

COMMITTED TO A

Sustainable World



SUSTAINABILITY
REPORT 2021

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About the Report

At Cevher, we aim to offer up-to-date and holistic information about activities to our stakeholders through our annual sustainability reports. For this reason, we include the social and environmental impacts of our activities that we try to steer within the scope of the United Nations Sustainable Development Goals.

Cevher 2021 Sustainability Report covers the works that Cevher Jant Sanayii A.Ş has carried out between 01.01.2021 – 31.12.2021.

GRI Standards: Conducted in reference to 'Core Option'. The information in the report, which was assembled with the contributions of the relevant units, has not been subjected to external audit.

You can send all your questions and opinions about the report to surdurulebilirlikekibi@cevherwheels.com

Message From the Executive Chairman&CEO

Dear Stakeholders,

2021 was overshadowed by the pandemic and its impact on the whole world. The business volume in the automotive industry was directly affected by plummeting demand and supply. The chip crisis was aggravated by the increasing demand from the rapidly growing computer and household electronics industry. The bottleneck in energy supply and the crisis in supply of major raw materials, such as silicium which is an important input in electronic chips and aluminum alloys.

As a well-established company with a history of 67 years marked by breakthroughs in the Turkish casting industry, we planned our actions to come out of this crisis stronger than ever. Without abandoning our growth target, we continued to create value for our country. With a total investment of €40m, we completed the installation of our second facility in 2021, which will contribute to employment and exports in Turkish economy and raise ecological awareness with its sustainable manufacturing principle. The facility was commissioned in 2022.

With our investment, covering a new paint shop, a heat treatment facility, machining, and casting cells, we doubled our paint shop capacity, and particularly focused on product groups with high added value, including large, sophisticated wheels. Since we received our first purchase order for a wheel to be used in 100% electric vehicles in 2018,

we have launched more than 20 models in the battery electric vehicles (BEV) portfolio. Add the hybrid models to that and the number is even higher. We have accumulated significant experience in 'Aero' wheels that reduce weight and the emissions of vehicles while improving aerodynamic features. Today, two concepts lie at the heart of the transformation process in all industries: digitalization and sustainability. Both concepts are critical issues for us and we take concrete action on them under our strategic plans.

Our digitalization journey, launched 4 years ago, has been culminated into the new "Cevher Digital Solutions", which offers solutions for digitalization needs of our organization and other companies. The center focuses on industrial IoT, big data, data analytics, machine learning (ML) and artificial intelligence. Building on our long-term software projects at technical universities in Finland and Australia, we submitted our European patent applications for two software products. In a very short period of time, we developed in-house know-how, with which we can generate additional income by selling it to third parties.

Meanwhile, our "Sustainability Committee" launched in 2021 coordinates all sustainability goals and actions that are strategically important



for CEVHER. Our activities are in compliance with our "ISO 14001 Environmental Management System" certification. In March, we also received the "ISO 14064 Greenhouse Gas Calculation and Verification Management System" certification. In addition to the "Digital and Online Energy Monitoring" system, which was commissioned in 2021, we will be launching the "ISO 50001 Energy Management System" certification in 2022, which will mark a significant progress in our sustainability journey. In 2021, we celebrated our transition to 100% renewable electricity with an I-REC certification. This year, we will be transparently documenting our eco-friendly approach in supply and use of aluminum, a major input in our operations, thanks to ASI (Aluminum Stewardship Initiative) which Cevher joined in 2021.

At CEVHER, we are aware that the future requires businesses to build their strengths in digitalization, data analytics, artificial intelligence and sustainability goals. We take the necessary actions to continue our pioneering role in this field in the future.

We sincerely thank all of our stakeholders who walk this path with us.

Haluk OZYAVUZ
Executive Chairman & CEO



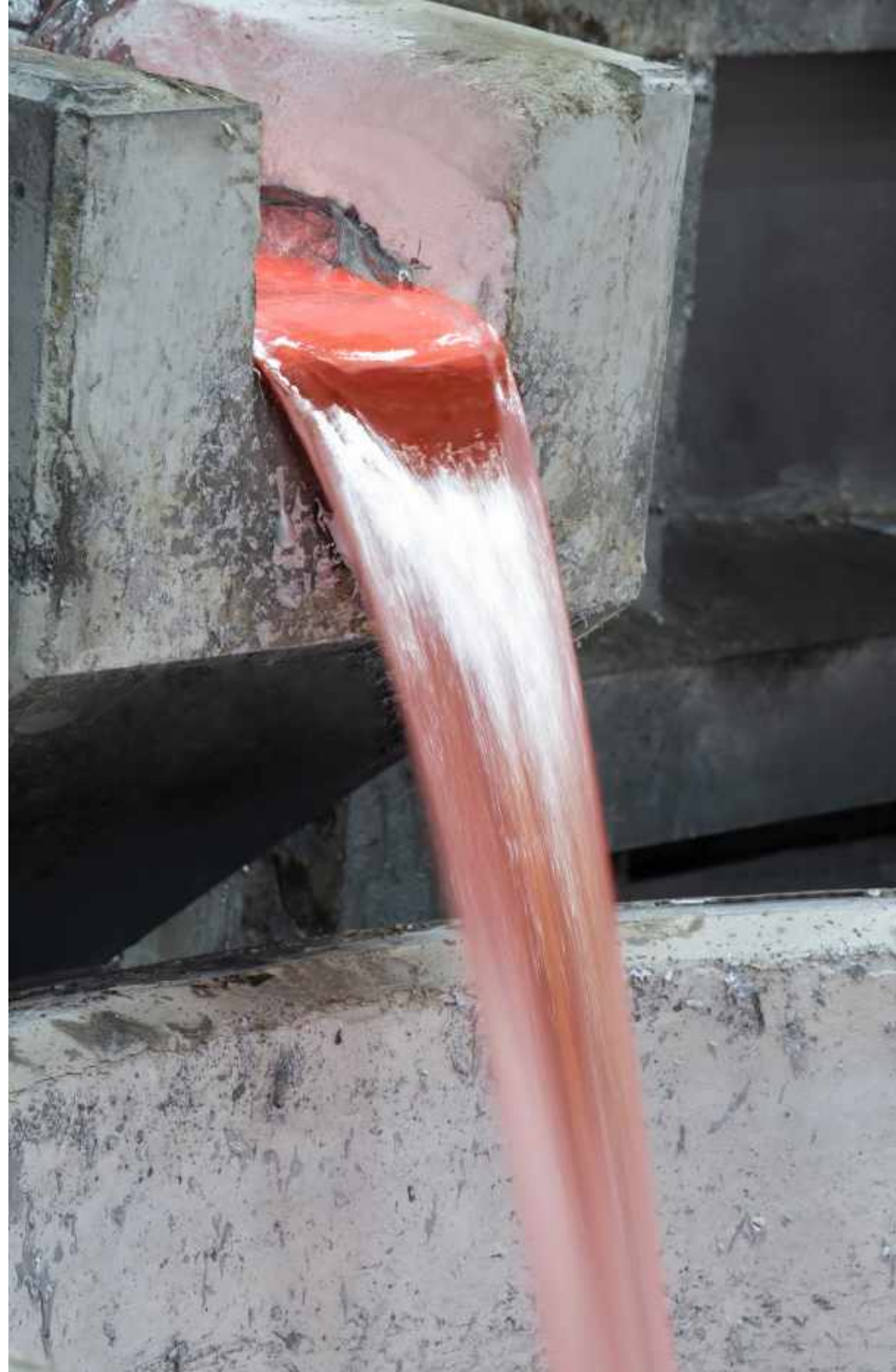
About CEVHER

CEVHER, founded in 1955 by Technical Teacher Hüseyin Özyavuz, is a leading company specialized in different light alloy casting technologies in the automotive industry.

The first aluminium alloy wheel in Turkey has been produced in CEVHER casting facilities in 1984. Today CEVHER is serving for automotive industry with two facilities located in Aegean Free Trade Zone with 2,5 million wheels production capacity via high technology development and flexible production capability.

CEVHER is working as a co-design partner with OEMs including Volkswagen, Audi, Mercedes-Benz, Skoda, Seat, Stellantis and capable of covering all requirements in design, development, production, and validation phases of the wheels in house.

CEVHER conducts projects with CAS, CAD, CAE, FEA and casting simulations for product design and development while using CAD/CAM and CNC technologies for in house mold design and production and main testing processes including Zwart which provides efficiency, high level development, fast validation of design, rapid response capability and low-cost service availability. CEVHER has a new fully automatic painting facility using Industry 4.0 infrastructure for more sophisticated wheels up to 24 inches in sustainable production environment, consuming less material, energy as well as supporting less CO2 emission.



