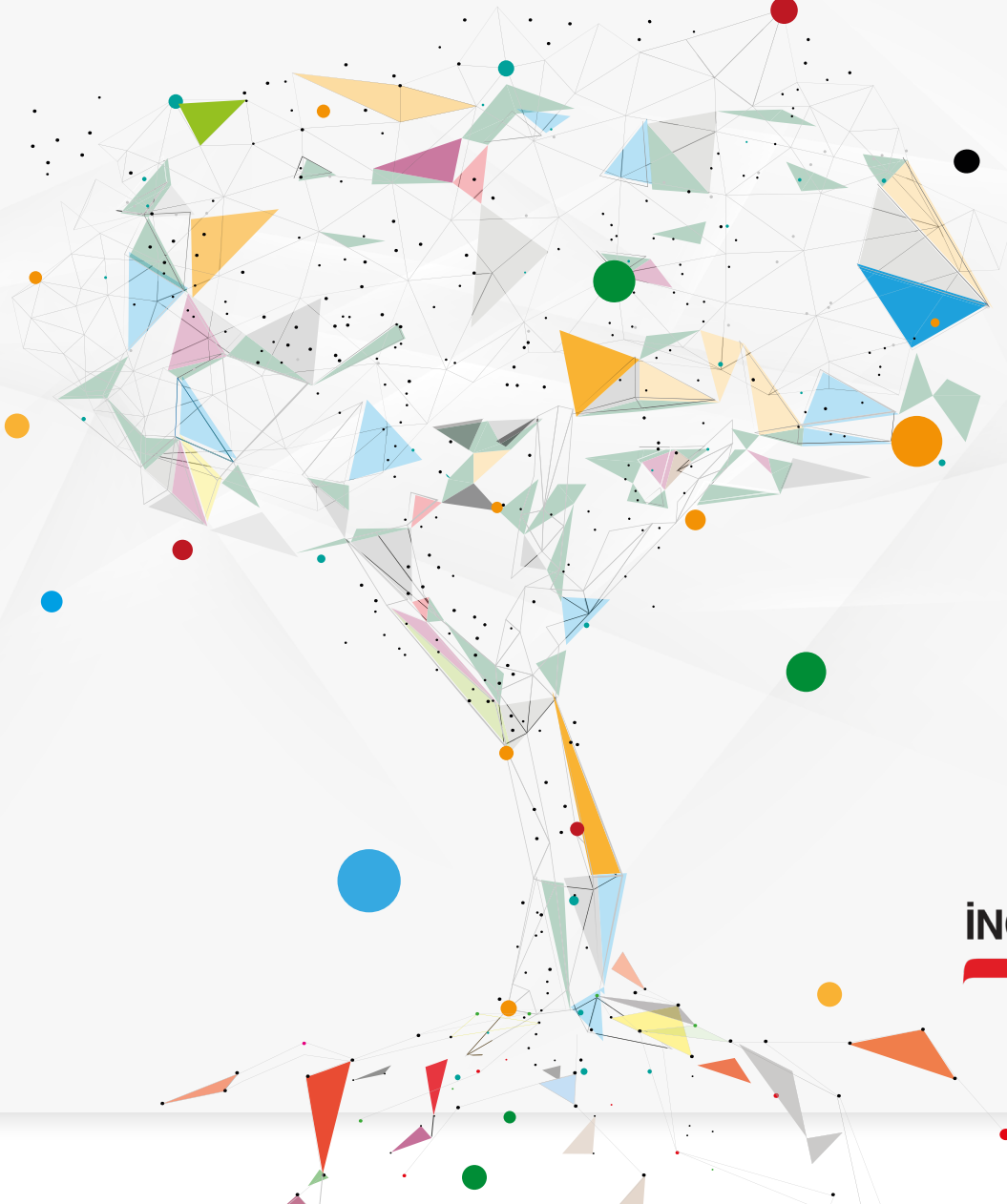


INCI HOLDING
SUSTAINABILITY
REPORT 2021

Creating future value
with our 70 year history.



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[GRI 102-1, GRI 102-46, GRI 102-50, GRI 102-52, GRI 102-53, GRI 102-54]

➤ ABOUT THE REPORT

Inci Holding 2021 Sustainability Report was prepared with the aim to transparently share the group's activities in the field of sustainability, important opportunity and risk areas, and targets.

Inci Holding lists its strategic priorities in the field of sustainability under the following 4 main topics:

We transfer the value of the company to new generations by multiplying it with international investments in future business areas



Investment in Institutionalization for New Generations

- 1.1. Corporate Management
- 1.2. Ethics Management at Inci Holding
- 1.3. Risk Management and Internal Audit at Inci Holding
- 1.4. Working with Global Partners

Investment in People and Society for New Generations

- 2.1. Support for Quality Education with Inci Foundation
- 2.2. Support for the Development of Institutions
- 2.3. Contribution to Employment – Decent Work
- 2.4. Gender Equality / Empowerment of Working Women
- 2.5. Employee Health and Safety
- 2.6. Talent and Loyalty Management

Investment in Responsible Production / Responsible Consumption for New Generations

- 3.1. Efficient Use of Resources (Energy, Water, etc.)
- 3.2. Development of Environmentally Friendly Products and Services
- 3.3. Waste Management and Circular Economy
- 3.4. Sustainability in the Supply Chain
- 3.5. Leading Role in Complying With and Shaping the Sustainability Expectations of the Market

Investment in Innovation for New Generations

- 4.1. Collaborations with the Ecosystem
- 4.2. Investment in Future Business Areas
- 4.3. Corporate Entrepreneurship
- 4.4. Digital Transformation

> ABOUT THE REPORT

This leverage serves the Holding's vision at the top level and contributes to the Sustainable Development Goals (SDGs) as well.

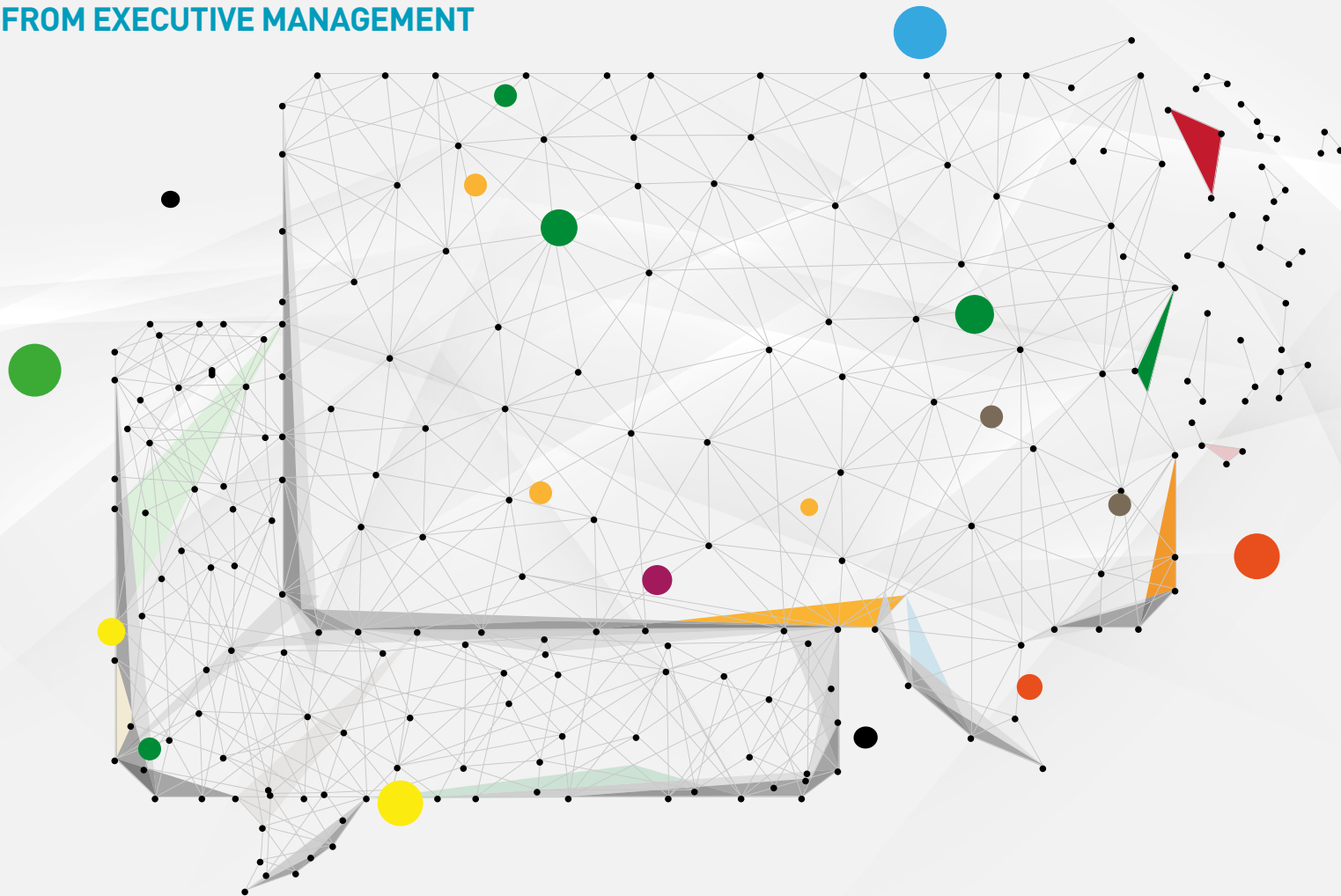
This report was drawn up according to the Basic option of the Global Reporting Initiative Standards (GRI-Core). This report focuses on the performance data between January 1, 2021 and December 31, 2021, and applies to İnci Holding, Maxion İnci Wheel Industry Inc., Maxion Jantaş Wheel Industry and Trade Inc., İnci GS Yuasa Battery Industry and Trade Inc., İncitaş Motor Vehicles Industry Inc., Yusen İnci Logistics Trade Inc., ISM Machinery Electricals Industry and Trade Crop., Vinci B.V. Venture Capital and İnci Foundation. Additionally, since it is İnci Holding's first report open to stakeholders, indicators for the past 3 years are also shared in the Performance Indicators section of the report so that the data can be compared. As İnci Holding and its companies, we will continue on our path with the aim to share our performance, our areas of success and where we need to make progress, with full transparency. We aim to share our sustainability report every year.

You can send your questions, comments and suggestions about the report to us via surdurulebilirlik@inciholding.com.



[GRI 102-14]

➤ MESSAGES FROM EXECUTIVE MANAGEMENT



➤ MESSAGES FROM EXECUTIVE MANAGEMENT



NEŞE GÖK
PRESIDENT

Our Dear Esteemed Stakeholders,

As we celebrate our 70th Anniversary as İnci Holding, we are excited and happy to share with you the **“İnci Holding 2021 Sustainability Report”**, which crowns our story full of success and is our first sustainability report. Since beginning our activities in 1952, we have upheld our values that have given us strength and constitute the basis of all the successes of İnci Holding for the past 70 years. While moving forward with our corporate values, we continue to take sustainable steps with a focus on the environment and people within the framework of our vision in our Holding, our group companies, and all our investments.

We work to create value in the future with the vision of “We transfer the value of the company to new generations by multiplying it with international investments in future businesses”. We are aware

that positive results in financial indicators alone will not lead us to success in our future journey. We believe that critical approaches such as management by values, sustainability, ethics and adaptation to change will carry not only İnci Holding, but also the whole society and the environment to good places. In this direction, we also consider sustainability as one of the priority items of our strategy agenda.

As a Group with more than three thousand employees, we care about the measurability of every dimension of our sphere of influence while providing products and services to more than 100 countries and shape all our operations with a focus on sustainability to best meet the expectations of all our stakeholders. In this context, we handle all our processes by including the dimensions of Business, Environment, Society, Employee and Governance. As İnci Holding, we work with awareness, hope and diligence to contribute to minimizing the global climate crisis, which has become the undisputed greatest problem of our time, to be prepared for the consequences that may arise, and to create a better and livable world by producing solutions at every stage from supply to production with a focus on sustainability. At the point we have reached today, all the values acquired by İnci Holding, which is among the leading companies of the global automotive industry, with the strength of its deep-rooted past, have become even stronger through commitments in terms of social, economic and environmental impacts, ethics, transparency and accountability with the ‘United Nations Global Compact’ we signed in 2021.

As you will see in the **first** sustainability report of İnci Holding, we designed our sustainability strategy in parallel with the Sustainable Development Goals by determining it around four main leverage points, as **“Investment in the Institutionalization for New Generations”**, **“Investment in People and Society for New Generations”**, **“Responsible Production and Responsible Consumption for New Generations”** and **“Investment in Innovation for New Generations”**, with the contributions of our stakeholders.

We are activating our sustainability strategy, which we prepared with a common understanding and action in the light of our 70 years of experience, 35 years of global partnership practice and knowledge, for better construction of the future with sustainable development in our future journey.

In this journey, firstly, I would like to thank all of our colleagues, business partners, customers, suppliers and briefly all our stakeholders for their contributions and support in the preparation of this report.

As our dreams come true, we continue on our way with the excitement of the first day with the seeds we planted for the future. Better tomorrows are possible together along with respect for people and nature.

Best regards,

➤ MESSAGES FROM EXECUTIVE MANAGEMENT



ZEKİ ŞAFAK OZAN
CEO AND MEMBER OF THE BOARD

Our Dear Esteemed Stakeholders,

Due to the rapidly increasing population of the world, changing consumption habits, unavoidable urbanization, environmental impacts of industrial activities, and restrictions in the transition to renewable energy sources, we feel an increased responsibility to deliver a livable world to future generations. The steps we need to take together, and the innovative solutions required to be put forward, are gradually increasing. With this perspective, it has now become inevitable for the whole world to act with a common understanding and collective effort by focusing on sustainability in our way of doing business and all our actions. With the awareness that the measures we will take to hold all other sustainability risks such as climate change at certain levels are inclusive and oriented towards structural transformations, we always keep our hopes alive that we can offer a better tomorrow to future generations.

We consider that it will be possible to achieve the targets set forth and commitments made in many inclusive roadmaps such as the European Green Deal, the “Fit for 55” Package and the Paris Climate Agreement in line with the Sustainable Development Goals and 2053 Net Zero Emissions Target, thanks to the economic value and growth created by the private sector, competent human resources, innovation potential, technology capacity and investment opportunities. We believe the main issue we may encounter in this period is the ability to create inclusive strategies and the creation of financial resources. At this point, we believe that the issues will be solved thanks to the synergy arising from public-private sector collaboration and the private sector’s potential to utilize the large-scale funds to be allocated to sustainable development. As İnci Holding, we handle global priorities from an economic, social and environmental perspective while creating our business strategies, move forward by associating them with our current goals, and reshape all our activities together with our stakeholders to create a decent life and equal opportunities.

In the light of all these developments, placing sustainability at the heart of all our activities besides periodic changes in strategy has become the most important factor that can provide us with a solution for rapid adaptation and reaching the future with confidence. In this context, the efforts we started

as the Holding to create a sustainability strategy have continued with the inclusion of all our group companies.

While we are aware that the most important factor that will put us ahead in global competition is sustainability, it has become our strategic priority to constructively treat sustainability beyond competition.

In order to determine our İnci Holding sustainability strategy in 2021, we made clear our priorities and approach with the contributions of all our stakeholders. We identified the facilitating and transformative roles of İnci Holding that point to sustainable development goals through four main leverage points supporting our “We transfer the value of the company to new generations by multiplying it with international investments in the future business areas” vision.

While determining our leverage points, we simultaneously planned and put into practice our corporate sustainability governance structure. Under the leadership of our sustainability committee, we led structures that provide positive inputs to each other and feed each other, together with the sustainability teams of all group companies.

➤ MESSAGES FROM EXECUTIVE MANAGEMENT

Implementing sustainability not only in manufacturing stages but also in every stage of the value chain has also come to the forefront as an important part of our sustainability strategy.

While evaluating our strategic investments and technology initiatives to determine possible financial, operational, and strategic risks in advance and take action, we plan to proceed according to ESG (environmental, social and governance) criteria and also to select all our suppliers according to these criteria.

In this direction, we position our sustainability report as an important tool for our development based on our priority issues that we follow on the axis of our leverage points.

As Inci Holding, we have always progressed in our sustainability journey, and while determining all our targets, we have chosen targets that will protect our competitive advantage and that comply with the roadmap limiting global warming to 1.5 degrees.

For 2030, we have set an absolute reduction target of 50% compared to our reference year 2018.

On our way to decarbonization, we determined our carbon reduction action plans separately for each of our companies, in line with the targets we set with our companies until 2030. We would also like to mention a few projects and approaches we focus on in this area. **“AzKarbon-Focused Online Marketplace Project”** offering products and services that will ensure energy efficiency in our İncitaş company, the **“Cold Casting Project”** commissioned by our Maxion Inci Wheel Group teams, which reduces natural gas and electricity consumption, thus restricts carbon dioxide emissions and aims to use raw materials efficiently, the **“Chromium-6 Industry Collaboration Project”** implemented by ISM MiniBar for corrosion prevention, Inci GS Yuasa’s **“Incineering Technologies Project”**, where the automation solutions offered reduce the consumption of natural resources and the impact on the environment, and Yusen Inci Logistics’ **“EcoTrack Project”**, which enables the systematic monitoring of consumption and waste data, are our important milestones in this journey. On the other hand, within the scope of corporate social responsibility, environmental protection projects are one of the topics we focus on in the field of responsible production and responsible consumption. As Inci Holding, we planted a total of 95 thousand saplings in the last 25 years.

Our first report in this field, Inci Holding 2021 Sustainability Report, which we share with you with great joy, is not just a written evaluation, strategy, or business plan.

This report is also a commitment that we share with the public that we have adopted the sustainability culture permanently and will implement it in all our Holding and group companies.

