gender Equality
GRI 401: Employment 2016	401-1 New hires and employee turnover	56-58 Training Programs
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	50-51 Human Resources Approach, 54 Gender Equality
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GRI 3: Material Issues 2021	3-3 Management of the material issue	50-51 Human Resources Approach
GRI 402: Labor/Management Relations 2016	402-1 Minimum notification period for operational changes	50-51 Human Resources Approach
Occupational Health & Safety		
GRI 3: Material Issues 2021	3-3 Management of the material issue	52-53 Occupational Health & Safety
GRI 403: Occupational Health & Safety 2018	403-1 Occupational health and safety management system	52-53 Occupational Health & Safety
	403-2 Type of injury and accident rates, occupational diseases, lost days and absenteeism, and total work-related fatalities	52-53 Occupational Health & Safety
	403-3 Occupational health services	52-53 Occupational Health & Safety
	403-4 Employee participation in occupational health and safety, consultation and communication	52-53 Occupational Health & Safety
	403-5 Employee training on occupational health and safety	52-53 Occupational Health & Safety
	403-7 Prevention and reduction of occupational health and safety impacts directly related to work relations	52-53 Occupational Health & Safety
	403-9 Work-related injuries	52-53 Occupational Health & Safety
	403-10 Work-related illness cases	52-53 Occupational Health & Safety
Employee Training		
GRI 3: Material Issues 2021	3-3 Management of the material issue	56-58 Training Programs
GRI 404: Education and Training 2016	404-1 Average hours of training per employee per year	56-58 Training Programs
	404-2 Talent management and lifelong learning programs that support employee development	56-58 Training Programs
	404-3 Percentage of employees who receive regular performance development reviews	50-51 Human Resources Approach, 56-58 Training Programs
Equal Opportunity and Diversity, Inclusion/Gender Equality		
GRI 3: Material Issues 2021	3-3 Management of the material issue	55 Diversity & Inclusion
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	55 Diversity & Inclusion

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ECG oversight in corporate procurement		
GRI 3: Material Issues 2021	3-3 Management of the material issue	30-31 Supplier Relationships
GRI 414 Supplier Social Assessment 2016	414-2 Negative social impacts in the supply chain and measures taken	30-31 Supplier Relationships
Corporate Governance		
GRI 3: Material Issues 2021	3-3 Management of the material issue	12-13 Our Board of Directors & Organizational Structure
Ege Fren own material issue statement	Ege Fren provides a versatile organizational structure to form a strong and experienced team. In this context, it attaches importance to its corporate governance.	12-13 Our Board of Directors & Organizational Structure
Information Security Management		
GRI 3: Material Issues 2021	3-3 Management of the material issue	18-19 Information Confidentiality & Security
Ege Fren own material issue statement	Ege Fren is obliged to protect all information recorded within its organization against both internal and external threats. In this context, it attaches importance to information security management.	18-19 Information Confidentiality & Security
Renewable Energy Use/Production		
GRI 3: Material Issues 2021	3-3 Management of the material issue	45 Energy Management
Ege Fren own material issue statement	Ege Fren attaches importance to the use and production of renewable energy within the scope of protecting the environment and reducing negative impacts.	45 Energy Management
Customer Satisfaction		
GRI 3: Material Issues 2021	3-3 Management of the material issue	15 Quality Management
Ege Fren own material issue statement	While delivering our products at the desired quality and on time, we strive to exceed our customers' expectations. Ege Fren attaches importance to customer satisfaction.	15 Quality Management
Employee Performance Management		
GRI 3: Material Issues 2021	3-3 Management of the material issue	50-51 Human Resources Approach
Ege Fren own material issue statement	Ege Fren develops the Kaizen system and performs performance evaluations and attaches importance to the performance management system of its employees.	50-51 Human Resources Approach

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GRI Standards	Disclosure	Page numbers, descriptions and/or URL
Employee Career Management		
GRI 3: Material Issues 2021	3-3 Management of the material issue	56-58 Training Programs
Ege Fren own priority issue statement	Employees are also supported to make their career plans by giving importance to career management and all kinds of contributions are made to their development.	56-58 Training Programs
Corporate Social Responsibility (Contribution to Society) / Creating Positive Social Impact		
GRI 3: Material Issues 2021	3-3 Management of the material issue	60-61 Social Responsibility Projects
Ege Fren own priority issue statement	In addition to its work in terms of education, Ege Fren works with all its might to ensure that women and children have more employment areas and contribute to education processes, and is supported by allocating a budget where necessary in order to contribute to the development of society.	60-61 Social Responsibility Projects
R&D/P&D/Innovation		
GRI 3: Material Issues 2021	3-3 Management of the material issue	20-27 R&D
Ege Fren own material issue statement	Ege Fren attaches importance to R&D activities with an approach that takes into account developing automotive technologies and innovations in our activities as the focus of our work.	20-27 R&D
Use of Advanced Technology		
GRI 3: Material Issues 2021	3-3 Management of the material issue	28-29 Our Digitalization Process
Ege Fren own material issue statement	Ege Fren is beginning to establish sustainability and the foundations of our age on technology, and attaches importance to the use of advanced technology.	28-29 Our Digitalization Process
Digitalization		
GRI 3: Material Issues 2021	3-3 Management of the material issue	28-29 Our Digitalization Process
Ege Fren own material issue statement	Ege Fren uses advanced technologies within the scope of its digitalization approach and attaches importance to digitalization.	28-29 Our Digitalization Process



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Sustainability Report