Milestones

- 1955** Cevher has been established by Technical Teacher Hüseyin Özyavuz in a small work-shop in Izmir
- 1968** Cevher Casting Bornova factory has been opened.
- 1975** Turkey's first four-stroke cylinder head and manifold have been manufactured for Tofaş and Renault.
- 1980** Cevher Makine Sanayii A.Ş. (CMS) was established.
- 1983** The first Apprentice School has been opened.
- 1984** The first OEM aluminium alloy wheel of the industry is produced for Tofaş.
- 1985** The first export of the Aegean automotive industry was realized.
- 1995** ISO 9001 Quality Management System certificate was obtained.
- 1997** Cevher Döküm Çiğli factory began its operations.
- 1997** QS 9000 Quality Management System certificate was obtained.
- 1997** Cevher was rewarded with the GM Supplier of the Year Award.
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- 2000** Cevher Makine Sanayii A.Ş., a part of Cevher Group, left the group with the name CMS.
- 2003** Cevher Alloy Wheels factory was opened in the Aegean Free Zone.
- 2003** ISO 9001:2000 certificate were obtained.
- 2004** Cevher was rewarded with "The Most Environmental Industrialist" award by Izmir Province Environment, Urbanization and Climate Change Directorate.
- 2004** Cevher was rewarded with Ford Q1 Quality Award.
- 2006** "Co-Designer" approval was received from Volkswagen.
- 2009** Cevher was rewarded with Volkswagen Group Award.
- 2013** Cevher was rewarded with the first place for the Aegean Region 'Chamber of Industry' and 'Environment-Friendly Industry Facility'.
- 2014** ISO 14001:2005 Environmental Management System certificate was obtained.
- 2014** Cevher was rewarded with second place for the Republic of Turkey Ministry of Science, Industry, and Technology Efficiency Project Prizes.
- 2015** OHSAS 18001 Occupational Health and Safety Management System certificate was obtained.
- 2016** Cevher Döküm has been sold to Nematik, to focus investments more heavily in alloy wheels.
- 2018** In line with the growth strategy, a 34.000 sqm factory site was put into use in the Izmir Aegean Free Zone.
- 2018** Cevher Academy has been established and training activities have been initiated.
- 2018** In line with the growth strategy, a 34.000 sqm factory site was put into use in the Izmir Aegean Free Zone.
- 2021** ISO 45001 Occupational Health and Safety Management System certificate was obtained.
- 2021** EN 9100 Quality Management System certification for Aviation, Space and Defence Organizations was obtained.
- 2022** Cevher started flow manufacturing at the second facility at Aegean Free Zone after completion of the investment.
- 2022** ISO 14064-1 Greenhouse Gas Emission Verification Declaration was obtained.

Corporate Governance



Cevher corporate governance is shaped in the light of transparent, fair and honest principles. In this context, **our Board of Management consists of 5 members, 3 men, and 2 women.**

The Board determines the short, medium- and long-term strategies of our company and periodically controls the compliance of our economic, social and environmental activities within these strategies, setting up the necessary actions for sustainability by assessing the possible risks and opportunities.

Our Executive Committee, which includes our Finance Director and Factory Director, under the leadership of our Executive Chairman, is the top management body responsible for the management and coordination of the activities to be carried out within the scope of the strategies determined by our Board of Management.





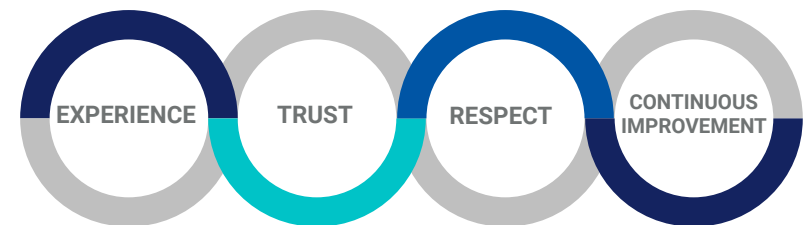
VISION

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

MISSION

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

VALUES



Code of Conduct

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

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

Compliance with the Code of Conduct

Ethical codes of conduct are relayed to employees through in-house correspondence information leaflets and notice boards. All employees are expected to perform their duties based on specified business ethics. It is under the duties and responsibilities of middle and senior executives to serve the necessary effort and leadership for the employees to respect and comply with the relevant rules.

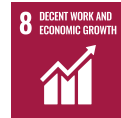
If employees suspect any violation of applicable laws, legislations of rules by the company, they can report these cases to their superiors or to the HR manager by sending an e-mail to “etik@cevherwheels.com”. Reports can also be submitted anonymously via a recommendation boxes installed at our facilities. Meticulously examined notices protect the rights of the employee, who transmits his message in good faith and the accused person. The Ethics Committee takes due care and takes all necessary precautions to keep the identity of the message holder, classifying the report as confidential.

You can access the Cevher Code of Ethical Conduct from the link below:

<https://www.cevher.com/corporate/values>



Highlights in 2021



INDUSTRY

Within the scope of our sustainable growth strategy, **we expanded our manufacturing area in Aegean Free Zone to 78,000 square meters with a total investment of €40m covering the new facility area of 34,000 square meters, where we took over the right to use the superstructure, and our existing facility. We added a robotic machining cell to our machining process and doubled our heat treatment capacity. In the first half of 2022, we commissioned our second facility, which uses the industry 4.0 infrastructure, and which doubles our paint shop capacity.**

We recently pushed the button to expand our product portfolio with aluminium alloy wheels and other casting products which have been put on hold since 2016. We planned our investments to respond to all customer requests related to aluminium casting in the new generation of automobiles at our two facilities, including the manufacturing of parts for chassis and electromobility parts.

We launched an investment to commission the “Flow Forming” technology by the end of 2022, which will double our growth rate in the premium product segment.

We launched “Cevher Digital Solutions”, which focuses on industrial IoT, big data, data analytics, machine learning (ML) and artificial intelligence, and offers solutions for the digitalization needs of Cevher Group and third companies.

We worked with 785 suppliers in our supply chain, including 700 local and 85 international suppliers.

With our outstanding performance in the supply chain, we have been awarded as a “Class A” supplier by Volkswagen Group.



Highlights

in 2021

CONTINUOUS IMPROVEMENT

Within the scope of our Lean Six Sigma efforts since 2012, **we have completed 8 Green Belt and 3 Yellow Belt projects that were launched in 2021.**

In line with our goals and sustainable growth strategy, **we will commission 2 Black Belt, 11 Green Belt and 6 Yellow Belt projects in April 2022.**

We took action to strengthen problem-solving skills of 13 employees through Lean Six Sigma Green Belt trainings and 10 employees through Yellow Belt trainings in line with our targets for 2022. We will further strengthen our team with 39 Yellow Belts, 25 Green Belts (including 11 candidates for Black Belt) and 2 Black Belts with our colleagues who will receive Certificates of Achievement with their performance in projects.

We developed the CevAPP smart application by digitalizing the Cevher Suggestion System to improve the effectiveness of our lean production philosophy and internal communications. With the new system, which allows our employees to share suggestions very quickly and easily and to follow the approval and evaluation process, we further encourage the inclusion of our employees in the improvement process.

In 2022, we made significant progress in our activities with the OPEX digitalization transfer, and we took action to boost our activities in energy efficiency, carbon footprint and energy saving.

In the scope of Cevher Improvement System (CIS), we increased the number of Kaizen projects and earnings by 50% as compared to 2020. With 161 Kaizen projects, we made significant progress towards our objective of delivering with minimum use of resources.

We introduced the new “Cevher Awarding System” to boost employee motivation and celebrate their achievements in Continuous Improvement process. The system, which includes a comprehensive measuring method for Lean Six Sigma, Recommendation, Kaizen, 5S, Non-attendance, TNE, SOS, Waste Hunting and Patent efforts, was launched in August 2021.

161 KAIZEN PROJECTS
in 2021

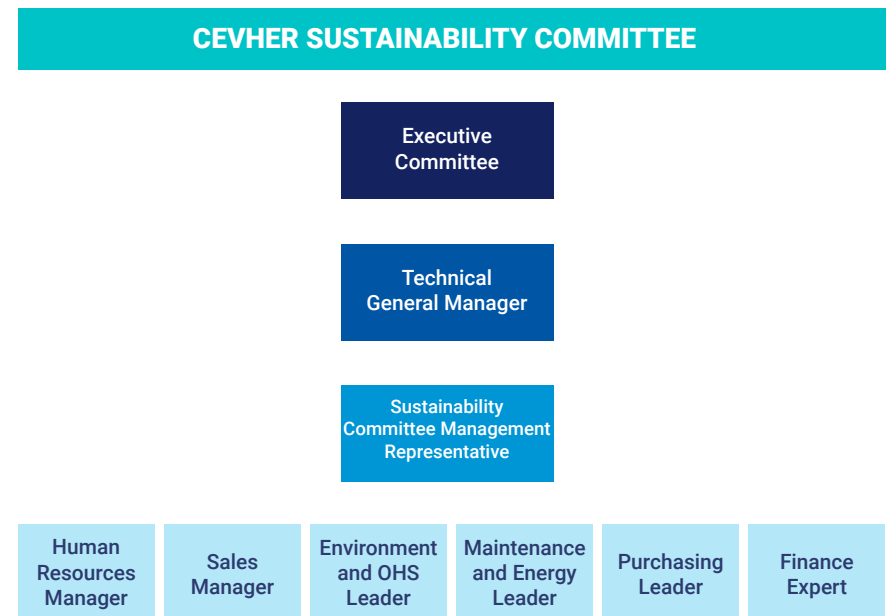
Sustainability

Approach and Management

While increasing the number of our product-lines within the investment projects, we carry out tasks, while including all our stakeholders in the planning to determine a sustainability strategy compatible with growth. Most of all, we see the internalization of sustainability within the company as one of the key points for our plans.