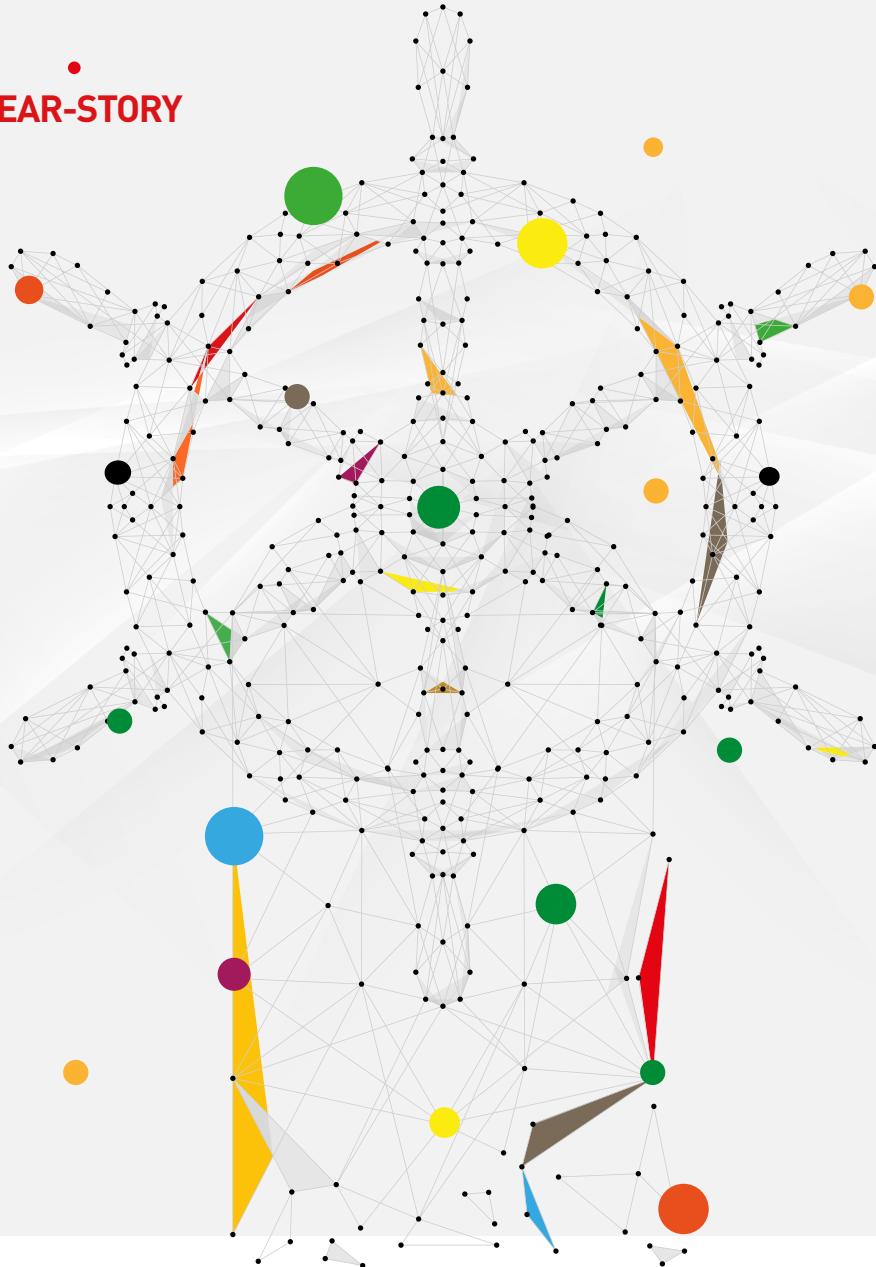
We will continue to develop our activities with all our stakeholders by adopting a holistic approach for our understanding of sustainability, and to strengthen and carry forward all the requirements of the UN Global Compact within the framework of Inci Holding values by taking the principles of the UN Global Compact, of which we have been a signatory since 2021, as a guide.

As Inci Holding, I would like to express my thanks to our valuable colleagues, customers, suppliers, business partners, non-governmental organizations and all our stakeholders who have accompanied and supported us in our sustainability journey that we started while transferring our values to future generations.

Kind regards,

[GRI 102-2, GRI 102-3, GRI 102-4, GRI 102-6, GRI 102-9, GRI 102-10, GRI 102-16]

> OUR 70-YEAR-STORY



Creating future value with our 70 year history.

> OUR 70-YEAR-STORY

As İnci Holding, the foundations of which were laid in 1952, today we operate mainly in the automotive supply sector, as well as in the service, technology, and social responsibility fields. We are among the leading companies of the global automotive industry with our 70 years of values and deep-rooted culture. Taking sustainability as our main axis along with our vision and values, we have achieved an annual average growth of 32% in terms of TL and 5% in terms of Euro on a turnover basis in the last 5 years.

Showing a continuous growth trend for the last 10 years, İnci Holding is an important supplier of the automotive supply industry with its battery and wheel production and a reliable business partner of the world's giant companies in the sector. It signed a partnership with Brazilian Maxion Wheels in the field of wheel production, with Japanese GS Yuasa in the field of battery production, and with Japanese Yusen Logistics in the field of logistics service. İnci Holding, which has a total of 9 production facilities and a 40,000 m² storage area in logistics, increases its global competitiveness day by day in many areas, including its 12 million units/year wheel production capacity, 7 million units/year automotive battery and 700,000 units/year industrial battery production capacity, 200,000 units/year hotel equipment production capacity and 7 technology initiatives as well as the education foundation.

İnci Group* exports 60 percent of its products to more than 100 countries with its 3 thousand employees and 10 companies. İnci Group has 3 companies on the TIM 1000 list and 3 companies on the ISO 500 list.

OUR GROUP COMPANIES



AUTOMOTIVE



İNCİ GS YUASA



SERVICE



İNCİTAŞ MOTORLU ARAÇLAR SAN. VE TİC. A.Ş.



TECHNOLOGY



SOCIAL RESPONSIBILITY



*İnci Group: İnci Holding Inc., Maxion İnci Wheel Industry and Trade Inc., Maxion Jantaş Wheel Industry and Trade Inc., İnci GS Yuasa Industry and Trade Inc., İncitaş Motor Vehicles Industry Inc., Yusen İnci Logistics Trade Inc., ISM Machinery Electricals Industry and Trade Corp., Vinci Venture Capital and İnci Foundation

> OUR 70-YEAR-STORY

Inci Holding in Figures



3,000
Employees



10
Companies
Activities in social responsibility areas in addition to the service and technology sectors, mainly in the automotive supply industry



3
Since 2015, the presidency is in the 3rd generation



60%
export to more than 100 countries

TİM*
1,000
list contains 3 companies

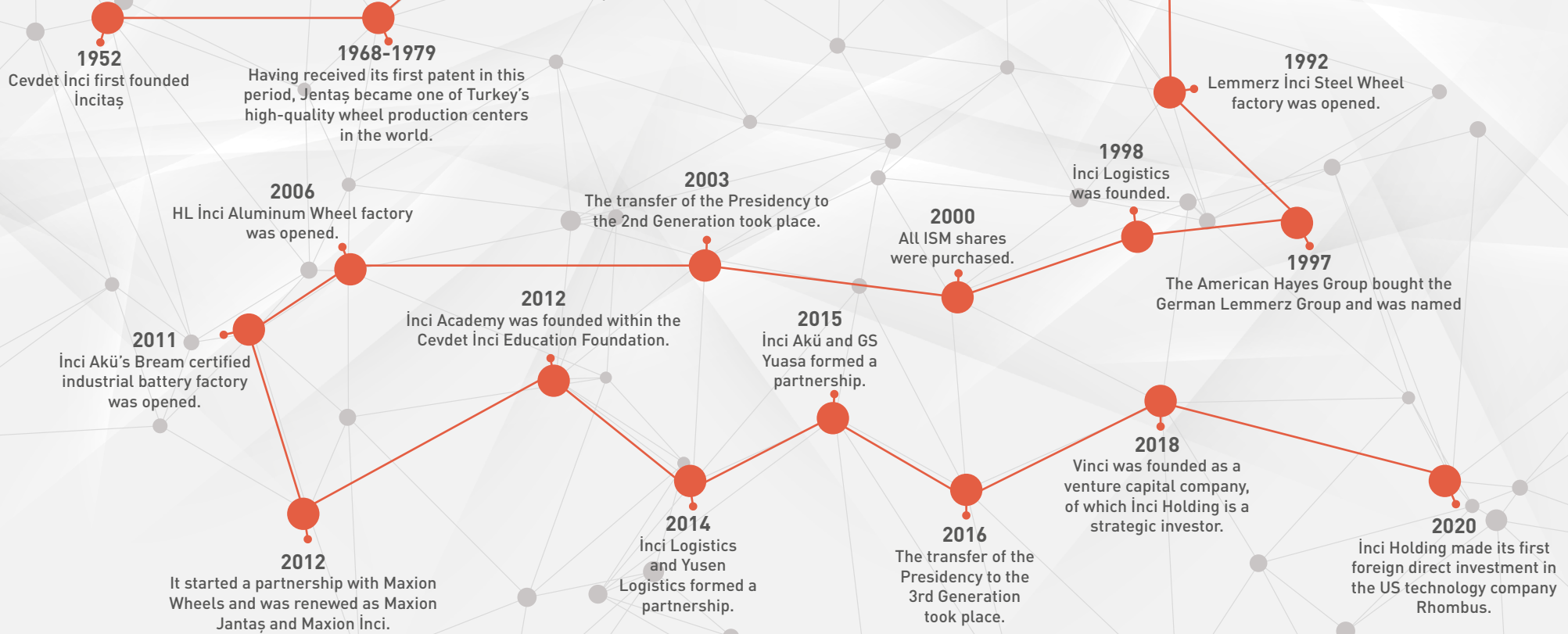


ISO**
500
list contains 3 companies

*Turkish Exporters Assembly
**Istanbul Chamber of Industry

OUR 70-YEAR-STORY

OUR MILESTONES



➤ OUR MAIN PURPOSE

We are in a period in which there are significant economic, social and environmental challenges and these challenges will become more evident. Climate crisis, hunger, diseases, financial crises, and political and technological developments have the power to affect every country and region. New technologies emerge and spread faster, changing the way societies and industries perform. Population growth in many regions of the world is straining already limited resources and pushing people to relocate. Technological developments, the changing business environment and the free economy create competency mismatch and require competency development and competency reacquisition approaches on many levels. Risks such as climate risks, geopolitical tensions, new regulations, finance and financing risks, cyber threats due to rapid digitalization, and possible new outbreaks require constant monitoring and action.

As İnci Holding, we constantly scrutinize and improve our economic, social, and environmental approaches in the light of all these trends and the risks they entail. By focusing on the future business areas, we take care to transfer this value to new generations. We continue to be an institution that cares about international investors coming to Turkey, appears among the foreign

direct investments with its successful performance, and contributes to the integration of the country's economy with the world markets.

We transfer the value of the company to new generations by multiplying it with international investments in the future business areas.

Sustainable development is an integral part of our business strategy. Our approaches are based on the principle of creating "common value". We focus on the intersection point of social needs, corporate resources and competencies, and business opportunities, from the business lines we prefer to grow to the selection of social responsibility activities we perform.



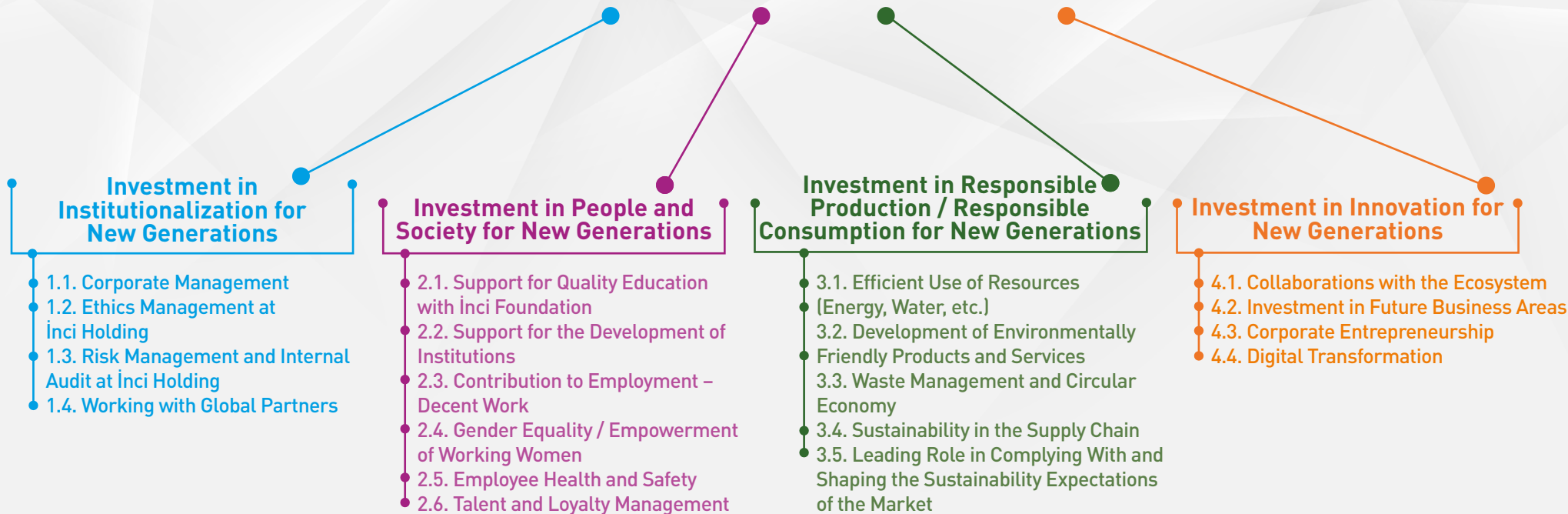
[GRI 102-44, GRI 102-47, GRI 103-1]

➤ OUR SUSTAINABILITY PRIORITIES

We invest in people and society, responsible production and responsible consumption, innovation and institutionalization for new generations and delve deeper into these issues. Our sustainability efforts, which we follow in line with the Sustainable Development Goals as a signatory of the

United Nations Global Compact since 2021, continue to include all our group companies. We contribute directly to 13 of the United Nations Sustainable Development Goals with our focus subjects.

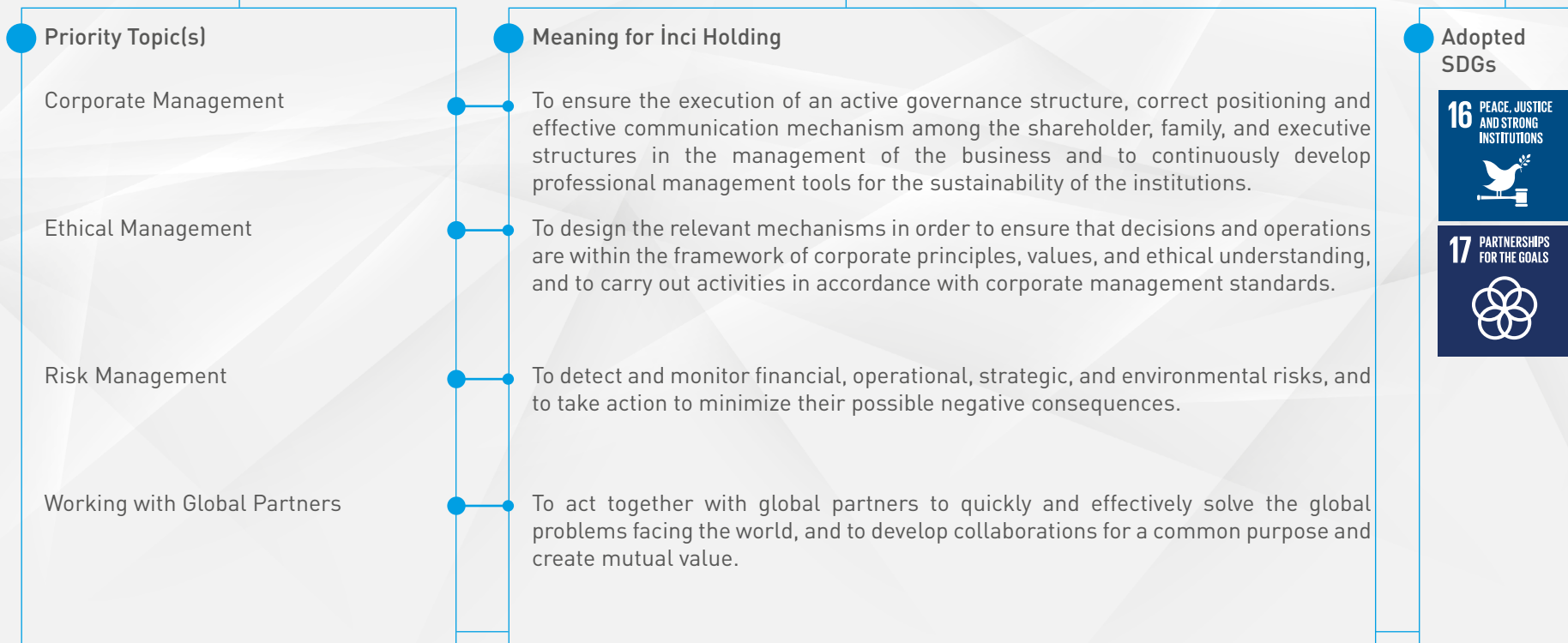
We transfer the value of the company to new generations by multiplying it with international investments in future business areas



[GRI 102-44, GRI 102-47, GRI 103-1]

➤ OUR SUSTAINABILITY PRIORITIES

Investment in Institutionalization for New Generations



[GRI 102-44, GRI 102-47, GRI 103-1]

➤ OUR SUSTAINABILITY PRIORITIES







Investment in People and Society for New Generations

Priority Topic(s)	Meaning for Inci Holding	Adopted SDGs
Support for Quality Education	To contribute to quality education for children and young people with the perspective of “support for education, service for the future” and aim of raising strong individuals who form a productive society.	
Support for the Development of Institutions	To contribute to the regional ecosystem by establishing corporate collaborations through non-governmental organizations and platforms, and to strengthen the institutions in our ecosystem by supporting the development of individuals with designed training programs.	
Contribution to Employment – Decent Work	Contributing to employment with value creation-oriented, decent businesses and policies that grow a sustainable economy and support social development.	
Gender Equality / Empowerment of Working Women	To develop practices and processes that enable women to participate in the workforce on equal terms, claim equal rights for women, support female leaders and role models, and respect gender equality.	
Employee Health and Safety	To create a health and safety culture and infrastructure that supports the implementation of the highest health and safety workplace standards and processes, including accident prevention, preparedness and response, and maintenance and safety of all facilities. To protect the physical and mental health of the workforce through technology, training, corporate culture and regulatory compliance.	
Talent and Loyalty Management	To provide a working environment where employees feel valued and happy, which increases their motivation and commitment to work with fair conditions and fringe benefits. To take advantage of the strengths and abilities of the employees, to help them develop and become stronger within the company.	