Cevher sustainability approach is to attend the expectations of all stakeholders and fulfill the commitments whilst ensuring customer and market diversity, creating long-term and quality added value, sustainably managing their investments and growth, sustaining the protection of the environment during the course and securing efficient use of resources and the following technology.

Under the leadership of our Sustainability Committee, our working areas include achieving sustainable quality and adopting the principle of lean manufacturing, manufacturing more lightweight aluminum and alloy products, reducing use of raw materials, cutting down on energy consumption, particularly use of water, reducing amount of waste per product under waste management and recycling waste, contributing to more efficient use of natural resources through projects that will reduce our carbon footprint, creating a safe and healthy working environment, including local companies in the supply chain and consistently increasing our contribution to local economy.



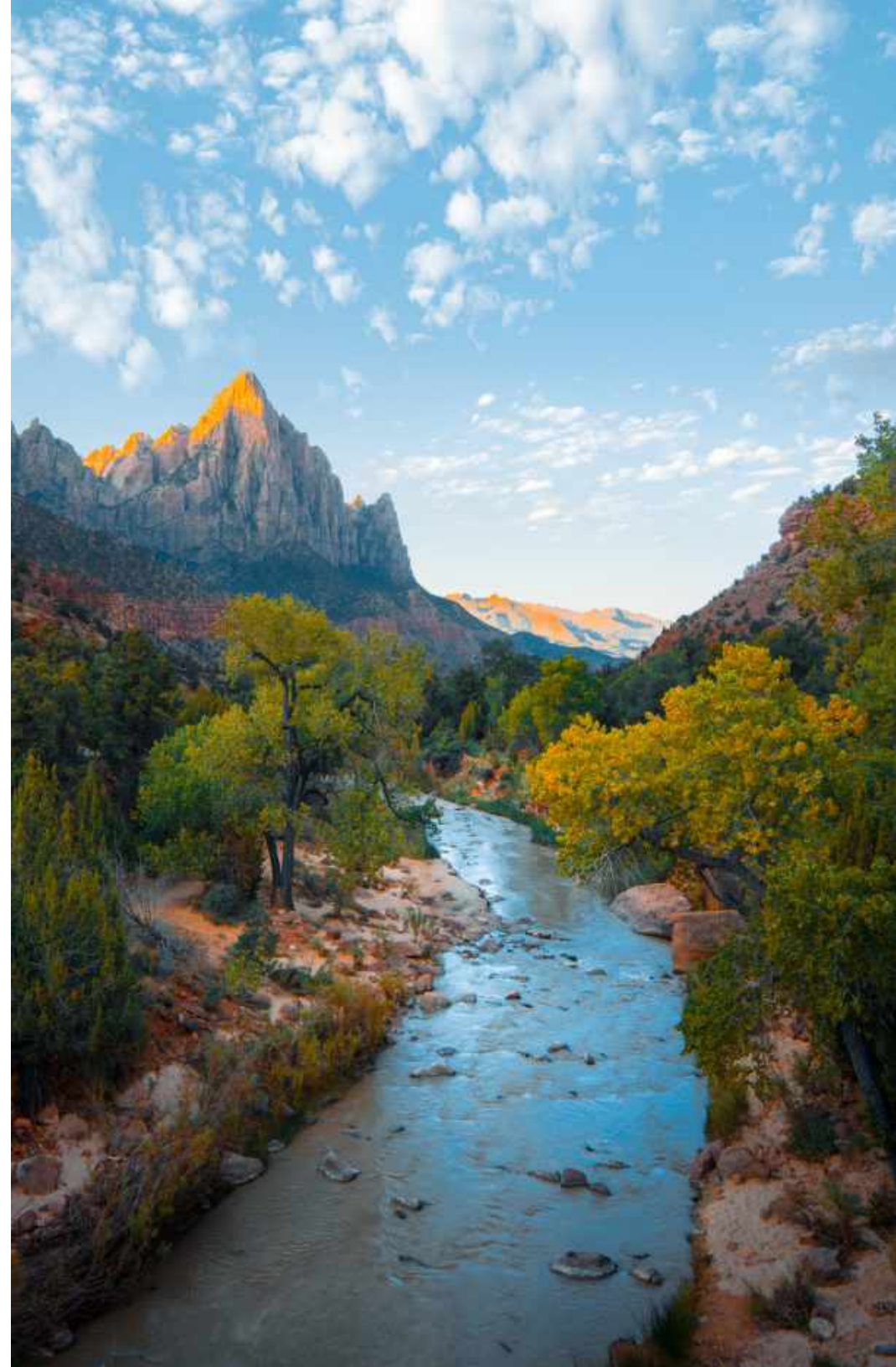
Highlights in 2021



SUSTAINABILITY

We focused our sustainability efforts in 2021 and 2022 on measuring and due diligence. With these efforts which will lay a basis for **“Strategic Smart Greening Road Map”**, a comprehensive and long-term project, we will draft our strategic roadmap towards sustainability, design improvements to be implemented in our facilities and slash Scope 1 emissions. For this purpose, in 2021:

- **We created a Sustainability Committee and appointed a Management Representative** to manage Cevher’s strategic sustainability goals and actions, integrate them into our roadmap and monitor these goals and actions.
- Within the framework of our corporate carbon footprint projects, **we started to work on ISO 14064 – Greenhouse Gas Calculation and Verification Management System**, which calculates the amount of emissions of our facilities. Our **“Organization-Level Greenhouse Gas Inventory Verification (ISO 14064-1)”** audit was successfully conducted in the first quarter of 2022 without any issues reported. During the first phase of the audit, which will be a strong reference for our sustainability efforts, the auditors appreciated the integration of the existing Quality Management System documentation, verifiable data, our precise recording system, and our energy monitoring system with its rich infrastructure.



Highlights in 2021

SUSTAINABILITY



With the **International Renewable Energy Certificate (I-REC)** we documented our transition to 100% renewable electrical energy at our facility. In the near future, we will continue to comply with the requirements of the certificate.

We joined the **Aluminum Stewardship Initiative (ASI)**, which is a major step towards transparently documenting our eco-friendly approach in the supply and use of aluminum, one of our main raw material inputs. In addition to our “Industrial User” membership in 2021, we will be receiving our “Performance Standard” certificate in the third quarter of 2022.

AS OF 2021, WE ARE USING
100% RENEWABLE
ENERGY

Highlights

in 2021

ENVIRONMENTAL LIFE CYCLE ASSESSMENT (LCA)

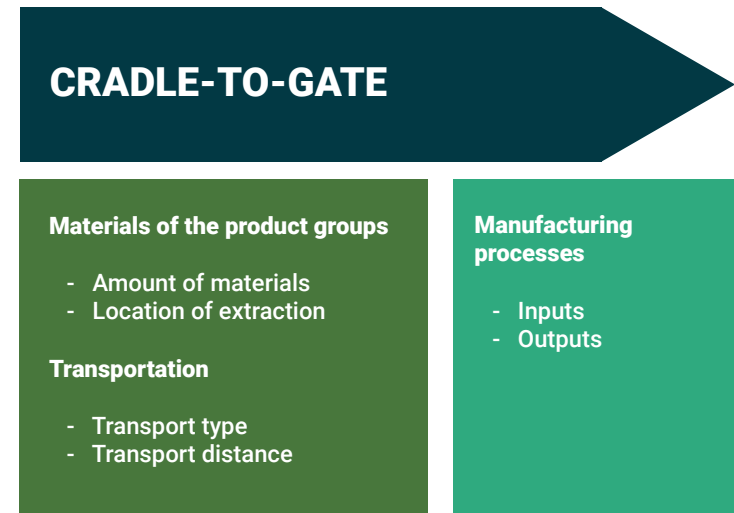


Goal and Scope: LCA study is aimed to assess the environmental impacts and hotspots of four product groups manufactured by CEVHER from its İzmir Plant for 2020 data. These product groups are 67-S Monoblock (Monoblock Wheel produced by 7% silicon aluminium alloy), 61-S Monoblock (Monoblock Wheel produced by 11% silicon aluminium alloy), 67-S DC (Diamondcut Wheel produced by 7% silicon aluminium alloy) and 61-S DC (Diamondcut Wheel produced by 11% silicon aluminium alloy). This LCA results can make the sustainability efforts measurable for CEVHER's product groups, which can develop a business strategy and improve the company's daily operations.

System Boundaries: According to International Standard ISO 14040, Environmental management- Life cycle assessment-principles and framework; the LCA model is studied with the approach of cradle-to-gate.

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

The function of the analysed product groups is to hold the tire and carry the products. Based on the function and the specifications of the product groups, functional unit (F.U.) is determined as wheels containing 1 kg of Aluminium.



Highlights in 2021



SUSTAINABILITY

In the scope of the Environmental Management System, **we implemented 14 Kaizen projects in 2021** to manage temporary storage sites, to improve source separation processes, to improve domestic waste sites, to reduce use of raw materials and the amount of resulting waste.

With our environmental efficiency projects, **we were able to recover 98.73% of our waste.**

Under the Zero Waste Directive, **we established the separation at source and collection system.**

Due to the stricter limitations on threshold values under the scope of the Directive on Discharge into Sewerage published by İzmir Directorate General of Water and Sewerage, **we built and commissioned a new chemical wastewater treatment facility.**

230 m2 of land in facility yard was turned into hobby gardens and agricultural fields. Volunteering employees will be handling the planting and harvesting of crops, and the compost produced from used tea and coffee grains at our facility will be used as fertilizer.

**%98,73 of OUR WASTE
WAS RECOVERED**





Product and Quality

Safety

Cevher defines quality with its customers and has adopted sustainable quality as its primary philosophy.

Our Values

Being Truthful / Ethical,
High levels of customer and employee satisfaction,
Lean communication and transparency,
Sustainable profitability,
Reliable partnership,
Teamwork.

Our Vision

Growing sustainably through innovation to turn CEVHER into a global brand with our employees with high quality awareness.

Our Mission

- As a specialist of our business and solution partner of our customers, to provide safe products that meet the expectations of our customers including product use and comply with legal requirements,
- To increase customer diversity and grow sustainably with new customers and new generation projects,
- To strengthen R&D and Product Design Development capabilities by keeping up with the developing technology in an intense competitive environment where products and expectations become more complex,

- To become a benchmark in the automotive wheel sector with our level of product development, with national and international academic research and publications,
- To focus on activities that create added value through lean business processes, to facilitate access to information in a controlled manner, to determine our future strategies with new technologies in accordance with our context and purpose, meeting the needs and expectations of internal / external parties,
- In order to ensure continuous improvement, to determine the quality, process, and product suitability targets for measurable, realistic and increasing customer satisfaction,
- Our employees and stakeholders; Knowing that it is the most important part of our processes, promoting their participation in an ethical - transparent - safe working environment, developing teamwork and learning culture,
- Within the framework of continuous improvement studies, to develop and encourage the competencies of the suppliers in the expectations of increasing "customers", "end users", "legislators", to work in harmony by setting common goals,
- To fulfill our responsibilities in accordance with ethical rules against society, environment and laws, to use our resources efficiently, to reduce losses.
- Creating added value for our shareholders, employees, suppliers and all our stakeholders.

Our Quality Tests

Paint Laboratory

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

Metallurgical Laboratories

Reduced Pressure Testing
Device
Spectrometer
Hardness Testing Device
Microscope
Automatic Polishing Device
Tensile Testing Device
Precision Balance
Thermal Analysis Device
Portable Hardness Testing
device

Mechanical Test Laboratory

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

Dimensional Control

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

Production

Helium leakage test
Static and Dynamic
Imbalance Measurement
Device
Portable Hardness Testing
device
Non-destructive Inspection
Harmonic Measuring Machine





Our Certificates

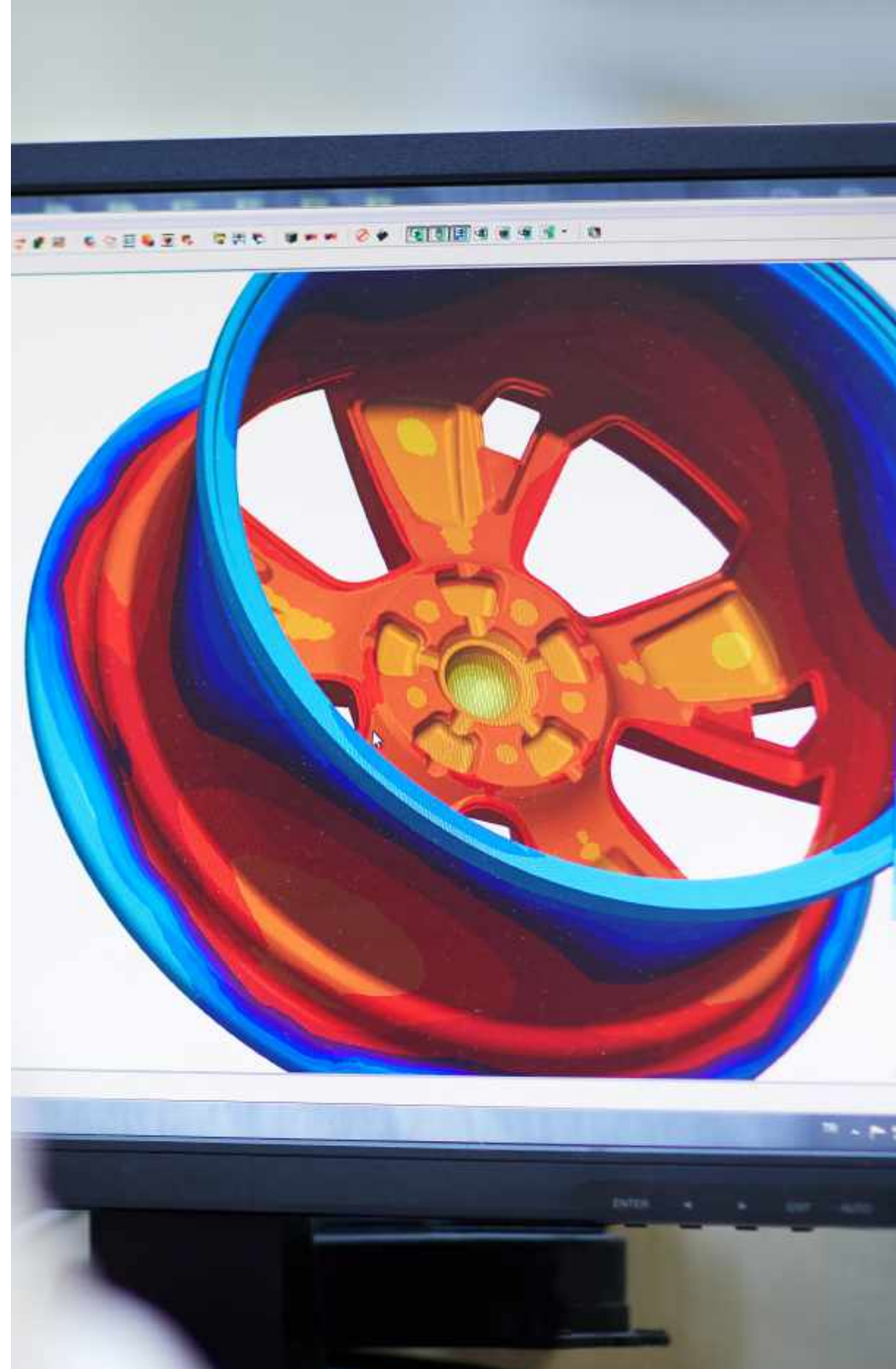
ISO 9001	Quality Management System
IATF 16949	Quality Management System
ISO 14001	Environmental Management System
ISO 45001	Occupational Health and Safety Management System
ISO/IEC 27001	Information Security Management System
EN 9100	Quality Management System certification for Aviation, Space and Defense Organizations
ISO 14064-1	Greenhouse Gas Emission Verification Declaration



R&D Strategy and Activities

Cevher's R&D team works to offer eco- and human-friendly, sustainable engineering solutions for the automotive industry, to strengthen our corporate memory, to develop and obtain patents for innovative products and manufacturing techniques, to implement national and international projects, and to prepare future engineers for a bright future through projects that bolster cooperation between universities and the industry. Thanks to our R&D efforts that contribute to our high-quality, safe, and eco-friendly manufacturing objectives through scientific and technological advances, we celebrated the following achievements in 2021:

- **We successfully completed your Computational Fluid Dynamics (CFD) project**, the second Cevher project supported by the Scientific and Technological Research Council of Turkey (TÜBİTAK).
- **We presented two papers at the “High Tech Die Casting” congress organized by Italian Metallurgy Union (AIM)**. We also moderated the session on “Innovative Solutions for Die Casting.”
- **We presented one of our projects at the “4th National R&D and Innovation Congress”** organized by Manisa Celal Bayar University.
- **We launched cooperation initiatives with European universities** and institutes, particularly in Germany and Poland.
- We started initiatives with Istanbul Technical University, Marmara University, İzmir High Technology University, Dokuz Eylül University, İzmir Katip Çelebi University and Celal Bayar University to bolster **cooperation between academics and industry. We held discussions on new projects.**
- **We organized seminars and talks at Turkish-German University.** We met young future engineers and shared our knowledge and experience.
- In addition to our projects on cooperation between universities and industry and our participation in technical courses, **we hired 2 part-time employees and 3 R&D interns** in our projects to transform students' theoretical knowledge into concrete experience.