[GRI 102-44, GRI 102-47, GRI 103-1]

➤ OUR SUSTAINABILITY PRIORITIES

Investment in Responsible Production and Responsible Consumption for New Generations

Priority Topic(s)	Meaning for Inci Holding	Adopted SDGs
Efficient Use of Resources	To manage the energy power used by the company in production and/or consumption of products and services provided by different suppliers, to take actions to reduce their impacts on the environment by increasing energy efficiency (reducing total consumption, using renewable energy sources, etc.). To manage issues such as water supply, efficient use of water, etc. To minimize carbon emissions.	 6 CLEAN WATER AND SANITATION
Development of Environmentally Friendly Products and Services	To develop products and services that minimize and/or eliminate the damage to the environment while maintaining high standards within the sector value chain.	 7 AFFORDABLE AND CLEAN ENERGY
Waste Management and Circular Economy	To ensure the collection, transfer, treatment, and disposal of waste in parallel with the waste management process and waste-related laws, technologies and economic mechanisms. In addition, to aim to extend the life cycle of products with a model that includes sharing, leasing, reusing, repairing, renewing, and recycling existing materials and products for as long as possible.	 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Sustainability in the Supply Chain	To manage the environmental, social and governance (ESG) risks in the supply chain, to measure the ESG performance of the supply chain and produce performance enhancing solutions.	 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Leading Role in Complying with and Shaping the Sustainability Expectations of the Market	To comply with the - regulations and beyond - expectations of the market regarding sustainability and to play a leading role in the adoption and dissemination of the issues.	 13 CLIMATE ACTION
		 15 LIFE ON LAND

[GRI 102-44, GRI 102-47, GRI 103-1]

➤ OUR SUSTAINABILITY PRIORITIES

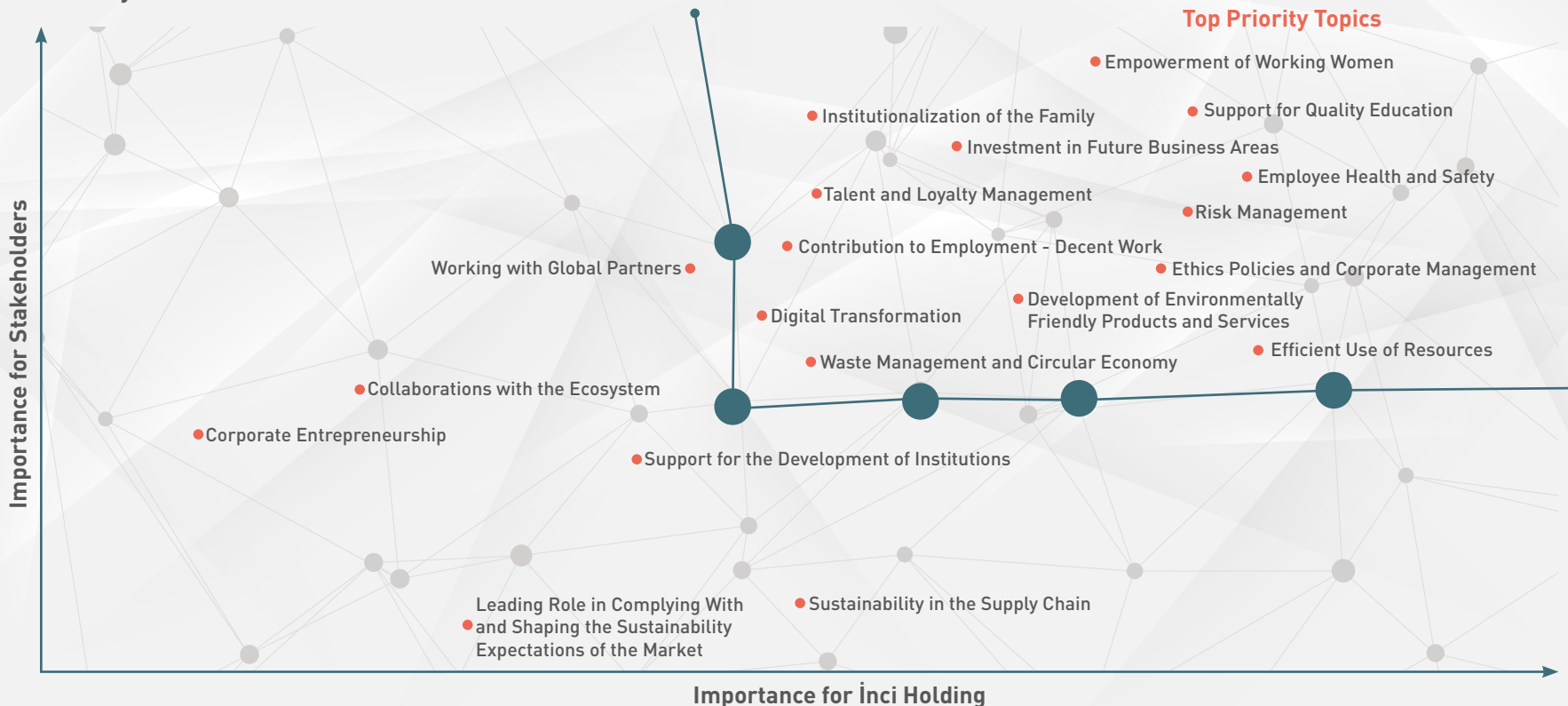
Investment in Innovation for New Generations

Priority Topic(s)	Meaning for İnci Holding	Adopted SDGs
Collaborations with the Ecosystem	To leverage the ecosystem, proactively manage it. To create benefits for the corporation by collaborating with different external stakeholder groups and to facilitate stakeholders to benefit each other.	 
Investment in Future Business Areas	To invest in business areas such as mobility, energy storage and management, Industry 4.0, supply chain management and logistics, that will contribute to the sustainability of our corporation and that will develop with added value the sectors in which İnci Holding operates.	
Corporate Entrepreneurship	To ensure employees understand the dynamics of the entrepreneurial world and to include innovative ideas and practices (their own or their business partners) into their business processes with this perspective.	
Digital Transformation	To use digital technologies to reduce unit costs and/or increase unit prices by offering more value to stakeholders.	

[GRI 102-44, GRI 102-47, GRI 103-1]

➤ OUR SUSTAINABILITY PRIORITIES

Priority Matrix



Our subject list was formed through an extensive literature review evaluating external trends and main triggers and an in-depth research process including analysis and meetings to evaluate internal dynamics. This list was evaluated by considering the effect of the issue on Inci Holding and the extent to which Inci Holding affected the issue with the senior management of Inci Holding. After

the evaluation, the internal and external stakeholders that contributed the most to the issues were identified and a survey was conducted with their participation. The conclusions were placed in the matrix, analyzed and insights were revealed.

[GRI 102-40, GRI 102-42, GRI 102-43]

➤ COMMUNICATION WITH STAKEHOLDERS

We have continuous two-way communication with our stakeholders. Our main purpose in stakeholder communication is to understand the expectations of our stakeholders, to obtain their guidance and feedback, and to evaluate together the risks and opportunities ahead.

Stakeholder Groups

Communication Methods

Synergy Group (Holding Board of Directors, Holding Management Team, Executive and Non-Executive Shareholders, Family Members Acting in the Group, Group Company Boards and Senior Management, Foundation Board and Senior Management, Vinci Senior Management)

Shareholders
(Star Companies and Their Partners)

Sustainability Teams

Financial Institutions

Academicians

Educational Institutions

Synergy Group meetings are held 3 times a year. It is held in a format where important topics for the group are evaluated.

In order to inform the shareholders regularly, information reports are shared quarterly on the common online platform. A regular partners meeting is held at least once a year in April. Information is given and opinions are taken to be evaluated by the Board of Directors.

Project-based meetings are held with the sustainability teams of group companies. Meetings are held with each company's sustainability team on a need-based frequency. Written communication is established on a monthly basis for activity and information issues. All teams convene at a frequency appropriate to the needs for topics that require coordination.

Regular meetings are held every 2 months with stakeholder financial institutions. Need-based communication is provided on operational issues such as main payments, futures, and pricing.

For Cevdet İnci Incentive Awards, which have been organized since 2005, continuous communication is provided (e-mail, meeting, etc.) once a year, and on a project basis for operational university-industry collaborations.

Within the scope of foundation activities, regular project-based communication is established with the district national education directorate, local administrations, and related education institutions. When new education needs arise, the scope of service is mutually evaluated with needs-based interviews.

[GRI 102-40, GRI 102-42, GRI 102-43]

➤ COMMUNICATION WITH STAKEHOLDERS

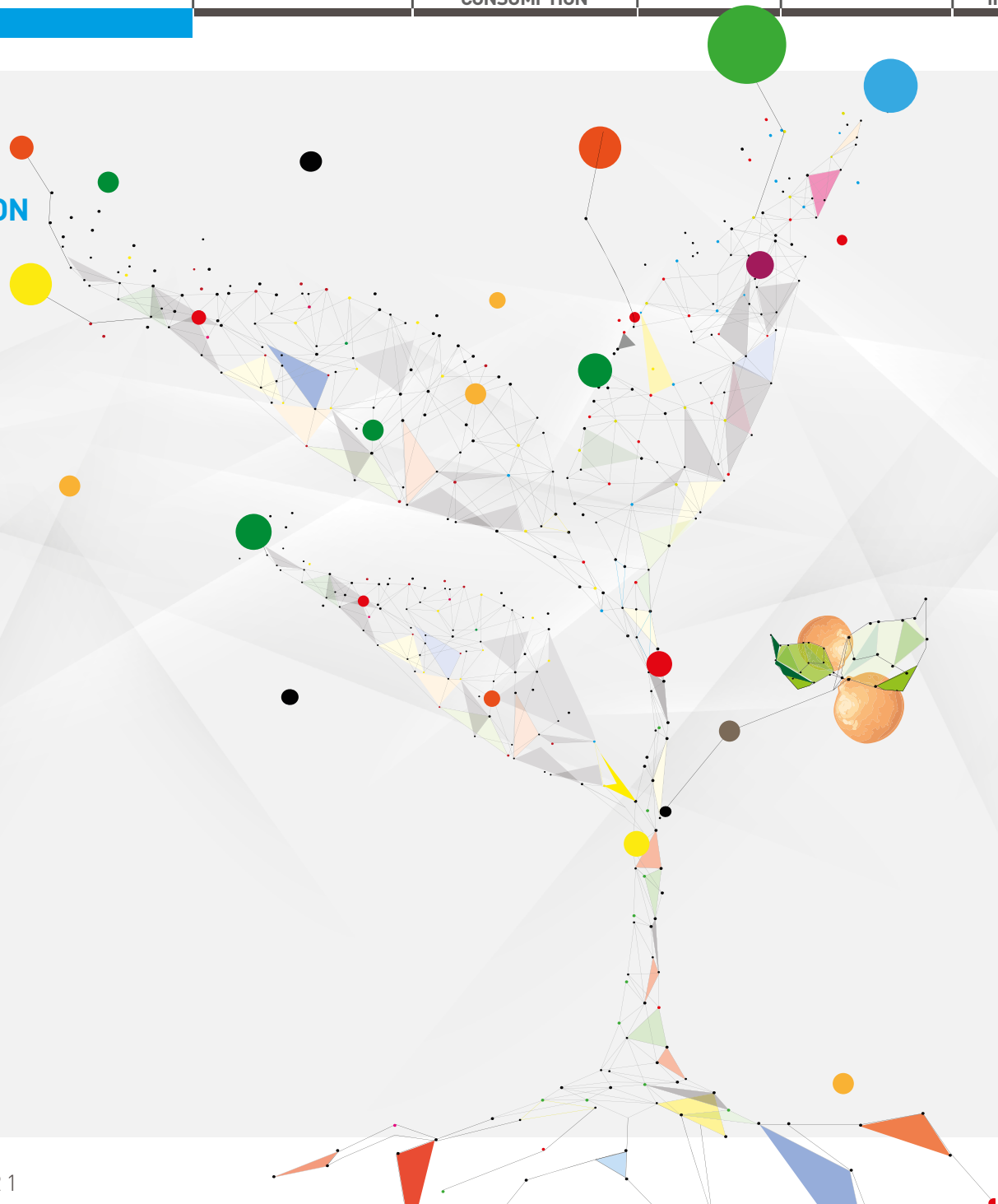
Stakeholder Groups

Communication Methods

Non-Governmental Organizations	As İnci Holding, we take an active role on the boards of NGOs and ensure participation according to the meeting schedule of NGOs (Monthly Board Meetings, Annual General Assembly Meetings). The relevant department officers of the Holding and/or group companies take an active role in the working groups of all affiliated NGOs, and mutual contributions are made according to the agenda and needs.
Holding Suppliers	A need-based meeting is held with each supplier at least once a year, and periodic purchases are negotiated via e-mail. A meeting is held with each supplier before signing an annual contract in purchasing periods. The Code of Ethics is shared with our suppliers in November every year. Periodic meetings are held for project-based purchases.
Media Representatives	Meetings are held once a year to prepare annual communication plans, and project-based announcements and press releases are discussed via e-mails.
Public Institutions	Once a year, relevant public institutions are visited in operational terms. In need-based situations, additional joint studies are carried out annually.
International Institutions	It is also possible to organize online meetings at least twice a year, and to benefit from the United Nations Global Compact training programs through continuous webinars or registered portal trainings. Regular information transfers take place with GC Network Turkey (GC Academy continuous learning area).
Founders of Companies Invested in Vinci	The Vinci Investment Committee meets online every week. Vinci management organizes meetings on the Board of Directors and/or operational basis at the invested companies.
Joint Venture Companies Partners	Meetings are held with global partners twice a year on average. Since the partner representatives also have duties as Board Members, the Board of Directors Meetings are held periodically in accordance with the execution of companies' Boards.
Holding Employees	Information e-mails, Employee Surveys, Holding Meetings (monthly), 4x4 Communication Activities (every 2 months), and coffee chats with the CEO (monthly) are organized.

[GRI 102-11, GRI 102-18, GRI 103-2, GRI 103-3, GRI 416-2]

▶ INVESTMENT IN INSTITUTIONALIZATION

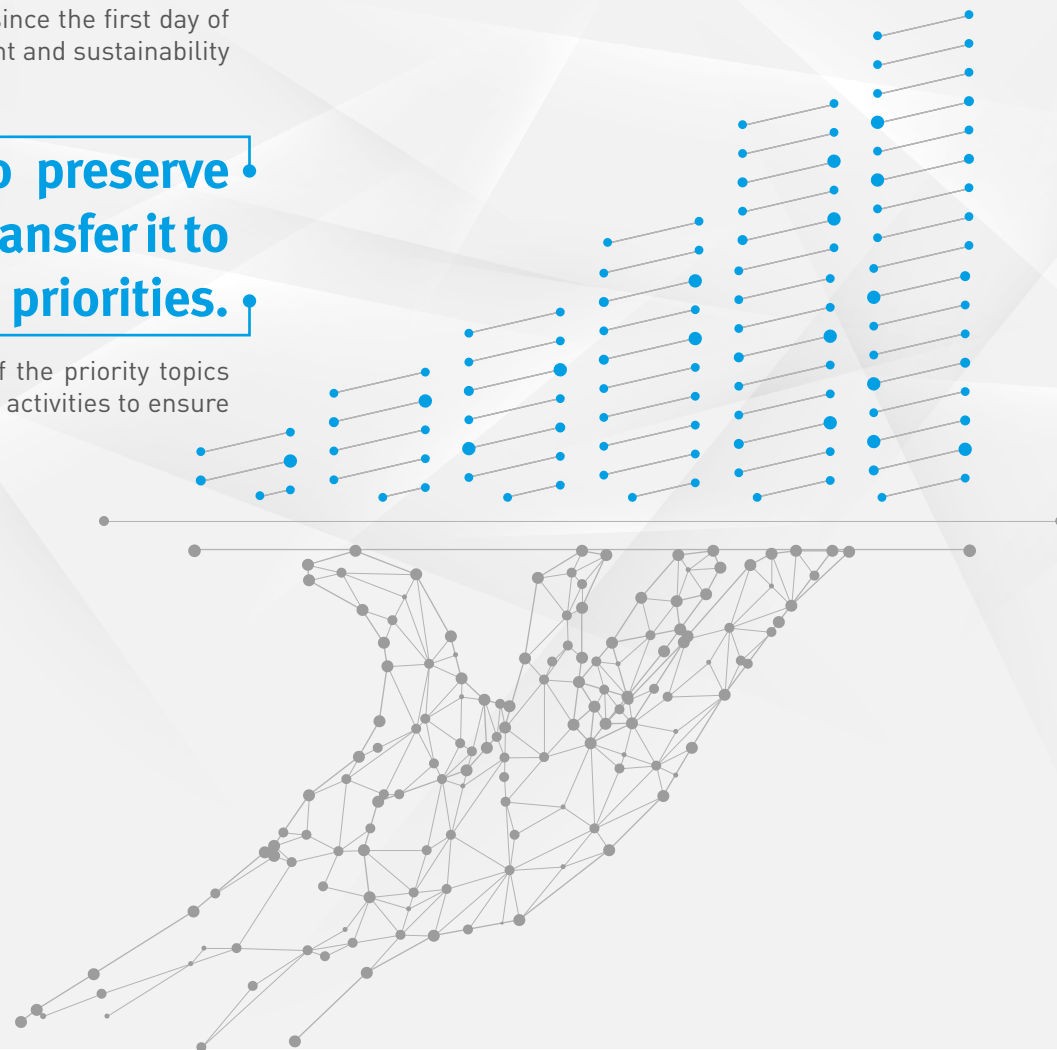


➤ INVESTMENT IN INSTITUTIONALIZATION

Investment in institutionalization has been one of our priority topics since the first day of establishment. This section contains details on corporate management and sustainability of governance.

Investment in institutionalization to preserve our 70 year history and successfully transfer it to future generations is among our main priorities.

On the other hand, the governance of sustainability has been one of the priority topics we have recently focused on, with the aim to implement sustainability activities to ensure continuity on a group basis.



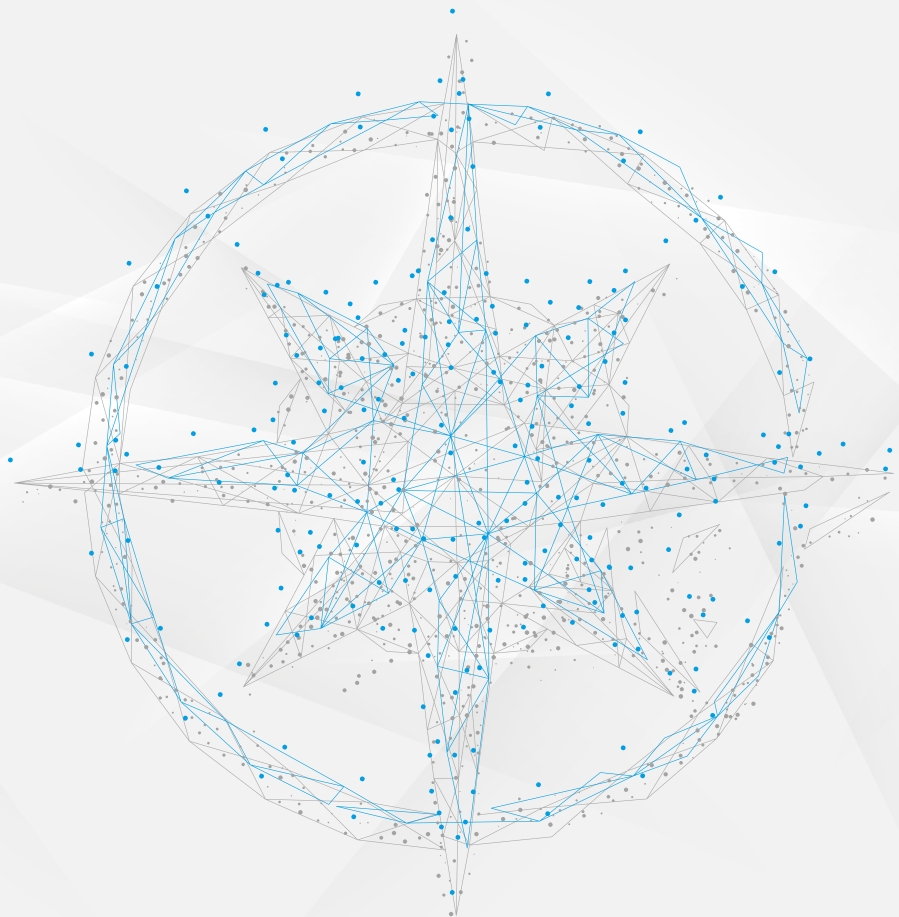
➤ INVESTMENT IN INSTITUTIONALIZATION

Sustainability Governance

One of the efforts we prioritized in 2021 was to design the governance of sustainability. In order to ensure the targeted cooperative, coordinated and effective working order by explicitly and clearly defining the duties, responsibilities, and business relations of the relevant units within Inci Holding and Group Companies for the effective execution of our sustainability activities, we created the sustainability governance mechanism.