R&D Studies

As a result of our R&D studies, **we published 4 academic papers in 2021 including one in a SCI Expanded indexed journal and one in a ESCI indexed journal.**

RESEARCH NAME	SUBJECT	PURPOSE	BENEFITS	REFERENCE
Static Analysis of the Slotted Upper Plate of Low Pressure Casting Machine	Structural analysis of revisions of mold to allow better assembly.	Demonstrating structural risks in revisions and generating information for the manufacturing department.	The revision was approved, and its implementation was expanded to cover other molds.	Aydın, Y.N*, Özyayın, O., Akış, A. (2021) Static Analysis of the Slotted Upper Plate of Low Pressure Casting Machine. Celal Bayar University Journal of Science (pp.35 - 41)
Numerical and Experimental Modal Analysis of Wheels of Solaris 10 Solar Car and Parametric Design of Lightweight EV Wheel	Modal analysis and lightening with parametric design for wheels on electric vehicle designed with our cooperation partner Dokuz Eylül University.	Generating information for Dokuz Eylül University team with modal analysis and parametric analysis skills.	As a result of analyses and experimental studies, "suitable" wheels were supplied for Dokuz Eylül team and the product was safely used in races.	Aydın, Y.N*, Korkut, T.B*, Özyayın, O., Armakan, E., Sarı, G., Gören, A. (2021) Numerical and Experimental Modal Analysis of Wheels of Solaris 10 Solar Car and Parametric Design of Lightweight EV Wheel. Dokuz Eylül University Faculty of Engineering Journal of Science and Engineering (pp.689 - 699)

R&D Studies

RESEARCH NAME	SUBJECT	PURPOSE	BENEFITS	REFERENCE
Effect of Chip Amount on Microstructural and Mechanical Properties of A356 Aluminum Casting Alloy	Recycling project, which is important for sustainability efforts.	Experimenting with various recycle ratios at specified levels and analyzing their feasibility.	Mechanical properties were achieved for specified steps between 100% primary product and 100% secondary product.	Kaya, A.Y.*, Özaydın, O., Yağcı, T., Korkmaz, A., Armakan, E., Çulha, O. (2021) Effect of Chip Amount on Microstructural and Mechanical Properties of A356 Aluminum Casting Alloy. Archives of Foundry Engineering (pp.19 - 26) ISSN(2299-2944) Vol.21 Issues 3/2021 [ESCI Publication]
Effect of Li additions and holding time on the mechanical properties of the AlSi9Mg alloys	Analysis of addition of Li to the alternative alloy and the holding time on mechanical properties	Implementing the addition of Li in aluminum alloy wheels as it is used in the aviation industry for lightening the equipment.	The additions that are not used in the conventional approach were implemented for the Al-Si-Mg alloy and new information was generation about the method.	Özaydın, O.*, Kaya, A.Y., Dispınar, D. (2021) Effect of Li additions and holding time on the mechanical properties of the AlSi9Mg alloys. Metallurgia Italiana (pp.19 - 24) ISSN (0026-0843) Issues 113 11/12/2021 [SCI Expanded Publication]



Digitalization

The age of digitalization takes businesses on a transformation journey at a dizzying speed. Although it brings multiple opportunities, this transformation drastically changes manufacturing components, the supply chain and the way of doing business in the 100-year-old automotive industry. The speed of technological development makes it inevitable for us to review our business processes.

Until recently, we were talking about the concept of Industry 4.0 and now we are moving towards "Industry 5.0", or "Society 5.0", which can be defined as the era of unmanned technology. With "Society 5.0" which emphasizes "super-intelligent society" with a focus on humans and systems that help humans thrive, it has become even more important for those who want to keep up with technology to make agile decisions and to rapidly translate this decision into actions to demonstrate their ambition to be a strategic player.

At Cevher, we have been following these developments for a long time. And we are proud to combine our digitalization efforts under the umbrella of "Cevher Digital" which was launched in 2021.

Cevher Digital will help us share our know-how and experience with a bigger audience. It has been designed to identify companies' needs in their digitalization journey, draw a digitalization roadmap for these companies, develop solutions in industrial IoT, data analytics and machine learning, develop functional software products with diverse architecture such as mobile or web, to offer them solutions at various points.



Digitalization

In line with our culture based on collective work, we are working to open our office at Dokuz Eylül University Technopark, which is one of the technology hubs in the Aegean region, where we can maintain close contact with university students and other technology companies. We are planning to offer our services at our new office in the campus in 2022.

At Cevher, we believe that sustainable business success comes from strong technical know-how. **With Cevher Digital, we maintain our technical claim in this area. In addition to our founding team, who managed to submit 2 patent applications with their own software algorithms in the first year, we choose new hires specifically from 3rd or 4th year university students.** We are delighted to encourage students to start their career paths as early as possible, to create added value, and to become a part of a big team. We care about young people's ideas and give them the opportunities to pursue their dreams.

In our digitalization, which was started about 4 years ago, we underwent a comprehensive preliminary preparation process in which we laid out our digitalization blueprint and strategy with Fraunhofer Institute. In this process, we rolled out the planned actions according to a timeline. **Following the analysis process, we established the data collection systems, Scada systems, robotic automation systems, and ensured communication between the benches on the manufacturing floor, followed by product traceability investments, creation of big data, decision support systems and machine learning (ML) algorithms.**

With our competent team which can address any need for software products or corporate solutions including robotic process automations (RPA) or software packages, we believe in sustainable software management and flexible products that can be reused for various tasks with minor upgrades or modifications. We work towards our mission to develop sustainable applications with human-centered processes, and we manage all of our operations at our facilities and technology offices in accordance with the Society 5.0 approach.





Environmental Sustainability

As Cevher, recognizing the awareness that our activities depend on natural resources, we constantly review our way of doing business and diligently continue our work to improve the environmental impact. Meanwhile, we do not exclude any processes. We consider the environment as a priority in all our processes.

Our consciousness of environmental sustainability has also been confirmed with the first prize in the Environment-Friendly Industry Facility contest, organized by EBSO in 2013.

Our environmental sustainability activities are as follows:

- Environmental risk management,
- Efficient use of natural resources and energy,
- Clean and wastewater management,
- Air pollution control and management,
- Waste Management



Our Environmental Policy

CEVHER management commits to take the necessary precautions and track their implementation, including the training activities, to ensure a sustainable environmental management system which is open to development in the automotive industry and all its production and service processes, and which includes all the stakeholders it interacts with created to leave a liveable environment to the next generations.

By providing the necessary resources to reach our environmental goals to support the protection of the environment and clean production as an environmentally friendly industrial facility in line with the principles of lean and continuous improvement in all our company's activities.

Our Principles

- To comply with the applicable laws and other conditions,
- To be a solution partner and increase the sensitivity of our suppliers in terms of the environment and to provide projects in parallel to our goals by paying attention to demands of our customers, government bodies and private organisations and institutions have regarding the environment as part of the communication we have, including special requests, within the framework of the Cevher Environment Management System,
- To adopt improvements favoring efficient use of natural resources, and making sure our employees consider environmental awareness as a culture to leave behind a liveable planet for future generations,
- To be a leading organisation in the industry in terms of the environment and to improve our systems continually in light of our environmental policy and continuous improvement.

Our Targets

- To protect and efficiently use our natural and energy resources,
- To take our environmental dimensions under control, to contribute to continuous improvement, and to manage our suppliers as a leader-example,
- To prevent direct harm caused by our production to biodiversity and the ecosystem by bringing our environmental impact under control,
- To prevent pollution, reduce the use of resources, and minimise waste resulting from our activities as allowed by technological opportunities.