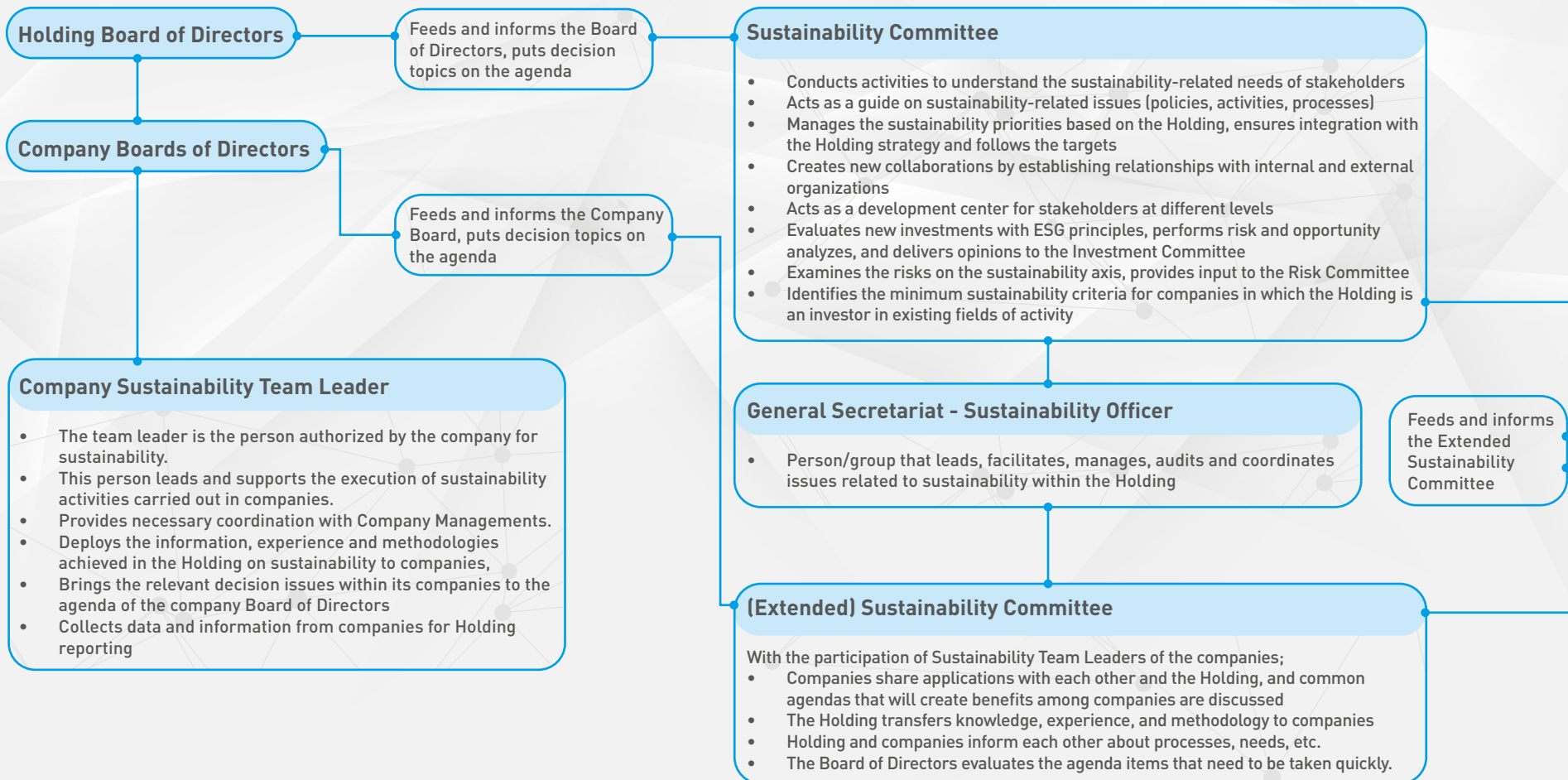
Our goal for 2022 is to successfully implement the structure we designed.

Sustainability Committee: The purpose of the Committee is to coordinate sustainability topics, to guide companies on strategic topics, to reveal synergy areas, to be a facilitator, information, deployment and network provider for companies in relevant studies, and to provide benefit-oriented value to internal and external stakeholders. Under the presidency of the Holding CEO, the Committee consists of a Sustainability Sponsor Board Member, Human Resources and Corporate Communications Director, Strategic Planning and Business Development Director, Technology Director, Finance and Financial Affairs Director, Internal Audit Manager, Foundation Representative and General Secretariat. The Committee reports to the Board once every 3 months, and convenes in line with the plan determined according to the needs. It works in coordination with sustainability teams and company boards. The Extended Sustainability Committee includes the sustainability team leaders.



➤ INVESTMENT IN INSTITUTIONALIZATION

Sustainability Governance



➤ INVESTMENT IN INSTITUTIONALIZATION

1.1. Corporate Management

Family companies make up 95% of the companies in Turkey, and 80% of the employment is created by them. Research shows that by 2025, 40% of the largest companies in the world will be family companies. Founded in 1952, today we are one of the leading groups in Turkey, predominantly managed by the third generation.

• We believe in the importance of taking corporate governance principles and tools as a basis for the institutionalization of a family company. •

The Family Constitution, Shareholders Agreement and the existence of the Family Council are the main factors that ensure the institutionalization and corporate management of the family. At the same time, the fact that the family members' needs for services such as financial investments, accounting management, asset reporting, etc. were separated from the Holding with the existence of the Family Office, which was established as a separate company to meet these needs, is a strong step showing the institutionalization of the family.



➤ INVESTMENT IN INSTITUTIONALIZATION

We use corporate management tools for the structural positioning of family, shareholder, and executive units and to define them through mechanisms including group companies and governance.

We have an internal legislation ranging from the Shareholders' Agreement to the Organization Directive that defines the processes from the structure and execution of the board to the working procedures and principles of the affiliated committees and delegation of authority to the Executive.

We take care to keep the subject in an up-to-date and consistent setting.

Having the governance structure up-to-date and dynamic in parallel with the vision and goals is a permanent topic on our agenda. It is important that the Corporate Management mechanisms support the applications and form a body of systems that carry us to the future, and that this is ensured without interrupting the speed of the activities. In this direction, we constantly work for the continuous supervision of the systems and values analogous with our vision that we will pass on to the next generations and for compliance with corporate management.

Inci Holding's Board of Directors is our main governance body that provides the sustainability of our institution. Our board of directors consists of natural or legal persons elected by the general assembly to serve for a period of three years. The entire framework regarding the functioning of the Board of Directors was determined by the internal legislation. The Nomination and Awarding Committee works on finding the appropriate member composition, determining the member candidates suitable for this composition, selecting the members, and measuring and evaluating the strategic performance of the Board of Directors and its members with the aim to ensure the effectiveness of the functioning of the Inci Holding Board of Directors in line with the determined focus areas. The development areas for the functioning of the Board are determined and an action plan is prepared according to the results of the Board's Performance Assessment, which is applied as a 360-degree evaluation by an independent organization every year.

To ensure the effective functioning of the Board of Directors, the boards and committees reporting to the Board of Directors are as follows. The working procedures and principles of each committee were determined, and a summary of the working purpose and member composition was given.

- Sustainability Committee (detailed under Sustainability Governance)
- Risk and Audit Committee
- Corporate Governance Committee
- Company Boards of Directors Assessment Committee
- Ethics Committee

➤ INVESTMENT IN INSTITUTIONALIZATION

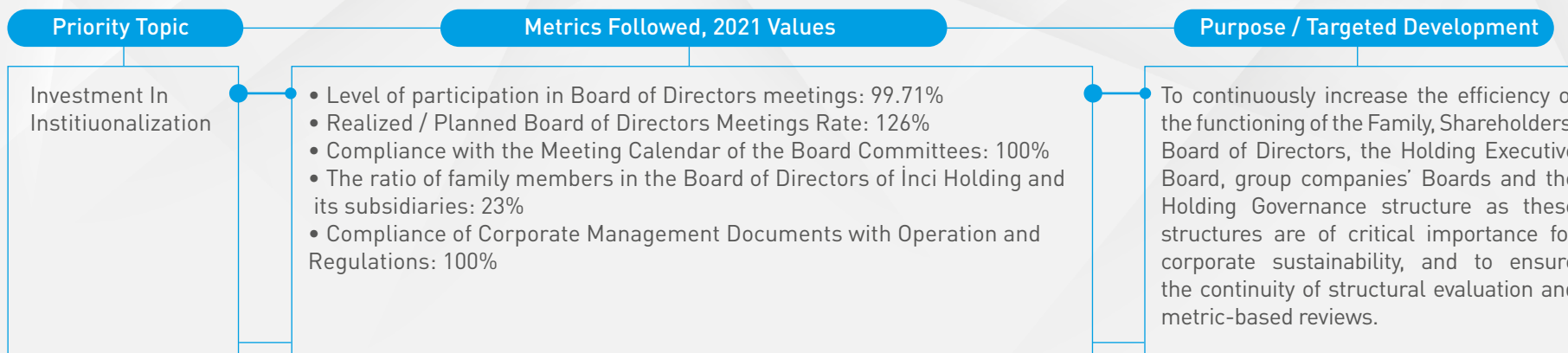
Inci Holding Risk and Audit Committee works to monitor and control the risks that Inci Group companies may be exposed to, to supervise internal audit and independent audit activities, and to increase the effectiveness of internal control and financial reporting processes. The committee consists of at least two persons, including at least one Board Member determined by the members of the Inci Holding Board of Directors.

The Corporate Management Committee works on the harmonious, effective, and efficient implementation of corporate management processes. The committee consists of the Secretary General and a minimum of 2 and a maximum of 4 people to be elected from among the members of the Inci Holding Board of Directors.

The Company Boards of Directors Assessment Committee works to find the appropriate member composition, assessing the member candidates suitable

for this composition, selecting the members, assessing the strategic performance of Inci Holding Companies Boards of Directors and its members with the aim to ensure the effectiveness of the functioning of the Inci Holding Companies Boards of Directors in line with the determined focus areas. Members consist of Inci Holding Board members and an Inci Holding shareholder representative.

The Ethics Committee is responsible for analyzing notifications, ensuring the adoption of the ethics system, supervising its effective operation, and making long-term plans within the scope of Inci Holding Ethical Principles. It consists of the President, Board Members, Holding Human Resources Director, Internal Audit Manager, Legal Advisor and Ethics Manager. The extended ethics committee consists of the Ethics Committee and company ethics representatives.



➤ INVESTMENT IN INSTITUTIONALIZATION

1.2. Ethics Management at Inci Holding

As Inci Holding, we are aware of our responsibilities towards all our stakeholders, especially our employees.

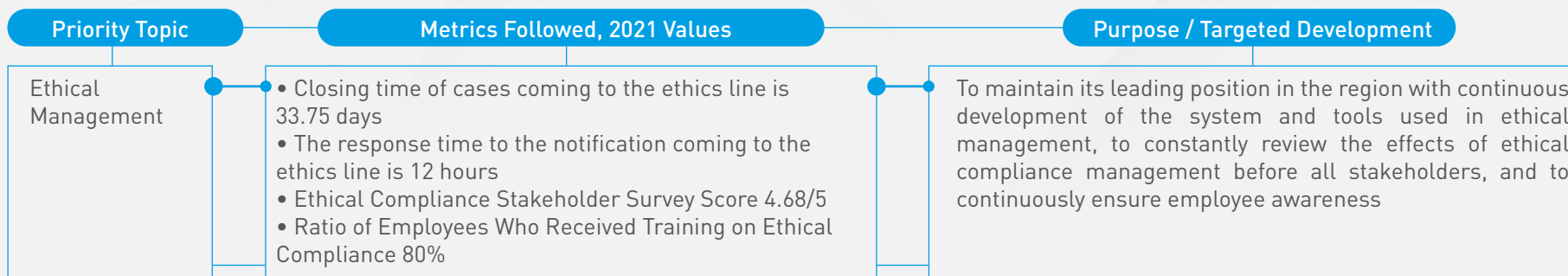
Inci Holding, we adopt compliance with ethical principles and values as our priority, while continuing to shape the future with all our employees, suppliers, and customers in ethical management.

We care about placing ethical behaviors on an institutional basis and reflecting this approach in an integrated way into our strategic plans.

Our ethical principles are understandable and accessible to all stakeholders. Case studies are performed with company managers and ethical representatives, and improvement actions are taken. Awareness-raising efforts are made for employees through internal and external communications. Under ethical communication activities, supplier information is provided. In addition, experience sharing activities are carried out by acting together with relevant non-governmental organizations to spread the ethical management approach.

When faced with the risk of non-compliance with the principles specified in the Holding's Code of Ethics, risk assessments are also made in addition to the ethics committee case review process for the notifications evaluated within the framework of the confidentiality principle. All assessments regarding fraud, corruption risks or whether there is a situation contrary to internal controls are also considered in the process audits carried out by the Internal Audit Unit.

All stakeholders of Inci Holding may report any case contrary to the Code of Ethics or potential violations of it. In case of possible violations, you can call the independent line "0212 401 37 87" or make a written notification to the independent email address inci@etikhat.com. The Ethics Manager shares the notification received directly or through the determined ways with the President of the Ethics Committee. Notifications are subjected to an initial evaluation (within 2 working days) by the president of the ethics committee and the ethics manager to determine whether they are within the scope of an ethical case. Issues outside the scope of ethical cases are transferred to the relevant department for resolution. If the notification is considered an ethical case, it is shared with the Ethics Committee following the meeting call, within 1 business day after the first evaluation. The Ethics Committee is informed every 6 months about the notifications that are subject to initial evaluation. The notification owner is informed by the Ethics Manager or the independent organization, that the notification has been received and the review process has begun on the same day of the notification.



➤ INVESTMENT IN INSTITUTIONALIZATION

1.3 Risk Management and Internal Audit at İnci Holding

At İnci Holding, active management of risks is the responsibility of all companies and all employees, and accordingly, it is an important performance measure.

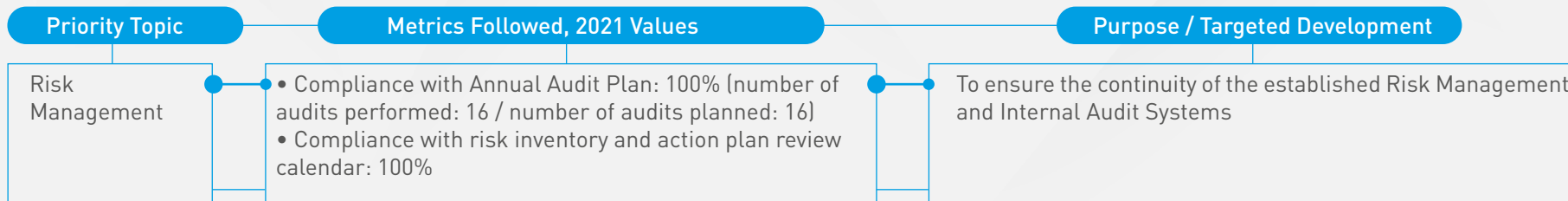
İnci Holding Corporate Risk Management (CRM) system ensures that important risks are identified, control processes are evaluated, the right risks are taken in the right extent, these risks are managed with appropriate processes, and action plans are developed to reduce the risks to acceptable levels. So, all of our group companies are responsible for identifying and monitoring the critical risks in their own structure, taking decisions regarding the management of these risks, and periodically reporting them to the Board of Directors.

It is among our important goals that CRM becomes a definite and customary part of strategic planning and operational management.

The Internal Audit Unit completed its sixth audit year at İnci Holding with its experience in operational and financial process audits. This know-how at the Holding contributes to the achievement of strategic goals and sustainability in all companies.

The audit work carried out contributes to “establishing effective, accountable and transparent institutions” and “substantially reducing corruption and bribery in all their forms” in the “Peace, Justice and Strong Institutions” section of the Sustainable Development Goals. Accordingly, the scope of the audits made in 2021 was in the titles of purchasing processes, risk management action plan compliance, internal audit activity plans compliance, stock management, sales activities, and trade receivables management. In this context, no non-compliance with regulations/rules was found during the reporting period.

The Internal Audit Unit completed its work by complying with the time plan 100% in all 16 audits performed in 2021.



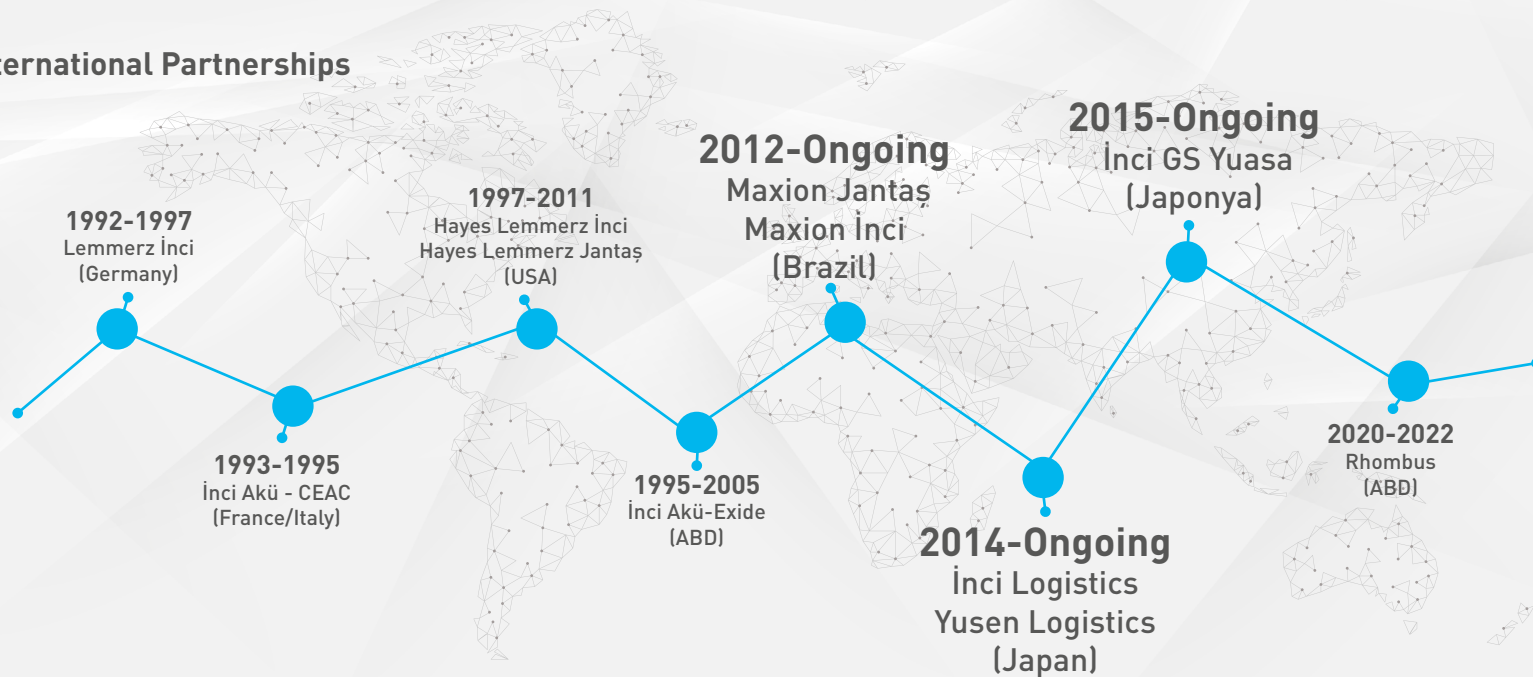
INVESTMENT IN INSTITUTIONALIZATION

1.4. Working with Global Partners

As also seen in our milestones, we share our knowledge and experience with our global partners through the business partnerships we undertake, and

strengthen our capabilities and infrastructure together. Besides, we gain access to technology transfer opportunities for advanced technology products and services, and have the chance to find new opportunities in global markets with the necessary strategic collaborations.