Environmental Activities



- Environmental considerations are assessed during the planning process when developing new equipment, facility, units, etc. The environmental impact is one of the crucial parameters in strategic planning.
- We perform internal and external audits under the Environment Management System, and regularly monitor the compliance of our processes.
- Legal and other issues (including customer requests) are strictly monitored for all aspects (air, water, waste, etc.)
- We also assess and audit the environmental impact of our suppliers and include them in our environmental trainings to raise awareness and to achieve our goal to create a sustainable environment.
- We inform our employees about environmental sustainability through regular training. We contribute to increasing the environmental awareness of our employees through various training and events on World Environment Day.

- We conduct monthly environmental reports and provide information about our activities to internal personnel and related people.
- We are working on minimizing the environmental impact throughout the projects we carry out within the scope of Lean 6 Sigma.
- We have a zero-waste system, and we are taking remarkable steps in environmental protection via waste management and waste minimization and in waste recycling.
- We perform validation measurements, which are required every two years under the Directive on Controlling Industrial Air Pollution, and we take necessary measures to eliminate pollution.
- We carry out many projects within the scope of the waste minimization principles of the Ministry of Environment, Urbanization and Climate Change. Our “Temporary Waste Storage Area” in particular is proclaimed by İzmir Directorate of Environment, Urbanization and Climate Change.
- We recover 98.73% of our waste through our eco-friendly practices and waste management efforts, and we dispose the remaining waste in compliance with applicable legislation.
- We provide support towards the commission work established under the leadership of İzmir Directorate of Environment, Urbanization and Climate Change
- We participate in environmental activities and committee activities of associations that we are members of, such as the Turkish Foundry Association and the Aegean Region Chamber of Industry and support each one.
- We support the studies of the Dokuz Eylül University Environmental Engineering Department within the scope of R&D. We assist the students in experiencing their theoretical knowledge in the field, through internship and graduation projects.



Waste Management

We believe that waste management is an important step in extending sustainable production and consumption habits towards transitioning to a circular economy. For this reason, we emphasize the responsible production and consumption principle in our processes. We reduce the amount of waste by effective waste management practices. Our approach, which envisages reducing waste directly at its source, encourages re-cycling and disposal of waste, carrying an environmentalist philosophy.

We develop plans and legal documents for waste management throughout the year, which we share with the Directorate of Environment and Urbanization. We conduct waste management in full scope in line with the laws and characteristics of the region we are in; We transport waste to licensed disposal facilities by licensed vehicles. In the event of new waste, we collaborate with our stakeholders regarding the requirements and compliance within the legal framework. We have the relevant analysis conducted in accredited laboratories.



Waste Management

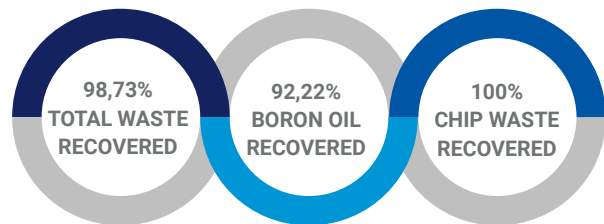


In 2021, we recovered 98.73% of our total waste, which helped us contribute to environmental sustainability.

The emulsified oil used in our machining processes are chemically processed into oil and water in compliance with regulations. Resulting waters are collected in the chemical wastewater treatment facility, and the oil is taken to a licensed disposal facility, **where 92.22% of the oil is recycled through the boron oil recovery process, which helps us minimize the use of natural resources and waste production.**

In 2021, we achieved high levels of efficiency in recycling of waste plastics generated during manufacturing operations. With the improvements in our paint shop, we reduced the amount of waste generated in this part of our facility. We eliminated the use of sulfuric acid in certain processes as it is an HSE risk. **We commissioned the second chip melting facility in late 2020, and all of the waste chip generated in this facility in 2021 was recovered, including 94.5% recovered in-house.**

We have also reduced the number of various waste products per year since 2019-2022, and the types of waste, targets for the period and improvement rates are as in the table:



WASTE TYPE	TERM TARGET (g/pcs)	REALIZED (g/pcs)	RATE of IMPROVEMENT
Amount of sulfuric acid sent to licenced facility per wheel	1.00	0	100%
Amount of scrap metal sent to licenced facility per wheel	164.92	97.37	41%
Amount of end-of-life surface treatment chemical waste sent to licenced facility per wheel	26.12	16.04	38.6%
Amount of recycled aluminum mixed chip per wheel	23.29	17.09	26.6%
Amount of waste flot-set sludge sent to licenced facility per wheel	23.18	18.10	21.9%
Amount of scrap wood pallet sent to licenced facility per wheel	40.88	37.57	8.1%
Amount of scrap paper carton sent to licenced facility per wheel	23.36	22.27	4.7%



Raw Material Management

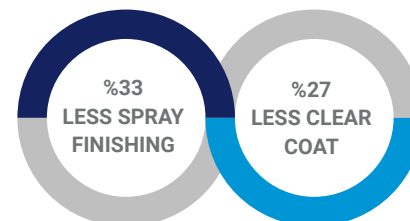


As a result of our effective material management practices, we have carried out on reducing raw materials, we achieved good results, exceeding the target in the area of Machining and Paint Shop processes.

We integrated a rotary atomizer type spraying gun in our clear coat cabin, which helped us improve paint transfer efficiency and significantly reduced the use of clear coat.

In the scope of the improvements in use of raw materials at the paint shop, **we reduced the use of spray finishing by 33% and clear coat by 27% since 2017.**

WASTE TYPE	TERM TARGET	REALIZED	RATE OF IMPROVEMENT
Amount of lubricating oil consumption per wheel	8.500 (g/pcs)	4.187 (g/pcs)	50.7%
Amount of clear coat consumption per wheel	120.000 (g/m2)	96.322 (g/m2)	19.7%



Energy Management



As Cevher, we operate in an energy-intensive industry. Carrying the mission of leaving a liveable environment for future generations, we pay attention to paying utmost consideration for energy efficiency in our production process.

The company handles energy management within the scope of ISO 14001 Environmental Management System. Our consumption of natural gas increased in 2021 since we used double chip melting furnace. However, **we placed our focus on energy saving in 10 Kaizen projects which ensured significant improvement and increased efficiency in our manufacturing processes.** In addition to revisions in our cooling systems, we identified air leakages in our quenching furnace and insulated the piping in our heat treatment facilities to achieve significant energy saving. We also slashed our model-based air consumption, improved our bath insulation materials, and regulated use of energy during weekends. Thanks to these efforts, we made significant progress on our objective of delivering products at the shortest time, using minimum resources with zero loss and zero waste.

YEAR	ELECTRICITY CONSUMPTION (kWh)	NATURAL GAS CONSUMPTION (kWh)
2017	29.000.239	53.782.044
2018	25.522.986	52.468.693
2019	26.043.223	51.211.473
2020	21,539,785	45,052,856
2021	26,315,641	58,941,738



Energy Management



IMPROVEMENTS in ELECTRICITY CONSUMPTION

OBJECT	TERM TARGET (kWh/pcs)	REALIZED (kWh/pcs)	RATE of IMPROVEMENT
Electricity consumption for mechanical tests	0.380	0.065	82.9%
Electricity consumption for heating and cooling	0.21	0.09	58.8%
Electricity consumption for lighting	1.10	0.77	30.2%
Air consumption	7.32	5.55	24.1%
Electricity consumption for sub-facilities	7.50	5.97	20.4%

IMPROVEMENTS in NATURAL GAS CONSUMPTION

OBJECT	TERM TARGET (kWh/pcs)	REALIZED (kWh/pcs)	RATE of IMPROVEMENT
Natural gas consumption of melting pots	2.800	2.010	28.21%
Natural gas consumption of boilers	2.30	1.87	18.5%
Natural gas consumption of die casting machines	0.687	0.595	13.41%
Natural gas consumption of heat treatment	9.420	9.277	1.51%



Water Management

We take a responsible approach towards efficient usage of water, which is our vital natural resource. In this context, we are developing projects to manage our water and wastewater processes most effectively and to carry out our operations with minimum water consumption.

We prevented the loss of water in the cooling channels of low-pressure machine tools with our improvement projects. We also replaced our tower separators and repaired leakages in the pre-treatment at the paint shop. **Our project for reusing waters after washing separators helped us save 15 tons m3 per day, which is equal to 3887 tons m3 water in 2021.**

YEAR	WATER CONSUMPTION (m3)
2017	98.862
2018	86.582
2019	94.603
2020	78.206
2021	106,138







Our Employees



Our qualified personnel, working devotedly, have contributed greatly to the successes we have achieved so far, as well as the know-how we have accumulated over the years. For this reason, our focus is on our employees in every task we take. Building our Human Resources policy primarily on the well-being and satisfaction of our employees, we encourage them to demonstrate their talents within their respected individual differences in a peaceful and safe environment.

As Cevher, we value the female employment in business life and support female employees. **As of 2021, the rate of our female managers in our management staff is 25%.**

**THE RATE OF FEMALE MANAGERS
IN OUR MANAGEMENT
STAFF IS 25%**

Human Resources Policy

One of the main goals of the Cevher Human Resources Policy, targeting sustainability within its generated employee value, is that Cevher is a notably acclaimed company to work with. In this regard, the following respected principles are experienced by our employees within Cevher:

- International and local labor standards and professional ethics are followed.
- The legislation and laws comply within every country, and even the legal rights are implemented further in favour of the employee in line with human resources processes.
- No discrimination is tolerated. Religion, language, race, denomination, gender, sexual preference discriminations are not obliged at any level. Recruitment, performance management, promotion, appointment, and remuneration processes are closely monitored in order to follow up on the no-discrimination policy.
- The needs and requirements are taken into consideration in order to achieve successful business results.
- Fairness Act and protecting the rights of employees is essential.
- The most suitable candidate in line with employment opportunities is picked and employed. Strict implementation of non-discriminatory policies in recruitment processes is encouraged.
- It is targeted that all employees know the opportunities they are provided with, acknowledge their responsibilities, and be compensated in range within the market conditions with a clear and comprehensive remuneration policy.
- Employees' professional and personal developments are supported.
- Their performances are tracked and evaluated, their success is encouraged and rewarded.

- Career plans are conducted regarding promotion and horizontal advances.
- A motivating and supporting culture is created for teamwork and its sustainability is ensured.
It is ensured that the working conditions comply with the national and international legislation provisions,
- Occupational Health, Safety and Environmental Regulations and legal conditions.
- The union rights of employees are respected.

Cevher is committed to the execution of processes, systems, procedures, and practices complying with the Human Resources Policy. The Executive Board is primarily responsible for the implementation of the Human Resources Policy. In order to internalize this policy by management and employees, the Human Resources and Industrial Relations teams carry out the monitoring of training and communication activities and the compliance of the practices with the policies.

All situations that are deemed not to comply with the Human Resources Policy are evaluated by the Ethics Committee upon the notification of the employees.

In addition to the business ethics principles stated in the Human Resources Policy, customer-oriented working, positive thinking, knowledge and teamwork awareness are the most important features that are sought in candidates who want to be employed by the Cevher and current employees are engaged in activities to improve them. In line with the organization's mission and vision, career planning, goal-oriented management, continuous training, performance evaluation, flexible organization structure and internal customer satisfaction measurement studies are carried out within the Human Resources in order to create a corporate culture with high employee loyalty.

Health and Fringe Benefits

We provide health services to all our employees under the responsibility of the workplace doctor within the company. We regularly monitor the health status of our employees in periodic controls.

SFT, ECG, hemogram, liver function test, eye controls, porter, chest x-ray film, audiometric controls, blood tests, preventive medicine, are among the periodic controls at Cevher. Our employees can preferably include their spouses and children in the insurance, except the complementary health insurance under company contribution.

To provide our employees with a satisfactory work environment, we provide various benefits such as annual leave and allowance, marriage leave and financial support, birth and paternity leave, birth and child support, education support, holiday allowance, clothing, and food support and transportation and fuel support, funeral expense support, and bonuses.

Women at Work

*As an advocate of more inclusion of women in labor force and protection of the family institution, we are pleased to support our women employees with additional benefits. In addition to legal maternity and paternity leave, we offer birth and child support, and give new mothers and fathers the option to work remotely during the pandemic, regardless of their positions. **In the scope of our gender equality policy, we guarantee retaining the positions and salaries of all women employees who use their maternity and nursing leave.***



Employee Development and Training

As Cevher our aim is not only to work with individuals with superior competence and the right skills but also to sustain their development with practices that will increase their competence.

As part of our continuous improvement goal, we contribute to the personal development of our employees, as well as the technical, quality and continuous improvement training conducted within the company. **The “Cevher Academy”, which was structured in 2018 with innovative methods and investments, offers training opportunities that will contribute to corporate goals, improve, and empower human resources, and increase employee loyalty.** Supporting change and development, creating a common leadership language, acquiring new skills in line with our future needs and making a difference in internal relations are among the primary purposes of our training.

TRAINING	TOTAL HOUR	RATE
OHS, Environment and Orientation	9.743	43%
Technical Trainings	6.637	29%
Quality Mgmt System	3.252	14%
Self Improvement	2.939	13%
TOPLAM	22.571	100%

In 2021, we participated in a total of **22.571 hours of training, including 30 hours per person.**

Occupational Health and Safety

Our main responsibility is to create a safe, healthy and ideal working environment for our employees and to protect their health. Keeping up the production with zero work accidents and zero occupational diseases. To sustain this motto, we intend to create a strong occupational health and safety structure that our employees from all levels will adopt and implement.

Our Occupational Health and Safety practices are carried out under the ISO 45001 standards within the framework of the company policy. Occupational Health and Safety Board, consisting of Occupational Safety specialists, workplace doctor, Human Resources and Industrial Relations representative, Maintenance and Energy representatives, union representatives and technical engineers, meets regularly and evaluates the related issues and executes the measures to be taken.



Occupational Health and Safety Policy

Cevher's senior management and all employees embrace occupational health and safety in product, process design and manufacturing activities as a natural part of our job.

In this respect; in line with the expectations and requirements of our company, employees, customers, stakeholders, and society; zero occupational accidents and diseases are targeted by complying with ISO 45001 occupational health and safety management system terms and related regulations, and constantly enhancing their efficiencies.

OUR PRINCIPLES

- Complying with laws and regulations and occupational health and safety requirements of the establishments we are affiliated with,
- Determining our future occupational health and safety strategies according to the context and our purpose, in order to meet the needs and expectations of the inner and outer participants,
- Working to develop and maintain the sustainability of occupational health and safety system, and increase productivity,
- Raising awareness with necessary trainings in order to turn occupational health and safety culture into a lifestyle, Eliminating any danger to the integrity of employee health by taking necessary regulating and preventing actions, decreasing, and tracking risk factors,
- Consulting and ensuring utmost participation of our employees and our representatives as a big part of the occupational health and safety management system.

OUR OBJECTIVES

- Zero occupational health and disease,
- A safe and efficient work environments with the slogan of "Occupational Health and Safety First",
- Preventive approach,
- With sustainable and continuously improving occupational health and safety, preserving our health and safety performance on top.

Occupational Health and Safety



After completing our transformation in Occupational Health and Safety standard, we obtained the ISO 45001 certificate, which, unlike OHSAS 18001, focuses on leadership and commitment, active engagement of employees, risk factors and opportunities. Since the system is aligned with our environment and quality standards, it constitutes a vital component in our integrated management approach. In the scope of ISO 45001, we assess all temporary and permanent changes, and take proactive action.

Our OHS Board meets every month to keep track of all actions.

Under our sustainable and ever-improving OHS Management System, we perform annual evaluations for all contractors and validated contracts are included in our lists. We monitored and evaluated 85 contractors in 2021. We diligently implement each and every action in management of hazardous chemicals, and test processes are implemented in compliance with applicable legislation on environment, hazardous substances, OHS and with the approval of occupational physicians. Any modification in the facility, including installation or relocation of benches, equipment or units, is closely monitored starting from the project phase, and implemented with direct inclusion of employees and under the supervision of the OHS unit. We design our Personal Protective Equipment (PPD) with participation and feedback of significant number of employees under our transparent communication model.

Our facilities undergo periodical audits by accredited institutions.

We offered 15.6 hours of OHS trainings per person in 2021, which is more than the legally required 12 hours of training per employee. The trainings covered a broad range of subjects, including delivery of first aid and use of AED.

To improve the health of the working environment, **we developed 18 Kaizen projects during the year, including 9 projects by the OHS unit. Additionally, we analyze the OHS risk-mitigating impact of the other Kaizen projects implemented across the facility to improve the effectiveness of these efforts.**

In monthly Accident Frequency Rate (AFR), we broke a record in July and November 2021, when we achieved the best numbers in the last 4 years.

In monthly Accident Severity Rate (ASR), we broke a record in February and April 2021, when we achieved the best numbers in the last 4 years.

Pandemic Management

Starting from the beginning of the pandemic, we closely monitored the situation and rapidly took actions to ensure the wellbeing of our employees and other stakeholders. . With the guidance of our Crisis Management and Coordination Team, we ensured transparent communication with everyone, in smaller groups and across the whole company alike.

Depending on the course of the pandemic, we suspended manufacturing operations at times, or moved our staff to remote-working setting after rapidly performing the pandemic risk analysis on all process and developing the necessary technical infrastructure. We regularly provided face masks, mask holders, face shields to all employees who had to be physically present in the working sites, and we disposed of the waste PPE in accordance with applicable regulations.