Our International Partnerships



Priority Topic	Metrics Followed, 2021 Values	Purpose / Targeted Develop
Working with Global Partners	• Number of global partnerships 3	To add value to our business with our global partnerships

[GRI 102-12, GRI 102-13, GRI 401-2, GRI 403-1, GRI 413-1]

➤ **INVESTMENT IN PEOPLE AND SOCIETY**



➤ INVESTMENT IN PEOPLE AND SOCIETY

• **“People” and “society” are at the center of our business and approaches.**

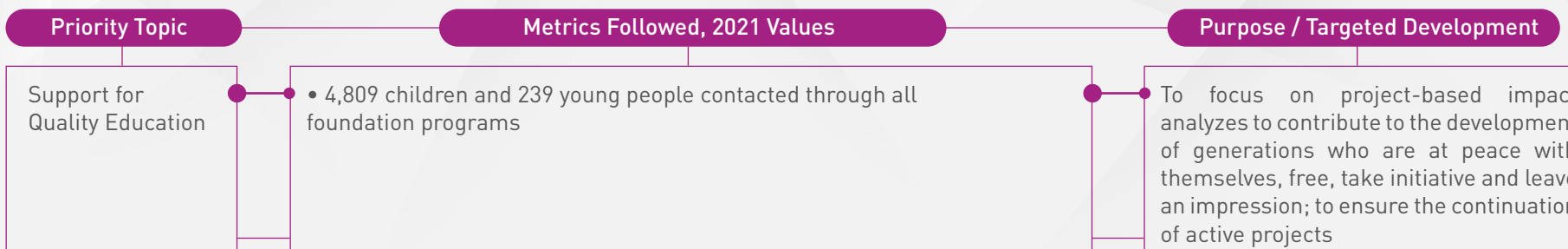
In all our practices on this subject, we have topics prioritized under the titles of contribution to employment - decent work, gender equality and empowerment of working women, employee health and safety, talent and loyalty management, support for quality education with İnci Foundation and İnci Academy, support for the development of institutions, and investment in people and society.

2.1. Support for Quality Education with İnci Foundation

İnci Foundation was established by the late Cevdet İnci in 1985 with the principle of “Support for Education, Service for the Future” to contribute to our country’s efforts to reach the level of contemporary civilization in education. In our first years as the foundation, we focused on permanent works such as dormitories, schools, and educational facilities with educational scholarships for students

of all ages throughout Turkey, especially in the Aegean Region. For the last 6 years, we have been simultaneously conducting education, incentive and networking programs for different age and focus groups in addition to these activities.

• **Our Foundation, which designs inspiring experiences to turn dreams into goals and goals into action with enthusiasm, continues its work to contribute to the development of generations who are at peace with themselves, free, take initiative and leave an impression.**



➤ INVESTMENT IN PEOPLE AND SOCIETY

Related Activities (Cases) Featured in 2021:

Inci Foundation Scholarship Program:

Since its establishment, the Foundation has been providing scholarships in different categories to academically successful students who need support in meeting their educational expenses. Scholarships are not only directly funded by the foundation, but also expand with resources provided by donors/supporters.

It is essential that the scholarship program is not only a program that provides financial support, but that it also includes a training program designed to support the preparation process for business life, as well as to improve the social adaptation skills of the supported undergraduate university students.

• We have had 6,950 scholarship holders since the first day, and a total of 464 scholarship holders from primary education, high school and university in 2021.

The Youth Development Education Program was first held for our undergraduate scholarship recipients during the 2020-2021 academic year. One of the development themes conveyed in this period was "Sustainable Development Goals". In 2021, 43 university students were included in the Youth Development Education Program.

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➤ INVESTMENT IN PEOPLE AND SOCIETY

Inci Foundation Children's Orchestra:

The İnci Foundation Children's Orchestra, which was founded in January 2016, continued its activities in 2021 in partnership with the Bornova Municipality and Music for Peace Foundation with music trainings for students aged 6-18 living in the İzmir Naldöken region and having limited financial access to art education. The purpose of establishing the orchestra, which serves the Sustainable Development Goals of Access to Quality Education and Reducing Inequalities, is to provide children with open access to cultural and artistic activities, and to increase their social, cultural, and artistic skills through peer and community learning. Through the orchestra, it is aimed to develop an awareness of being a community in the participating students, develop different perspectives to overcome difficulties encountered, and be a solution partner to the problems instead of focusing on them. Our orchestra's 2021 April 23rd National Sovereignty and Children's Day Concert was broadcast on the official social media accounts of the İnci Foundation in an ensemble accompanied by children and youth choirs from different regions of Turkey with the soloist Candan Erçetin, and was viewed by 65,000 people.



2021 – THE ORCHESTRA IN FIGURES

The project is within the scope of efforts for quality education and reducing inequalities, which are among the goals of sustainable development,



1
CONDUCTOR



1
SCHOLARSHIP
TEACHER



1
CORPORATE
DONATOR



65
STUDENTS



6
TEACHERS



119
INSTRUMENTS



2
CONCERTS

2022 GOALS

- Implementation of Impact Measurement and Impact Management
- Performing April 23rd National Sovereignty and Children's Day and Republic Concerts with an audience
- Increasing the number of students,
- Organizing educational programs to improve their social skills.

➤ INVESTMENT IN PEOPLE AND SOCIETY

Vocational Training Center:

The Yunus Emre Vocational Training Center İnci Foundation Maxion İnci Branch, which was established in 2017 in cooperation with İnci Foundation, Maxion İnci Wheel Industry Inc. and MEB (Ministry of National Education) with the aim to perform activities for high school students living in the Manisa region and wishing to continue their education in the field of vocational training, supports the closure of the qualified and educated personnel gap needed in the business and production world.

15 new students were admitted to the training center aiming to train qualified CNC Operators for the 2021-2022 academic year; it had its first group of 10 graduates in June 2021, and 8 of the graduates were employed in İnci Holding Group companies.

Our center, which aims to contribute to the employment of qualified technical personnel required by the different industrial zones in Turkey, especially in the Aegean, Manisa Organized Industrial Zone, provided training to a total of 58 students in 2021.



2021 – VOCATIONAL TRAINING CENTER IN FIGURES

The project is within the scope of efforts for quality education and decent work and economic growth, which are among the goals of sustainable development.



10
NUMBER OF GRADUATES



14
NUMBER OF TEACHERS
1 Full Time
1 Volunteer (English)
12 MEB



58
STUDENTS
9th Grade: 10 students
10th Grade: 16 students
11th Grade: 16 students
12th Grade: 16 students



4
NUMBER OF TRAINING BENCHES AND TOOLS

2022 GOALS

- Including all students who will be newly admitted to the center for the 2021-2022 academic year in the Social Skills Development Training program,
- Increasing the number of female students within new student admissions
- Increasing the capacity of the Apprenticeship Center.

➤ INVESTMENT IN PEOPLE AND SOCIETY

Mobile Library:

The purpose of the Mobile Library Service, which has been managed by the Izmir Provincial Directorate of Tourism and ISUZU since 2015, is to encourage students and parents in regions with limited opportunities to take up the habit of reading through the library. As of May 2021, when active access was not possible for the target group, primary school students, the book donation campaign “Kitap Kardeşim Olur musun?” (“Will you be my book sibling?”) was held for 6 months in cooperation with the Book for Everyone Foundation. We achieved our goal by delivering 6,000 books to six schools and founding a library of 1,000 books in one primary school.



2021 – MOBILE LIBRARY IN FIGURES

The project is within the scope of quality education and reducing inequalities, which are among the goals of sustainable development.



86
NUMBER OF BOOK DONORS



7
NUMBER OF SCHOOLS BOOKS DELIVERED



7000
NUMBER OF DONATED BOOKS



4
NUMBER OF BOOK DONOR COMPANIES



7848
NUMBER OF BOOKS EXCHANGED

2022 GOALS

- Continuing the works in the Karabağlar region,
- Activities for the children in the region where there are seasonal agricultural workers,
- Author get-togethers,
- Seminars for students’ parents,
- Planning of an activity with a different social content in 1 pilot school.

➤ INVESTMENT IN PEOPLE AND SOCIETY

Kodinci:

The “coding training”, which was planned to support the development of students in public schools who are curious about software and to prepare them for the professions of the future, was aimed to start at Gaziemir Atıf Bey Neighborhood Home with the support of Gaziemir Municipality. The aim of the project, which started as a pilot application in 2020, is to teach 9th and 10th grade high school students the basics of electronic circuit design and programming, for them to develop the ability to create a new product with the use of technology, an algorithmic thinking approach and design-oriented thinking skill. With our project, students gained awareness about the advantages of production through technology and how they can work in this direction by studying basic level electronics and software.



2021-KODİNCİ IN FIGURES

The project is within the scope of efforts for quality education and decent work and economic growth, which are among the goals of sustainable development.



2022 GOALS

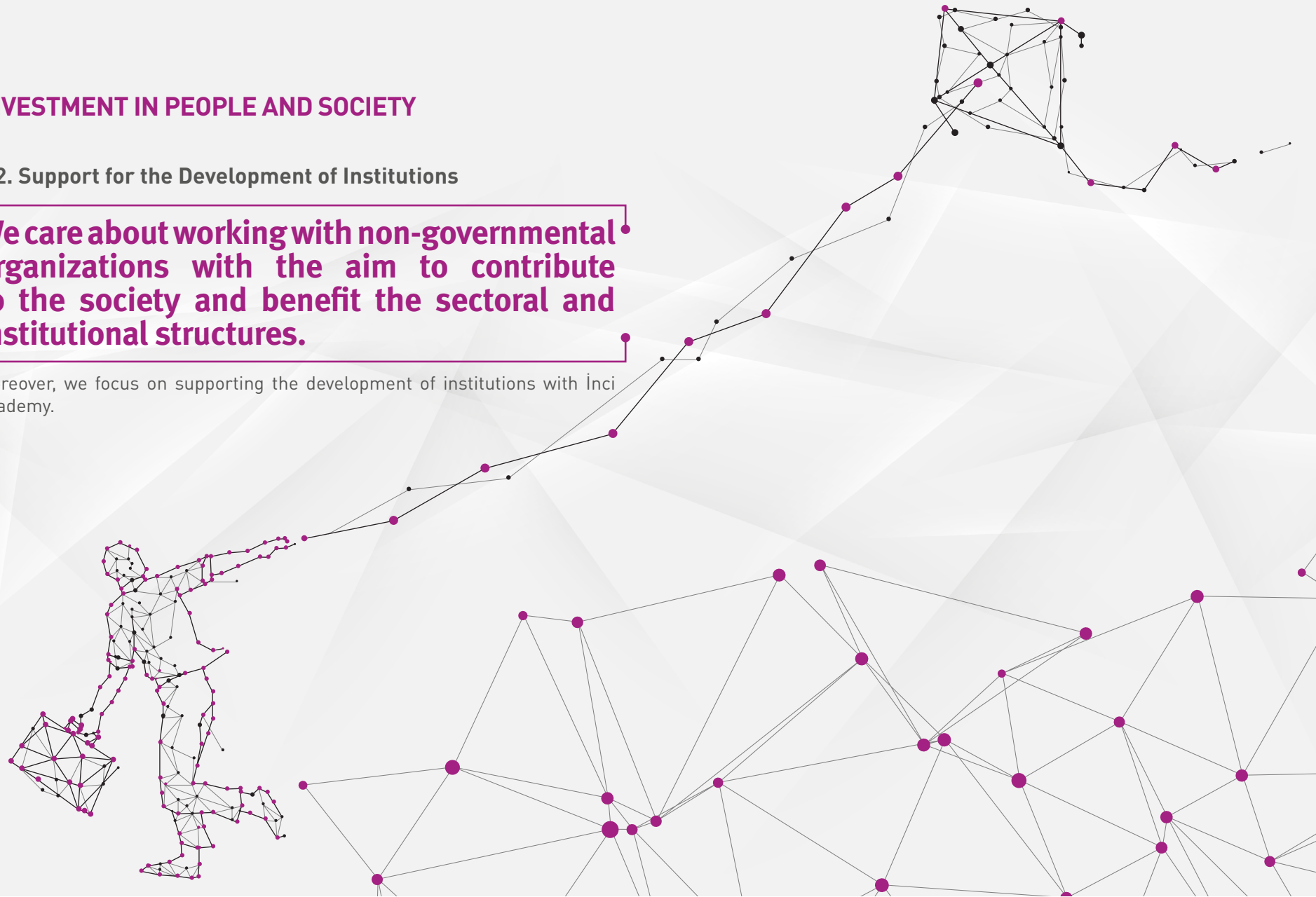
- Completion of educator educations,
- Starting educating the students of the same age or younger by the students who completed their education.

➤ INVESTMENT IN PEOPLE AND SOCIETY

2.2. Support for the Development of Institutions

• **We care about working with non-governmental organizations with the aim to contribute to the society and benefit the sectoral and institutional structures.**

Moreover, we focus on supporting the development of institutions with Inci Academy.



➤ INVESTMENT IN PEOPLE AND SOCIETY

Our Institutional Memberships

As İnci Holding, our relations with non-governmental organizations have always been among our focus areas, and non-governmental organizations have been among our most important stakeholders.

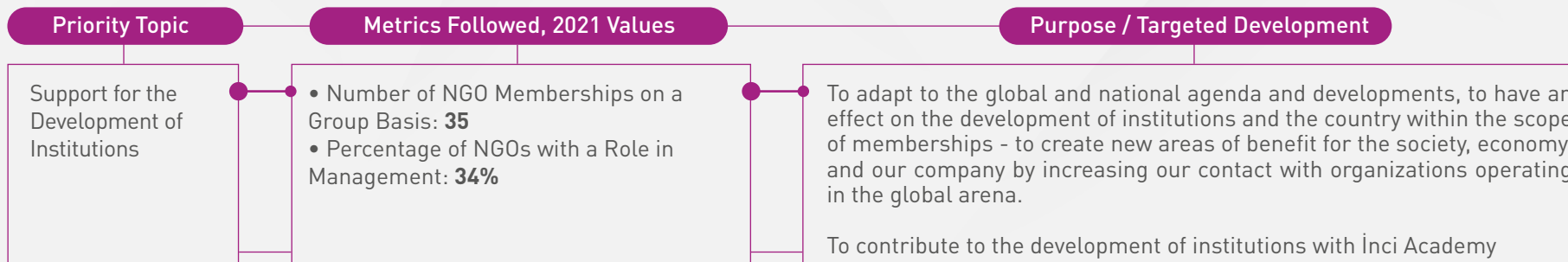
Being able to contribute to the society, the environment, and the region we serve through NGOs with knowledge and experience sharing is a priority in our efforts and activities.

In addition to 35 NGOs of which we are members on a group basis, we also take an active role in the management of 12 NGOs.

We care about collaborations that we can take part in with NGOs, and we actively participate and exchange information in internal and external application sharing of İnci Holding, as well as in all thematic working groups and committees of NGOs. We contribute to the monthly bulletins of NGOs and provide internal communication. We provide content and training support with our experts to the basic training programs of NGOs or their events such as summits, webinars, etc. We believe in the unifying and guiding power of NGOs on following sectoral developments and contributing to the legislative arrangements through NGOs, as well as forming a common sectoral view and conveying the necessary points through official contacts.

While the areas we benefit from are Sustainability, Green Deal, Climate Change and the Paris Agreement, Circular Economy, Foreign Trade Practices, Government Supports, Digitalization, Entrepreneurship, Energy, Relevant New Regulations and Fairs, the scope we contribute to is as follows: Sustainability, Gender Equality, Institutionalization, Institutionalization in Family Companies, Ethics, Experience Sharing, Regional Collaborations, Concept Note Preparations on Sectoral and Technical Topics, Contribution to Publications, Support for Work Groups Projects...

In addition, we came together with all our companies in 2021 and reviewed the future memberships that could support our companies to create common value in their sustainability journey. Our goal in the coming years is to create new areas of benefit for the society, economy and our company by increasing our contact with organizations operating in the global arena.



➤ INVESTMENT IN PEOPLE AND SOCIETY

PLATFORM, INDUSTRIAL ZONE, NGO MEMBERSHIPS MONITORED BY İNCİ HOLDING WITHIN THE SCOPE OF RELATIONS WITH NGOS

WE ARE A PART OF MANAGEMENT OF THE FOLLOWING ORGANIZATIONS

- ASSOCIATION OF TURKISH INDUSTRIALISTS AND BUSINESSPEOPLE (TÜSİAD)
- ASSOCIATION OF AEGEAN INDUSTRIALISTS AND BUSINESSPEOPLE (ESİAD)
- ASSOCIATION OF YOUNG AEGEAN BUSINESSPEOPLE (EGİAD)
- ASSOCIATION OF ETHICS AND REPUTATION (TEİD)
- TURKISH ASSOCIATION OF CORPORATE MANAGEMENT (TKYD)
- TAİDER ASSOCIATION OF FAMILY BUSINESSES
- BOARD OF FOREIGN ECONOMIC RELATIONS (DEİK)
- TURKISH ASSOCIATION OF PEOPLE MANAGEMENT (PERYÖN)
- TURKISH FOUNDATION OF TECHNOLOGY DEVELOPMENT (TTGV)
- ASSOCIATION OF VEHICLE SUPPLY INDUSTRIALISTS (TAYSAD) - (Group company membership)
- UNION OF AUTOMOTIVE INDUSTRY EXPORTERS (OİB)
- İZMİR ITALIAN CHAMBER OF COMMERCE ASSOCIATION

WE ARE A MEMBER OF THE FOLLOWING ORGANIZATIONS

- EUROPEAN ASSOCIATION OF AUTOMOTIVE SUPPLIERS (CLEPA)
- İZMİR CHAMBER OF COMMERCE (İZTO)
- FAMILY BUSINESS NETWORK (FBN)
- ASSOCIATION OF BUSINESS WORLD AND SUSTAINABLE DEVELOPMENT (SKD)
- UNITED NATIONS GLOBAL COMPACT
- UNITED NATIONS WOMEN'S EMPOWERMENT PRINCIPLES (UN WEPs)
- TURKISH INSTITUTE OF INTERNAL AUDITING (TİDE)
- ASSOCIATION OF CORPORATE RISK MANAGEMENT (KRYD)
- ASSOCIATION OF CORPORATE COMMUNICATORS (KİD)

GROUP COMPANY MEMBERSHIPS

- ASSOCIATION OF DISTRIBUTORS AND MANUFACTURERS OF STACKING MACHINES (İSDER)
- ASSOCIATION OF INDUSTRIALISTS OF VEHICLE BATTERIES AND RECOVERY (AKÜDER)
- MANISA ORGANIZED INDUSTRIAL ZONE
- AUTOMOBILE TECHNOLOGY PLATFORM (OTEP)
- ASSOCIATION OF EUROPEAN AUTOMOTIVE AND INDUSTRIAL BATTERY MANUFACTURERS (EUROBAT)
- ADVANCED LEAD ACID BATTERY CONSORTIUM (ALABC)
- MANISA CELAL BAYAR UNIVERSITY, UNIVERSITY-INDUSTRY COLLABORATION TECHNOLOGY PRACTICE AND RESEARCH CENTER
- MANISA R&D AND DESIGN CENTERS COLLABORATION PLATFORM (MATİP)
- IMPACT 2030 TURKISH IMPACT COUNCIL - SOCIAL IMPACT PLATFORM
- TURKISH QUALITY ASSOCIATION (KALDER)
- AEGEAN STRATEGIC SYNERGY PLATFORM (ESSİP)
- ASSOCIATION OF MANUFACTURERS AND EXPORTERS OF PORTABLE BATTERIES (TAP)
- SOLARBABA CLEAN ENERGY CONVERSION PLATFORM
- INTERNATIONAL SOLAR ENERGY SOCIETY - TURKISH DIVISION (GÜNDER)

➤ INVESTMENT IN PEOPLE AND SOCIETY

2.3. Contribution to Employment - Decent Work

As İnci Holding and group companies, we care about contributing to the employment of the young population. We have been running our Genç İnci project as a sustainable success story since 2012 with the aim to encourage young people's participation in the workforce, increase their employability and contribute to the business world.