Pandemic Management

We cut down the capacity of our employee service buses by half and made sure every employee had a specific seat on these vehicles. We regularly checked the ventilation systems and disinfection procedures.

We installed transparent separators between the employees who work close to each other in the manufacturing area, and supplied touch pens for high-risk screens, single-use gloves, and disinfectant dispensers.

We regularly disinfected our offices with the support of professional teams. We provided natural ventilation in indoor areas. We installed transparent separators on desks, and single-use gloves and disinfectant dispensers in shared areas. We installed special apparatuses on doorknobs so that they can be opened by foot.

We introduced restrictions in capacity per square meter at our meeting halls in line with the social distancing rules, followed natural ventilation procedures and removed all shared use items. We moved internal and external meetings to online platforms as far as possible.

We developed rotation plans in our cafeteria to avoid overcrowding. We launched the pre-packed meal system and handed out meals and utensils in a protected and hygienic way. We disinfected the tables after each use and placed transparent separators between chairs. We also disinfected the indoor air using UV air purifiers. Informative videos were broadcast on all public screens.

We arranged smoking and recess areas in recreation zones in accordance with social distancing rules. We installed touch-free systems for water and coffee/tea dispensers.

We placed single-use glove and disinfectant dispensers in nursing rooms, which were disinfected on regular basis.

We rearranged the dressing rooms to limit capacity, used natural ventilation in these areas and all showers were closed.

We installed disinfectant dispensers in restrooms as well as photocell systems on water taps to avoid physical contact and to reduce water consumption.

We increased the vaccination rate among our employees through sensitization campaigns, and closely monitored the immunization process of all employees. We strictly implemented the contact tracing system from the first stage.

Our measures against the pandemic, which have been verified during the “Compliance with the New Normal Audit” by TÜV-Süd, add up to the awareness and sensibility of our employees, and together we continue our manufacturing processes and create value.



Social Responsibility

The Cevher family knows its responsibilities towards society and views participation in activities that support education, health, the environment, animal rights, culture, and art as a primary duty. To this extent:

- We provide technical education to youth who have, for various reasons, had to leave school after primary school as part of an **“Apprenticeship Protocol” signed with the Ministry of Education**, thereby ensuring their employability in the workforce.
- In the scope of our efforts to promote collaboration between universities and the industry, we sign protocols with numerous universities and offer internship opportunities to students as well as offering them research opportunities for their graduation projects or graduate theses. We include promising young people in our operational processes to help them improve their practical skills. **We are proud to have offered training to 2 half-time interns and 3 R&D interns in 2021, thus turning their theoretical knowledge into the first-hand experience.**
- As a company that believes in shaping the future of technology by tapping into the potential offered by young software developers, **we are proud that 4 part-time members of our digitalization team have now become full-time employees after completing their undergraduate education.**
- **We design and manufacture lightened wheels for the Dokuz Eylül University Solaris Solar Car Team’s vehicles** which aim to create awareness of sustainable transport with its work. We are a “Platinum Sponsor” of this talented team, made up of students, to support their ongoing projects.





Social Responsibility

- We support a greener Izmir with our founder's Hüseyin Özyavuz and his dear wife Saliha Özyavuz **Aegean Forest Foundation** as well as the Cevher Group High Forest which has 1,000 saplings.
- We carry out our internal congratulations and celebration activities by donating to the **Aegean Forest Foundation and the Dariüşşafaka Society school for orphans**.
- We donate blood with the heavy participation of our employees every year with the Cevher – **Turkish Red Crescent co-operation**.
- We donate to the **Children's Leukaemia Foundation (LÖSEV)** every month with voluntary contributions made by our employees.
- We send condolence messages made in our company's name with donations to the **Turkish Training Foundation**. We are pleased to support the completion of the construction of the Koruncukköy Urla homes being built by the **Koruncuk Foundation** to raise children in need of protection in a loving environment and to ensure they have a productive place in society.
- We provide equipment and material support at specific times of the year to the **Street Soup Vendors' Co-operation Association** which voluntarily provides soup to people living on the streets of Izmir.
- We donate money to the **Projects Association for Animals (HIPDER)** to help them provide food and veterinary services every month.





Appx-1

Communication with Stakeholders

We believe healthy communication with all stakeholders is key to create sustainable value. As an important part of growing our business, we maintain periodical contact with our stakeholders via multiple platforms. In this context, as part of different associations and working groups, we engage in activities to strengthen stakeholder communication and work on improvement methods through which we can reach the opinions of our internal and external stakeholders more effectively.

GROUP	COMMUNICATION PLATFORM
Employees	Surveys, monthly newsletters, intranet portal, announcements and notifications, in-house publications, smart applications, events and volunteer activities, management meetings, training, website
Public Institutions	One-to-one sessions, meetings, conferences, website, effective relationship management activities
Civil Society Organizations	Memberships, sponsorships, collaborations, participation in meetings and working groups, seminars, conferences, interviews and website
Suppliers	One-to-one meetings, audits, information booklets, sustainability surveys, training, fairs, website
Clients	One-to-one meetings, audits, fairs, website, sustainability reports, news, announcements, social media
Universities	University-industry collaboration studies, R&D projects, sponsorships, career days, conferences, lectures and seminars, internship program, part-time work program, undergraduate, graduate and doctoral thesis studies, sustainability reports, website, social media accounts
Media	One-to-one meetings, interviews and talks, announcements, website and social media

Appx-2

Corporate Memberships

At Cevher, we play active role in civil society organizations and associations listed here and support similar organizations and initiatives. Providing information on the innovations in the industry, current developments, changes in the legislation and our field practices are important factors that strengthen our stakeholder communication and promote co-development.

ORGANIZATIONS	
ASI	Aluminium Stewardship Initiative
EBSO	Aegean Region Chamber of Industry
ESBiAD	Aegean Free Zone Industrialists and Businessmen Association
ESiAD	Aegean Industry and Business Association
EUWA	Association of European Wheel Manufacturers
İKOD	Istanbul Classic Car Association
İZTO	Izmir Chamber of Commerce
MESS	Turkish Employers Association of Metal Industries
TAYSAD	Automotive Suppliers Association of Turkey
TÜDÖKSAD	Turkish Foundry Association
TÜSiAD	Turkish Industry and Business Association
SAHA İSTANBUL	Defence and Aerospace Cluster Association

Appx-3 Social Performance Indicators

NUMBER OF EMPLOYEES BY CATEGORY	2019		2020		2021	
	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE
Total number of employees	36	559	37	621	34	598
Number of white collar employees	24	93	25	102	24	103
Number of blue collar employees	12	466	12	519	10	495
Number of employees covered by the collective bargaining agreement	12	447	12	478	10	483

NUMBER OF EMPLOYEES BY YEAR	2019		2020		2021	
	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE
Number of employees working for 0-5 years	13	239	14	277	13	243
Number of employees working for 5-10 years	11	164	13	137	9	127
Number of employees working for 10 years or more	12	156	10	207	12	228

Appx-3 Social Performance Indicators

NUMBER OF EMPLOYEES BY WORKING TIME	2019		2020		2021	
	FULL TIME	PART TIME	FULL TIME	PART TIME	FULL TIME	PART TIME
Number of employees by working time	595	---	658	---	632	---
Number of white collar employees	117	---	127	---	127	---
Number of blue collar employees	478	---	531	---	505	---

NUMBER OF EMPLOYEES BY AGE	2019		2020		2021	
	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE
Number of employees under the age of 30	0	0	0	0	0	0
Number of employees between the age of 30 and 50 (including 30&50)	8	19	7	19	6	19
Number of employees over the age of 50	0	4	0	4	2	4
Executive Board	2	3	2	3	2	3

Appx-3 Social Performance Indicators

EMPLOYMENT EMPLOYEE TURNOVER	2019		2020		2021	
	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE
Total number of employees quit	2	48	5	53	6	108
Number of employees under the age of 30 who quit their job	1	23	0	29	0	52
Number of employees who quit between ages 30 and 50 (including 30&50)	1	22	3	22	5	48
Number of employees over the age of 50 who quit their job	0	3	2	2	1	8
Employee turnover rate calculated by including employees who left voluntarily	0.2%	1.7%	0.2%	3.6%	0.3%	5.2%
Number of positions filled with internal candidates	2	8	0	5	1	7
Number of all open positions	0		0		0	

MATERNITY / PARENTAL LEAVE	2019		2020		2021	
	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE
Number of employees benefiting from maternity/parental leave	0	16	3	10	1	30
Number of employees returning to work after maternity/parental leave ends	0	16	3	10	1	30



Legal Notice

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Cevher Sustainability Report 2021
Corporate Communication Department

You can contact us at surdurulebilirlikekibi@cevherwheels.com to convey your comments and suggestions and receive detailed information about Cevher Sustainability Report.

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