Related Activities (Cases) Featured in 2021:

Genç İnci Program

Genç İnci Program, which we position as an important leverage point in talent acquisition, successfully completed its 8th term in 2021 as well. In 2021, 8 of the 12 people included in the program were employed in our group companies. So, the overall employment rate was increased by 4%, resulting in an increase compared to previous years. We continue to work with 37% (36 people) of the 98 people included in the program as of the 8th term.

• We were awarded for being among Turkey's top 100 most admired companies with the Genç İnci program in the TOP 100 Talent Program 2021 list organized by the Top Talent career platform.



Priority Topic

Metrics Followed, 2021 Values

Purpose / Targeted Development

Contribution to Employment - Decent Work

- Increase in employment rate in the Genç İnci Program: **4%**
- Female employment rate in the Genç İnci program: **25%**
- **3,054** employees in total
- Female: **283**
- Male: **2,771**
- Full Time: **2,957**
- Part Time: **97**
- Under 30 Years of Age: **664**
- Between 30-50 Years of Age **2,247**
- Over 50 Years of Age: **143**

To increase the employment rate in the Genç İnci Program, To increase the female employment rate

➤ INVESTMENT IN PEOPLE AND SOCIETY

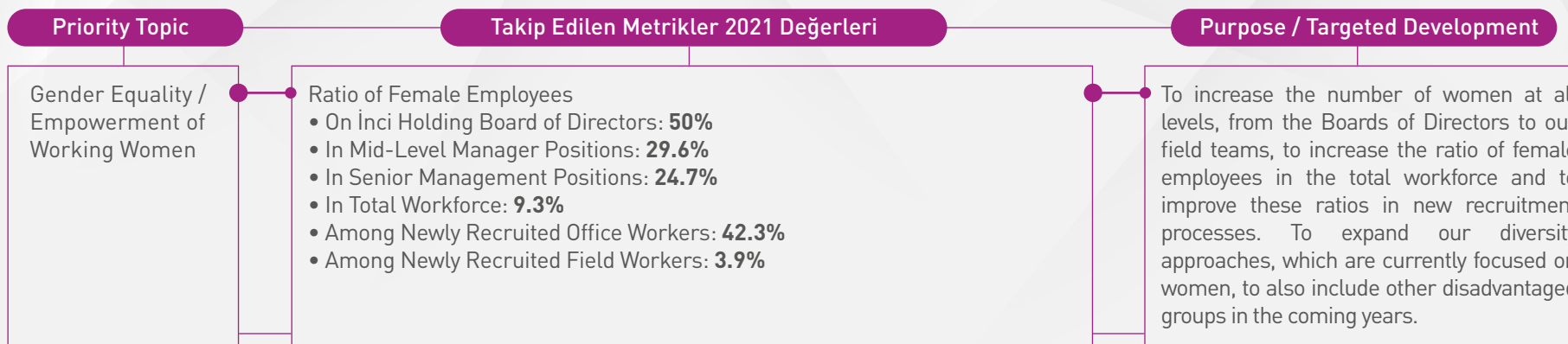
2.4. Gender Equality / Empowerment of Working Women

Inclusion, diversity, and equality in society are among our main values. In this regard, we implement practices that will set an example for both the sector and the society we live in. With the actions we have taken, we support the economic empowerment of women in the business world and society.

While efforts on the principle of Equal Pay for Work of Equal Value continue globally, as İnci Holding, we take care to manage this sensitive topic correctly. We therefore have a human resources approach that supports equal pay for equal work. With our group companies, we conduct various social responsibility projects for women to take part in business life. In this context, we maintain internship programs where we offer employment opportunities only to female employees, and our awareness communications where we support global solidarity movements that address gender inequality.

Women's Empowerment Principles (WEPs), one of the most important global initiatives of the private sector, was signed by İnci Holding in 2016.

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➤ INVESTMENT IN PEOPLE AND SOCIETY

Related Activities (Cases) Featured in 2021:

Maxion İnci and Maxion Jantaş:

- We support the #HeForShe campaign, which is a global solidarity movement based on the idea of defining gender inequality as a socio-economic and political problem and launched in 2014, by the United Nations Gender Equality and Women's Empowerment Unit to promote gender equality.

In this context, we maintain awareness communication in this area with the motto #AdıylaSaniylaEşitlik. The "Diversity and Inclusion Committee" and "Sustainability Committee" are actively working in our governance structure in Maxion İnci Wheel Group. The e-MaxIntern Online Internship Program, which aims to provide employment only to female employees, launched in July 2021 with 14 female students.

The project aims to create a database to contribute to women's employment in the automotive industry, to contribute to our companies' strategy to support "Gender Equality", to discover young talents, and to include female engineers in new graduate programs. Efforts in this direction were certified in 2021 with the Equality for Women at Work Certificate, which our Maxion İnci Wheel Group received after the audit carried out by the Sustainability Academy and the British independent audit company Intertek.



➤ INVESTMENT IN PEOPLE AND SOCIETY

İncitaş: Based on the principle of women being more active in all areas of life and taking part more intensely especially in employment, we stand against gender-oriented approaches in new employment or promotions-appointments, and stand for positive discrimination with the principle of giving women opportunities in all areas.

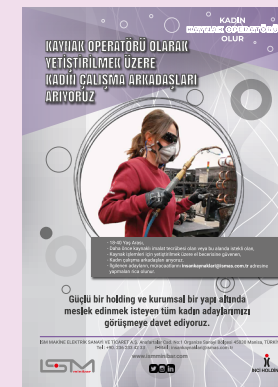
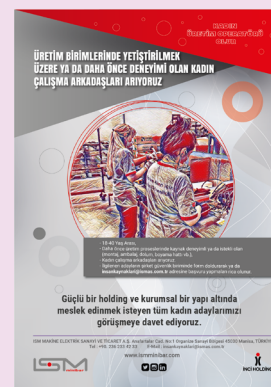
İnci GS Yuasa: As İnci GS Yuasa, we strive to create a workplace environment where all employees feel safe and valued, and are respected and accepted in terms of diversity, equality, and inclusion, and we adopt an approach where we are against all forms of discrimination. We offer equal opportunities to our employees in all human resources processes such as recruitment, remuneration, promotion, and training.

• An example of our commitment to this principle is that 60% of İncitaş employees, who are all white-collar employees, are female and 66% of its managers are female.

• Since we are in a sector where employment is dominated by males, we give priority to employing female candidates among candidates with the same competency and experience with the aim to increase the number of female employment.

ISM: As ISM, we implemented the “Women Employee Ratio Action Plan” to ensure the equal distribution of men and women in the field of production, as in all areas of life. By examining the distribution of employees, we directed our experienced female employees in departments where the number of female employees is more, to the departments where the number of female employees is less or there is none, and thus we provided rotation among departments. With rotations, permanent department changes were made for some employees. To employ female employees for the vacant positions, job postings specific to “female employees” were published, and the recruitment processes started. In the second part of the project, a training program was launched for welding operations, where women have almost never been employed in Turkey. We formed a curriculum that includes both theoretical and practical training for our “welding operator” need.

• With the project we started in April 2020, the number of female employees working in production reached 16 by the end of 2021. In 2022, we aim for 25% of the number of employees in production to be women.



➤ INVESTMENT IN PEOPLE AND SOCIETY

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Yusen İnci Logistics: We believe in the importance of women being actively involved in all areas of business. We work with the principle of equal opportunity in all human resources procedures and practices. In the logistics sector, where it is thought that male employees are the majority, the ratio of our female employees among white collar employees is 40%, and in our warehousing operations, we outsource handling done by female employees of a subcontractor.

Our target as Yusen İnci Logistics is to increase employment of women in our warehousing operations, as well.



Vinci – “Beyond the Billion” Initiative: As Vinci, we support the partnership campaign established with the “Beyond the Billion” Initiative of Arya, Turkey’s only women-focused investment platform, which enables more women with access to finance and raises awareness about investing in women entrepreneurs among venture capitals.

Business World Stands Against Domestic Violence: As İnci Holding, we support the struggle against all kinds of physical, emotional, economic, and cyber violence against women. We agreed to be one of the pilot companies in the “Business World Stands Against Domestic Violence” BADV project, which started in 2016. The BADV project is a successful project demonstrating that the private sector may be an active actor in preventing gender-based violence events in the workplace and establishing the necessary mechanisms to intervene in such events. Our company, which is engaged in the struggle against domestic violence, which is one of the obstacles to the increase in women’s employment and to women being more productive in working life, since it is a problem that no employer can ignore, has established the “İnci Holding Stands Against Domestic Violence” policy. With the internal trainers trained in-house, it provided trainings for the whole group.

Gender Equality Workshop: In the Gender Equality Workshop we held with the participation of Human Resources and Corporate Communication Teams in 2021, we worked on gender equality in communication and transforming it into behavior in the corporate field, increasing women’s employment and improving working environments, and aligning it with how we can plan and spread our future steps to be taken with our group companies. We set common goals on a group basis..

We follow the goal of completing 30% of 2022 recruitments with female candidates.

➤ INVESTMENT IN PEOPLE AND SOCIETY

2.5. Employee Health and Safety

We constantly improve processes to prevent work accidents, and make the necessary investments to ensure that accident results are traceable and accountable.

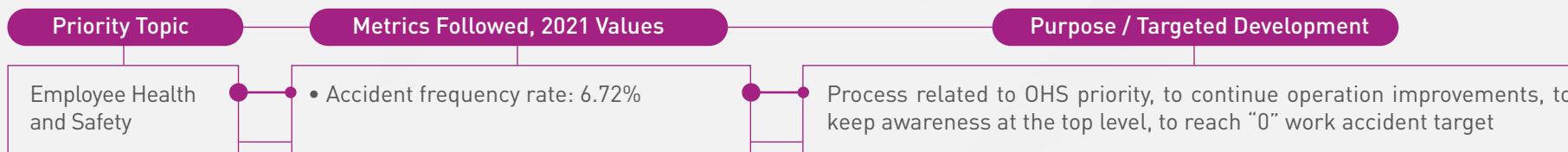
We respect human rights in all regions we operate, comply with national and international human rights legal regulations, and expect our business partners to comply as well.

As Inci Holding and its group companies, we proactively identify risks with the risk-based approach of the Occupational Health and Safety Management System in all of our activities, and thus aim to ensure measures to be taken from the very beginning of the process. Based on the risk analysis assessments determined within Inci Holding, job-specific risk assessments and Job Hazard Analyses are carried out for the work item to be performed. Employees and interested parties are included in these analyses. The risks identified as a result of the risk assessments and the steps to be followed are evaluated by the OHS-Employer and handled in accordance with the risk management hierarchy. Elimination, substitution, engineering controls, administrative controls and provision of personal protective

equipment steps are followed respectively, for any risk identified according to the risk management hierarchy. With this assessment and the determined measures, it is ensured that the risks are at an “acceptable” level, and risks and precautions are shared with all employees. Besides, care is taken for the emergency action plan to be in viable preparation within Inci Holding and for the emergency coordination team to participate in the relevant special competency trainings. Disaster awareness training, office occupational safety training, and basic occupational safety training are planned and implemented immediately for new employees at Inci Holding and periodically for active employees. Basic occupational health and safety trainings are carried out in detail specific to business line/site definitions as well.

As Inci Holding, we continue to implement innovations in the field of OHS due to the plans we determined. With the OHS Awareness awards given every year, we reward our companies that achieve the best improvement in accident frequency rates.

In 2021, ISM Minibar won the OHS Awareness Award with an improvement of 67% compared to the previous year.



➤ INVESTMENT IN PEOPLE AND SOCIETY

2.6. Talent and Loyalty Management

The main tools we use while managing the talent and loyalty of our employees are our performance management system, training and development activities, communication and feedback mechanisms.



Priority Topic	Metrics Followed, 2021 Values	Purpose / Targeted Development
Talent and Loyalty Management	<ul style="list-style-type: none"> • 22 hours of training per employee on average (in-classroom + online + e-learning) • Ratio of employees subject to regular performance assessment: 97.9% • IH Great Place to Work Employee Survey General Perception Score: 72% • IH Confidence Index Score: 77% • IH Workforce Turnover Rate: 8% 	To monitor performance feedback and workforce turnover rate to retain talents; to improve employee survey scores

➤ INVESTMENT IN PEOPLE AND SOCIETY

Related Activities (Cases) Featured in 2021:

Our İnci Academy Activities

Being aware of the parallelism between the personal development of our employees and the development of our company, we encourage our employees to participate in internal and external trainings in line with their needs for their career plans. We carry out training activities through İnci Academy, which we established to provide qualified training services to both our subsidiaries and all companies in our ecosystem other than our subsidiaries.

İnci Academy is an important solution partner of the business world for development and change. It designs special training programs on organizational development topics such as digital transformation, leadership and competence development, institutionalization in family companies, and corporate social responsibility for the needs of institutions. It aims to be a development partner that will benefit individuals and the business world with open trainings for the participation of all companies in the Aegean Region, especially İnci Holding group companies. In addition, it transfers all its non-profit income to the scholarship fund of the İnci Foundation.

İnci Digital Academy: We launched the İnci Digital Academy in 2021 so that employees can receive the training they want, whenever and wherever they want, according to their learning habits in the light of the latest trends and methods, in today's fast-paced working environment.

We enriched İnci Digital Academy, which is an e-learning system, with training programs specially designed for our organization and content we developed.

We have made our training needs analyses more effective thanks to the reports we receive from the system. While the average training time our employees spent on the system in 2021 was 8.9 hours, this period was 10.4 hours as of July 2022.

The screenshot displays a grid of training modules. Each module includes a title, a duration, and a completion status. The modules shown are:

- Kısa Kısa: Kişisel Mükemmellik Seti** (57 dk)
- Kısa Kısa: Etkili İletişim Teknikleri** (32 dk)
- Microsoft Planner Eğitimi** (54 dk)
- Microsoft Power BI Eğitimi** (7 sa 29 dk)

Below these, a section titled "Tamamladıklarım" (Completed) shows four completed modules, each with a score of 100%:

- Verimlilik ile Dijitalleşme (EGİAD-Nokia)** (100 PUAN)
- Kişisel Verilerin Korunması Kanunu** (78.3 PUAN)
- "ETİK İLKELERİMİZ-Tazeleme Eğitimi"** (100 PUAN)
- "İlham Veren Bir Kadının Yaşam Öyküsü: Bedriye Berber Engin"** (100 PUAN)

➤ INVESTMENT IN PEOPLE AND SOCIETY

Microsoft Artificial Intelligence Academy: Declaring “Digital Transformation transforms not only the way we do business, but also our lives!”, we implemented Microsoft Artificial Intelligence Academy training with the participation of our Holding and group companies’ employees and in cooperation with Microsoft.

A total of 26 group employees worked on creating digital solutions to the problems that groups faced in different areas at companies by using artificial intelligence applications of Microsoft, with theoretical and practical training for 6 weeks.

The program managed by İnci Academy was completed with a success score of 4.4/5.

Leader’s Backpack: Our employees, in 2 groups, participated in the 4-month leadership development journey set out with the aim to enhance the environment of trust, to take initiative, to strengthen the reflexes of open communication, thinking and working together, which are among the critical elements of our corporate culture. The program concluded successfully with inclusive decision-making practices, awareness of personal values affecting time management, and learning from each other and taking action.

Design Lab: With the program, it was aimed to develop behavioral competencies such as empathy, curiosity, learning by doing, creative self-confidence, teamwork, and human-oriented thinking, as well as technical competencies such as design-oriented thinking and learning by doing.

Our 39 employees participated in the 4-month training program designed in parallel with the “Design Thinking” methodology.

The groups completed the program with the achievements of producing tangible products and services in areas such as the spread of good practices that add value to our organization and adding value to the entrepreneurial ecosystem. Our goal in 2022 is to integrate agile ways of doing business into our processes by implementing the “Agile Laboratory” program, which is the continuation of the “Design Lab” program.

New Post-Pandemic Working Model: The “Employee’s Voice” study, which was implemented to improve employee experience and productivity, showed us that İnci Holding employees prefer hybrid working. A Design Team from different departments was formed with employee experience design methodologies based on the “Do nothing about me without me” approach and the “Design Sprint” study was carried out. The principles of the “New Working Model” determined in this way were gathered under the titles of Flexibility of Space, Flexibility of Time, and Supports for Remote Working. The model was finalized by displaying multidimensional thinking so as to cover all operational, financial and human dimensions. İnci Holding employees are able to work remotely, with 1 day a week fixed and 1 day flexible.

➤ INVESTMENT IN PEOPLE AND SOCIETY

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SüPer İnci: Continuous Performance Management for Sustainable Success: The acceleration of digitalization in all areas, the critical need for technological skills, and 5 different generations working at the same time in business life required us to change, stretch and accelerate some norms in business life. In addition, the importance of creating an interactive culture in order to be successful and to make this success sustainable has also been demonstrated with the working conditions caused by Covid-19.

- In order for the message targeted for success to be delivered much more effectively and quickly by simplifying our performance management processes in line with these trends, we aimed to design a simple and modular setup that follows key business results in short periods.

With our SüPer İnci Continuous Performance Management design and platform, we transformed the performance management process at İnci Holding to meet the needs of our time.

Yuflex from Yusen İnci Logistics: As Yusen İnci Logistics, we have initiated a flexible fringe benefit system called Yuflex. Those working with Yuflex create their own packages by staying within the fringe benefit budgets defined for their positions. They choose the ones that are suitable for them among many options, from digital television channel subscriptions to ecommerce shopping site gift checks, from additional fuel to meal card top-ups. We aim for this application to have a positive impact on becoming a preferred workplace by employees.

Maxionmix Flexible Fringe Benefits Program: We offer Flexible Fringe Benefits Packages for BES, Private/Complementary Health Insurance, social benefits depending on the preferences of our employees, as well as for vacation, moving, education, hobbies, check-ups, technology, fuel, donation aids and student supports. We identify and monitor key performance indicators to achieve the targets of "The Most Desired Company to Work For, the Most Reputable Company" in local and international platforms.

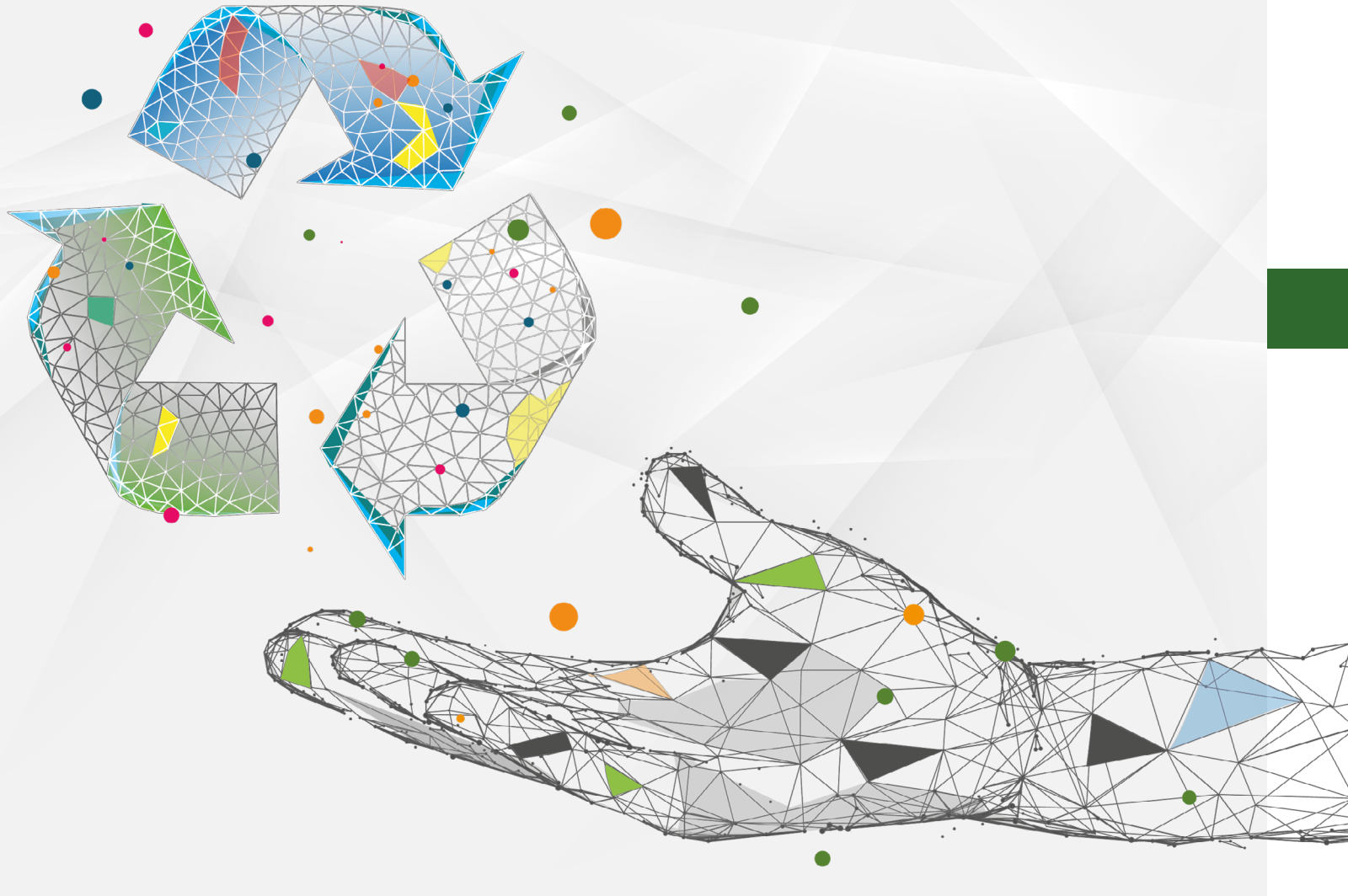
- İnci Holding has been granted the "Great Workplace" certificate by the Great Place to Work® organization, the only employee experience platform that offers global measurement and is based on 30 years of research data, with a general perception score of 72% and a confidence index score of 77%.

Employee Support Program from Maxion İnci Wheel Group: The Employee Support Program is a 24/7 consultancy and information service, from which employees and their family members can benefit, provided by experts in the fields that can create stress for people. While helping to solve the problems that affect the performance of employees, it ensures that they are happy in the working environment and that problems due to stress are minimized. While solving the adaptation and communication issues of our employees with this study, we also aim to increase efficiency, sense of belonging and satisfaction in the organization.

İnci GS Yuasa Next Generation Leadership Program: İnci GS Yuasa was granted the bronze award with the "Next Generation Leadership Program" in the "Excellence Awards" organized by the Brandon Hall Group, one of the most prestigious companies in the world providing consultancy services in human resources, training, and development topics. The program, which is designed to develop the leadership skills of senior executives, is based on the use of online platforms, group coaching and learning through discussion. Within the scope of the training, strengthening the communication of managers with their teams and achieving the "Positive Approach" value inside the organization constitute an important part of the program. Introduced to this program, which is prepared according to the goal of lifelong learning, managers help each member in their teams develop their knowledge and skills through the training they receive.

[GRI 303-1, GRI 306-1, GRI 306-4]

➤ INVESTMENT IN RESPONSIBLE PRODUCTION AND RESPONSIBLE CONSUMPTION



➤ INVESTMENT IN RESPONSIBLE PRODUCTION AND RESPONSIBLE CONSUMPTION

3.1. Efficient Use of Resources

While the world continues to warm, extreme weather events are becoming more frequent and severe. As this causes high costs, it also increases the possibility of conflict in regions adversely affected by climate change. While we were continuing to establish our sustainability strategies, we primarily addressed the issue of de-carbonization in 2021. Like every company, we have a lot to do for the climate.

We carry out product and process development studies to minimize our negative impact on the environment by following global developments, as well as agreements such as the Green Deal.

We also consider the many direct or supply chain-based indirect impacts of “Fit for 55” and the Carbon Border Adjustment Mechanism, which include the steps that Europe should take to reduce its emissions by 55% in 2030, and propose new regulations and mechanisms in this regard on our manufacturing companies.



There are possible impacts of “Fit for 55” in the sectors we operate:

Wheel:

- Risk of increase in costs with aluminum and steel sectors ranked as priority sectors in carbon regulations at the border
- Additional requests from customers in Europe as well as carbon border adjustment

Battery:

- Changes in CO2 performance criteria specific to internal combustion engine vehicles in the automotive industry
- In addition to the recommendations regarding fuel, sanctions regarding the supply of parts
- Changes in CO2 performance criteria specific to internal combustion engine vehicles in the automotive industry
- In addition to the recommendations regarding fuel, sanctions regarding the supply of parts
- Customer Portfolio turning to Lithium Traction



➤ INVESTMENT IN RESPONSIBLE PRODUCTION AND RESPONSIBLE CONSUMPTION

Logistics:

- Proposal for transition to alternative and sustainable fuels in RefuelEU and FuelEU aviation and maritime activities
- Taxation of fuels according to their energy content and environmental performance in the tax directive amendment proposal
- Cost increases in transport and logistics activities in the European region

Tourism Equipment:

- Increase in costs as the supply chain is affected by new regulations

We create our strategic plans with our companies against developments, risks and sanctions in the international arena, and strive to take part in every step taken for the struggle with the climate crisis, low-carbon production and sustainability.

In the light of the developments that emerged in the sustainability priorities of our companies in 2021 and were brought about by agreements such as the Paris Agreement and the Green Deal, we determined our de-carbonization roadmaps and implemented our "Carbon Footprint Calculation and Target Setting Project". In this project, we calculated the consolidated carbon footprints and carbon densities of our companies and the group with the project teams we formed in all group companies of Inci Holding. Later, we defined our reference and target years again for all our companies and the Inci group and set our annual greenhouse gas emission reduction targets. At this



point, we have chosen targets that will protect our competitive advantage and comply with the roadmap that limits global warming to 1.5 degrees while determining our priority targets. For 2030, we have set an absolute reduction target of 50% compared to our reference year 2018. On our way to decarbonization, in line with the targets we set with our companies until 2030, each of our companies determined their carbon reduction roadmaps, and we continue to work on them.

➤ INVESTMENT IN RESPONSIBLE PRODUCTION AND RESPONSIBLE CONSUMPTION

In addition, we implement environmentally friendly practices such as waste management, energy efficiency and efficient water use in Inci Holding and our companies and maintain their continuity. We evaluate the direct and indirect environmental impacts due to our operations and are committed to reducing these impacts. With the awareness of our responsibilities towards society in reducing the use of natural resources and protecting nature, we accept global warming and climate change as risks, and raise the awareness of our stakeholders on this issue. We closely follow developments such as carbon border adjustment, energy tax regulation, emissions trading system, social climate fund, and review our strategies and actions in the light of changes.



We Will Reduce Our Scope 1 and Scope 2 Emissions by 50% by 2030

(Reference year: 2018)

Priority Topic	Metrics Followed, 2021 Values	Purpose / Targeted Development
Efficient Use of Resources	<ul style="list-style-type: none"> Total Direct Energy Consumption: 4,563,197 MWh Total Indirect Electricity Consumption: 833,883 MWh Scope 1 Greenhouse Gas Emission: 40,538 tons of CO₂ Scope 2 Greenhouse Gas Emission: 64,474 tons of CO₂ 1,429,874 m³ of total water consumption 	To achieve a 50% reduction in the Carbon Footprint by 2030, To focus on the use of Renewable Energy, To develop water reduction projects

➤ INVESTMENT IN RESPONSIBLE PRODUCTION AND RESPONSIBLE CONSUMPTION

Related Activities (Cases) Featured in 2021:

Resource Efficiency Practices in ISM: At ISM, we manage our operations with end-to-end environmentally friendly practices:

- At the facility, we conduct energy efficient production and energy efficient product studies with the instant data collected. LED lighting transition was provided at the facility with the electric infrastructure and machinery renewals.

• With the energy monitoring system at ISM, 29% saving was achieved in electricity consumption per product in 2021.

- We continue to make investments for the use of natural cooling gases by eliminating the use of gases with greenhouse effect in our production facility and products.

• As of March 2021, the transition to environmentally friendly R600, R290 gases, which have no effect as greenhouse gases and on the ozone layer, was achieved 100% in all operations and products produced at the facility.

- In our production facility, which has been in compliance with the ISO Integrated management system since 2014, the processes are carried out within the framework of ISO 9001, ISO 14001 and ISO 45001.

Energy Management in Maxion İnci Wheel Ind. Inc.: In our Maxion İnci Wheel Group, which was entitled to receive the Energy Management award with the “Aluminum Wheel Production Energy Management Model Project” (Maxion İnci Energysaver) in the energy management category at the Sustainable Business Awards and puts sustainability at the center of its activities, we monitor wheel-based energy data in our production processes in aluminum wheel factories, and provide improvements made on a component basis. We take quick actions on equipment that exceeds the daily limit through regular controls and measurements made with the energy tracking system, and aim to operate the machinery in the most efficient way.

• With an improvement of 2.5% in the total amount of electricity consumed annually.

through the projects carried out, a total of 15M kWh of electrical energy was saved between 2012 and 2020.

• An annual reduction of 3.4% was also achieved in natural gas consumption.

resulting in a total saving of 25M kWh between 2012 and 2020. Thus, a total of 7,657 tons of equivalent carbon emissions were prevented between 2012-2020.

IMPACT2030 “Employees Teach Global Goals” Program and Water Explorer Program at Maxion İnci Wheel Group: In our Maxion İnci Wheel Group, we work to reduce the environmental impacts of our production activities (water consumption, energy consumption, carbon management, etc.) in line with the Sustainable Development Goals, and also carry out important work to transfer resources and values to the future in social impact and transformation. Believing that the way companies do business requires change and transformation, Maxion İnci Wheel Group is the first organization in Turkey to start and spread the “Employees Teach Global Goals” Program developed by IMPACT 2030 in cooperation with the World’s Largest Lesson. The new term of the “Water Explorer Program”, a fun, inspiring, educational, and web-based program that enables thousands of students around the world to take joint action on water issues in their schools and communities to pass on current values to future generations, was started by Maxion İnci Wheel Group in Turkey. The Water Explorer Program, in which institutions from 11 countries come together under the leadership of Global Action Plan UK, an international non-governmental organization based in England, aims to create water awareness among students aged 8-14 and to make them water advocates. The program encompasses four water-based mission areas (Hidden Water, Precious Water, Global Water, Fresh Water).

➤ INVESTMENT IN RESPONSIBLE PRODUCTION AND RESPONSIBLE CONSUMPTION

3.2. Development of Environmentally Friendly Products and Services

The title of environmentally friendly products and services is one of our focuses in the strategic areas that we define as the business areas of the future in line with our vision. Accordingly, we attach importance to the development of products and services in our current fields of activity and new investments in this direction.

Related Activities (Cases) Featured in 2021:

ISM-Chromium 6 Project: As ISM, we launched the “Chromium 6” project to research corrosion inhibitors complying with European Union legislation for metal pipe alloys used in the absorption cooling system of mini refrigerators. The focus was on developing corrosion inhibitors by using metal oxides as an alternative to Chromium 6, which is used as a corrosion inhibitor in the current system. In addition, Nitrite, which is frequently used in steel materials, was included in this mixture medium as the inhibitor material. An action was taken to reduce environmental impact with the selected inhibitor.

We reduced the amount of chromium 6 used before the project by 73% with the project.

A more environmentally friendly production was switched with a lower value, below the maximum Chromium 6 usage limit specified in the target Rosh directive.

Battery Supply to Electricity Generating Systems in İncitaş: İncitaş continues its investments in line with the needs in the clean and sustainable energy field in the industry, and has been supplying batteries to off-grid systems that generate electricity with solar energy since 2018. Besides, it increases the sector’s knowledge about energy storage as a participant or sponsor in important fairs and events in the industry and continues to create informative content for the industry. It also provides various models of mobile storage products for users who cannot install GES or for consumers who need certain energy in a more limited time, and it can thus meet the needs of users with portable energy storage according to personal needs and power.

In 2021, the share of income from sustainable products at İncitaş in the total turnover is 7.36%.



➤ INVESTMENT IN RESPONSIBLE PRODUCTION AND RESPONSIBLE CONSUMPTION

3.3. Waste Management and Circular Economy

The circular economy is a production and consumption model that includes sharing, leasing, reusing, repairing, renewing, and recycling existing materials and products for as long as possible, instead of the “linear economy” that has adopted the manufacture, use and discard process.

We shape our circular economy activities with the fundamental principles of eliminating waste and pollution and reusing products and materials, and support our processes with transition to renewable energy and materials.

In our waste management activities, our primary priority is to hinder and reduce the amount of waste produced. We try to select products (including packaging) that require the least resources for production. Furthermore, we prioritize efforts at the individual and corporate level to move away from single-use or disposable products wherever possible. If the consumption of a product cannot be hindered, we receive training on how to reuse reusable products. If a product cannot be reused, the next best option is to recycle it. Recycling, like reusing, keeps materials in the cycle. Since recycling requires resources to transform wastes into reusable materials, we pay attention to risk and opportunity analyses from different perspectives while determining our actions. The last and least desirable step in the waste hierarchy is disposal. This often means going to waste or incinerating without energy recovery. This will inevitably happen to some waste; however, we try to avoid and improve ourselves as much as possible thanks to our rigorous sustainable waste management efforts.



➤ INVESTMENT IN RESPONSIBLE PRODUCTION AND RESPONSIBLE CONSUMPTION

Related Activities (Cases) Featured in 2021:

Waste Management and Circular Economy Practices at ISM: Under the Waste Electrical and Electronic Equipment (WEEE) Control Regulation, we collect the expired products put on the market through the licensed institution.

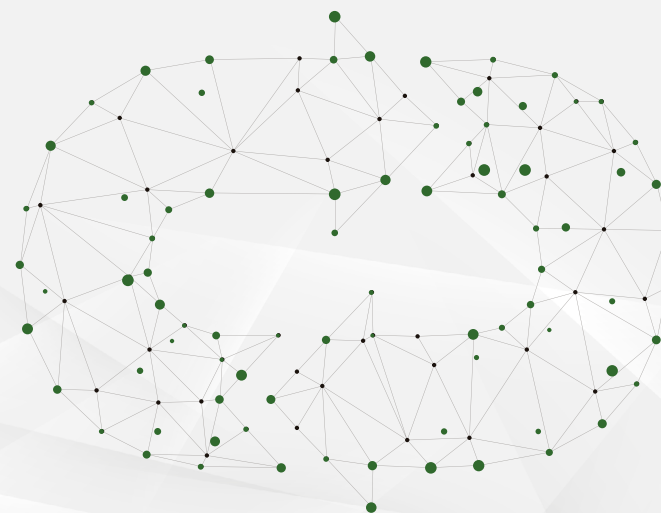
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• We send all our WEEE outputs to the licensed recycling facility.

Recovery contribution shares of 100% domestically sold products are calculated within the scope of the relevant regulation when their lifetime expires, and we participate in the recovery contribution share system.

• We ensure the reuse of packaging materials at the material supply stage.

Within the scope of maximum recycled raw materials usage in production, the wastes generated in the plastic forming operation are collected at the source, and they are recovered to be reused in products in cooperation with our plastic supply company. We review the production operations and processes with the understanding that the waste of certain operations is the raw material input of other operations. We work with the TÜKÇEV Foundation to collect the packaging wastes of the products released to the market every year across Turkey, and carry out recovery activities on behalf of ISM.



Contribution of İnci Holding to the Tutumlu Anne Project: On this road we set out with the goal of zero waste, we participated in “Tutumlu Anne”, Turkey’s marketplace for second-hand children’s and women’s products, and we recycle the clothes we do not use. The income from products sold at Tutumlu Anne were donated to our Cevdet İnci Education Foundation.

Yusen İnci Logistics - EcoTrack: The EcoTrack project was implemented with the aim to systematically monitor the resource use and waste data throughout our partner Yusen Logistics. In parallel with the project in question, also at Yusen İnci Logistics, we enter the monthly consumption and waste data (such as non-recyclable waste, recyclable waste, electricity consumption, water consumption) of the administrative buildings and warehouses into the system on a branch basis. While providing regular follow-up with data consolidation, we will determine the necessary actions to reduce our environmental footprint with data-based decision-making systematics starting from next year. The contribution of our project, whose results can be measured by 2022, to global targets will be determined.

➤ INVESTMENT IN RESPONSIBLE PRODUCTION AND RESPONSIBLE CONSUMPTION

3.4. Sustainability in the Supply Chain

Sustainability in the supply chain is a critical issue for us. Within 2021, we started a study to evaluate our suppliers with sustainability parameters, in addition to efforts to raise awareness of our companies on this issue. We continue our activities for the gradual use of supplier checklists.

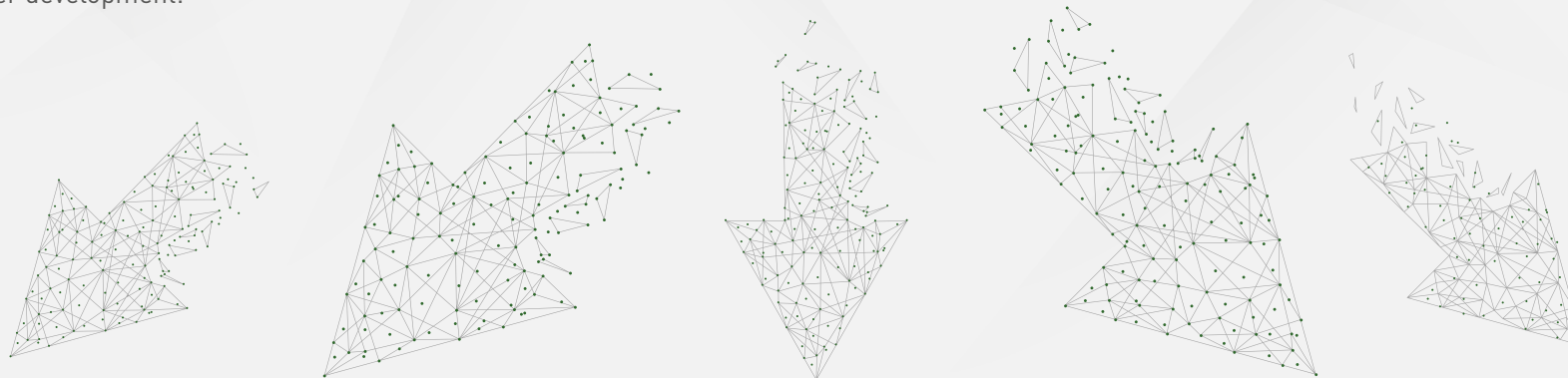
To manage supply chain risks, to measure the environmental, social and governance performance of the supply chain and to produce performance enhancing solutions are among our priorities and topics to follow.

Compliance with ESG criteria will be at the forefront when choosing our suppliers and in our supplier evaluations, and we plan to implement activities on supplier development.

3.5. Leading Role in Complying with and Shaping the Sustainability Expectations of the Market

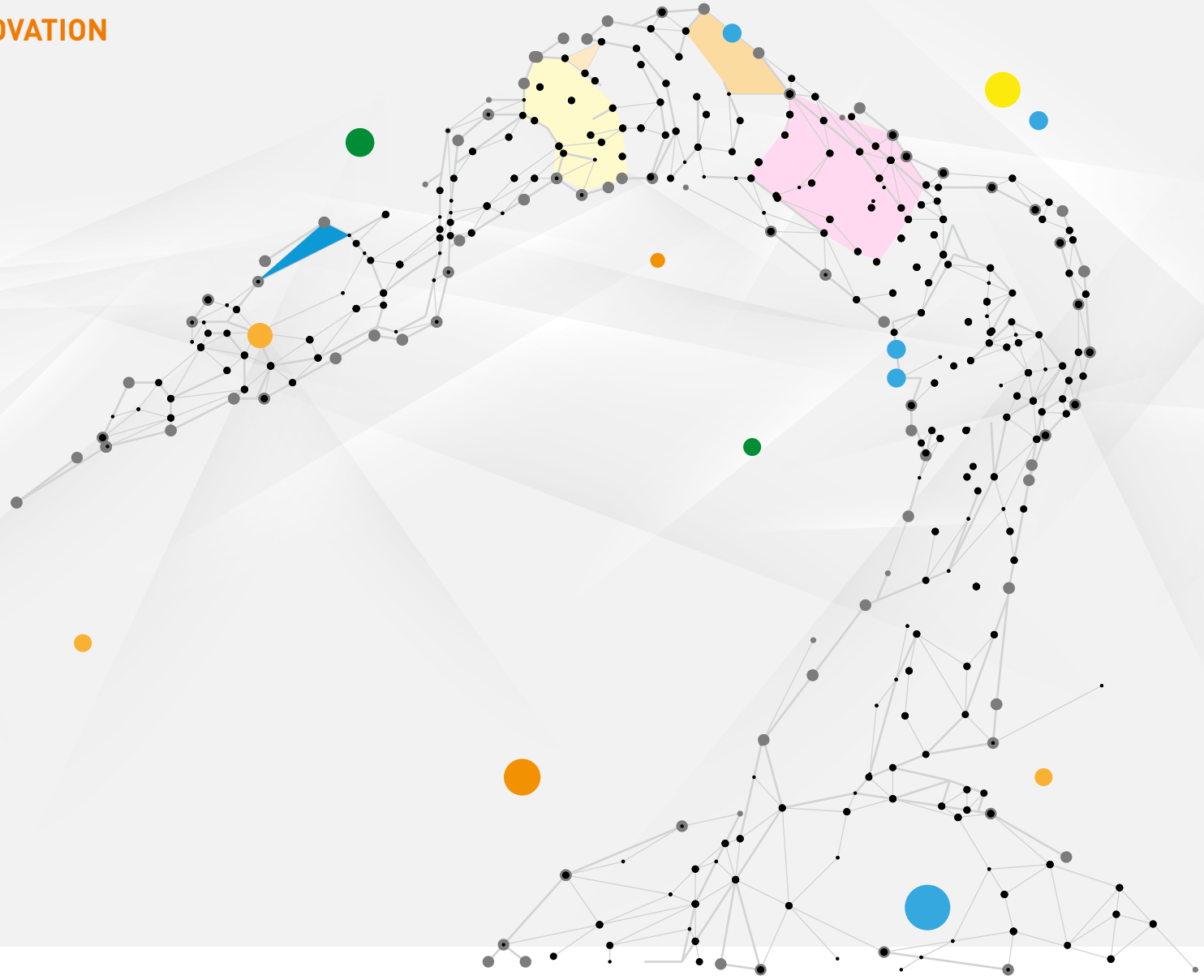
We work with national and regional non-governmental organizations to comply with the -regulations and beyond- expectations of the market regarding sustainability and to play a leading role in the adoption and dissemination of the issues.

As İnci Holding, we will continue to be an important pioneer in providing services and spreading information to our group companies for adapting to the expectations that are constantly evolving with sustainability and being shaped by new needs.



[GRI 201-2, GRI 203-1]

➤ INVESTMENT IN INNOVATION



➤ INVESTMENT IN INNOVATION

The climate crisis is leading to various ecological challenges, forced migration and economic loss. This also increases the need to manage natural resources more responsibly, acting as a catalyst for innovation. Technology has the potential to ensure smarter and more sustainable use of resources and support future growth. Innovation is at the heart of entrepreneurship as well.

- **All of our companies are creating new opportunities by internalizing what innovation is, why it is important, and how they can benefit from it in their business.**

We constantly do research for the use of our products and services outside our usual industries, and take steps for cooperation. We want to spread our knowledge in every field and learn while spreading it. We make our innovation processes more effective by adopting the ecosystem approach through collaborations with universities, research institutions, technology companies, competitors, suppliers, and customers.





➤ INVESTMENT IN INNOVATION

4.1. Collaborations with the Ecosystem

We thoroughly examine the mobility/automotive, energy storage and management, industry 4.0 and digitalization opportunities as part of technology investments that will create value in the future business areas. We care about choosing businesses that will create strong synergy with our group companies and that make a difference with technology, market dominance and process knowledge.

In this context, we carried out activities in 3 main branches with the Platform project, which is planned to integrate the Entrepreneurship Ecosystem with its main fields of activity in 2021. By identifying the pain points of our group companies, we provided the needed Digital Transformation and open Innovation Methods for the solution of problems through the practices of matching technology suppliers with our group companies, Technology and Innovation Trainings for needs and identifying suppliers who develop trending solutions in the market for their future needs. With our stakeholders in the Entrepreneurial Ecosystem, we held meetings and joint studies with the İzmir Metropolitan Municipality Entrepreneurship Center, İzmir Chamber of Commerce Innovation Center and regional universities in addition to the TÜSIAD, TÜBİTAK, and TTGV programs. Long-established players of the sectors, who want to be a part of digital transformation, are also developing different working models to exist in the entrepreneurial ecosystem. In our renewed vision, as İnci Holding, we underlined that we aim to be in the future business areas as well.

4.2. Investment in Future Business Areas

Founded to support the vision, Vinci is a venture capital company that started its operations in the last quarter of 2018.

We invest in early-stage technology companies in the fields of mobility, supply chain, energy management/storage and industry 4.0, primarily in Turkey, Germany, and the UK.

Beyond investing, Vinci, of which İnci Holding is a strategic investor, aims to add value to the companies in its portfolio as a real strategic partner with its corporate resources and industrial experience for the ventures in its portfolio.

We care that all our investments are compatible with environmental, social and governance (ESG) approaches.

With the study we initiated in 2021, we determined our ESG-focused criteria and developed detailed question sets to evaluate organic and inorganic investment opportunities. As of 2022, our goal is to integrate the mechanism that will evaluate new investments with ESG-focused principles into our existing processes.





> INVESTMENT IN INNOVATION

Related Activities (Cases) Featured in 2021:









Vinci Venture Capital:

Inci Holding is the only strategic investor of Vinci Venture Capital. Synergies that vary from company to company may emerge due to our large production and operation areas, in addition to being a potential customer for initiatives. However, direct synergy with Inci Holding is not a prerequisite for investment in an initiative. We can mention many pluses such as possible suppliers, usage areas of technology, required contacts, and organizational know-how.

Once the fund started its operations, within a short time we had the opportunity to observe the positive technological and dynamic impacts of Inci Holding on its strategies and culture.

So far, we have invested in the Motion, ShipsGo, Surve Mobility, Herotech8, Mobilus Labs, Turbit and Sungreen^{H2} companies.

We monitor the compliance processes of the companies we invest in with ESG criteria and support their improvement.

- 
Octovan:
Marketplace for the transport of parcel goods and houses.
- 
TIM:
The smart glove to increase traceability and efficiency in logistics operations and assembly lines.
- 
Herotech8:
Perimeter security and patrol service technology for industrial facilities, ports, power plants and mines with autonomous drones.
- 
Mobilus Labs:
A voice communication platform for field workers
- 
ShipsGO:
Container tracking and route search platform.
- 
Turbit:
Wind farm performance forecasting system that predicts failures in critical components using SCADA data.
- 
Surve Mobility:
Provider of charging, cleaning and maintenance services for electric vehicle and scooter sharing companies.
- 
Sungreen^{H2} *:
Nano-catalyst and coating technology that reduces the cost of green hydrogen by increasing electrolyzer efficiency and hydrogen production.

*The investment was finalized in 2022.

➤ INVESTMENT IN INNOVATION

Also, in İnci Holding and its group companies, our active work on new projects and relationship networks that cover the entrepreneurial ecosystem and new technologies and strengthen their relations with our business processes continue swiftly.

We aim to multiply the value of our existing portfolio by developing projects for sustainability, value chain dominance, energy efficiency, new partnerships, and collaborations.

We effectively manage the projects we designed in line with the strategies of our group companies.

İnci Holding and GS Yuasa had taken the first step of a great collaboration in 2015 by combining the power and experience of İnci Brand with the know-how of Japanese giant GS Yuasa on new generation battery technologies. We are planning to take this collaboration, which is carried out under İnci GS Yuasa, one step further for a new technology breakthrough. In this context, we prepare the future of the energy storage industry together by closely following global trends with the project for lithium-ion batteries, which has a very critical place in the development of electric vehicles and is a rapidly developing trend in the applications that İnci GS Yuasa focuses on.

In logistics, we focus on strategic priorities, which we aligned with our partner's newly appointed senior management in December. In this context, expanding the warehouse operations to create synergy with other channels through organic investments and increasing the weight of businesses such as holistic supply chain solutions with high added value provided by the Yusen relationship network in total sales will be the most important topics for us.

In our hotel equipment area, we work on various collaborations to invest in new areas such as compressor minibar, caravan, marine applications, and especially automotive.

In our sales-distribution area, the AzKarbon marketplace, which was commissioned within the year, was opened to real users, and improvement studies are carried out with the feedback received from both suppliers and customers. Besides, we work on diversifying İncitaş's product portfolio.

İncitaş's AzKarbon "Focused Online Marketplace":

As İncitaş, we design our strategy, which will shape its future with the foresight that traditional business models and value chains will continue to change rapidly, on "products that capture the future" and "digital customer communication". With this perspective, we launched AZKARBON ("LessCarbon"), an online marketplace bringing energy-efficient products to customers. AZKARBON aims to be a new generation, focused shopping platform where consumers can find the products and services they need related to clean energy and energy efficiency. AZKARBON, which brings together customers with sellers in the categories of home, business, electricity generation, energy efficient products, roof and facade systems, energy management and mobility with a wide range of products, agrees to put products on its website that will provide energy efficiency or reduce energy costs by researching whether the products are truly energy efficient. AZKARBON brings the parties together in parallel with the needs that require project-based solutions. It provides information to those in need with its fully trained consultant team. On this platform, sellers can also benefit from the promotion and marketing activities managed by AZKARBON.



➤ INVESTMENT IN INNOVATION

4.3. Corporate Entrepreneurship

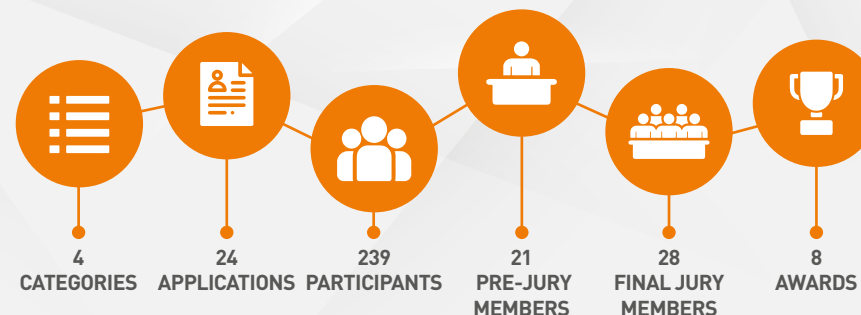
We care about the development of projects to contribute to the sustainability of the group within the organization through integration with the entrepreneurial ecosystem.

Accordingly, every year since 2005, we have ensured that the teams working in our group companies affiliated with İnci Holding, whose efficiency and service quality-enhancing activities have been concretely proven and which have developed new technologies, are appreciated with the “Cevdet İnci Incentive Awards”.

Our employees apply with their projects in the fields of process and production efficiency and service quality, and the jury consisting of senior executives and independent experts within the Group meticulously evaluates valuable projects in the categories of R&D/PD, Production, Service and Innovation. The winning projects receive the award in the relevant category as a team, and these valuable projects are ensured to be shared with the group companies and to inspire new studies. For the first time in 2021, we also included projects in the field of “Corporate Social Responsibility” into the process. We thus aim to raise the social awareness of our employees, to highlight their contributions to the society more through employee volunteering, and to acquaint them with and promote examples of good practices among our companies. In order to support this category, we will continue to also organize various seminars and trainings each year.



2021 – CEVDET İNCİ INCENTIVE AWARDS IN FIGURES



➤ INVESTMENT IN INNOVATION

Besides, in the İnci GS Yuasa R&D Center, which is the first in its sector and the 54th R&D Center in Turkey, İnci GS Yuasa R&D engineers have been working on renewable energy sources such as solar energy and wind turbines, the changing needs of the automotive sector and other sectors that require energy storage systems, and the expectations of their customers since 2006.

ISMART Design Center, which was opened in 2019, became one of the centers registered by the Ministry of Industry and Technology in 2020. With the ISMART Design Center, ISM's understanding of technology and quality continues to serve the accommodation and hospitality industry through new design ideas. In addition to developing new products and projects, entrepreneurs who want to invest and realize their projects also come together at the ISMART Design Center, which contributes to the development of projects within the framework of different business models.

In Maxion İnci Wheel Group's Turkey Operations, exemplary activities on a global scale are realized with advanced engineering applications including Industry 4.0, digital transformation, and product and process innovations.



Priority Topic	Metrics Followed, 2021 Values	Purpose / Targeted Development
Corporate Entrepreneurship	<ul style="list-style-type: none"> • 1 R&D Center, 1 Design Center • A total of 28 new R&D projects • A total of 5 new patent applications • 24 Cevdet İnci Incentive Award Projects 	Development of projects to contribute to the sustainability of the group within the organization through integration with the entrepreneurial ecosystem.



> INVESTMENT IN INNOVATION

4.4. Digital Transformation

- **We integrate digital technologies into our processes to reduce our unit costs and increase the value we present to our stakeholders.**

Technology is not a purpose for us, it is a tool. In the light of our digital transformation strategy, the elimination of pain points and the solution of needs stand out through collaborations with the entrepreneurship ecosystem. It is ensured that current technology trends and trainings are implemented through digital platforms in order to reproduce good examples and transfer experiences as the Holding.

In addition, measures were taken for data security, integrity, and confidentiality by carrying out activities to strengthen the security infrastructure in 2021. With the provision of logging reports, the traceability of business-critical data could be taken under regular scope control. Sustainable management and access were ensured by following real estate management, Corporate Risk Management, Contract follow-up, and the Digital tender portals strategy roadmap. Process flow studies were extended taking into account the synergy of group companies.

In addition, an IT synergy e-mail group was created to increase communication between our group companies and Information Technology teams, and information about cyber security and trending topics was actively provided. Information sharing about current developments and improvements made were provided on a monthly basis through the technology bulletin within the holding.

Related Activities (Cases) Featured in 2021:

- **Inci Holding's key projects for 2021:**
 - **Commissioning of Financial Affairs processes in Vinci with the process flow tool (36 hours of workforce saving and 25% productivity increase per month)**
 - **Real estate inventory/management system development (business continuity promotion and human independent inventory tracking)**
 - **Contract Tracking system (6 days workforce saving)**
 - **Corporate Risk management project (72 hours workforce saving per month)**

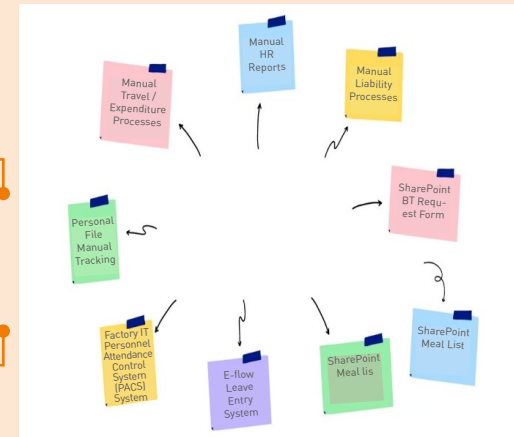
Our first goal is to avoid time and resource waste while performing today's necessary operations through Information Technologies – ERP Transformation. Besides, benefiting from real-time information by providing artificial intelligence-supported insights beyond financial status reports in the future is among our goals. We also want to develop systems to digitally monitor our sustainability performance and impact by 2022.

➤ INVESTMENT IN INNOVATION

Mobile HR Identit: The end-to-end mobilization of our Human Resources processes accelerated in this period. With this desire for change, which includes İnci Holding and the companies within our structure, our aim was to perform a transition from a structure where all processes are followed by separate systems to a single integrated mobile application.

- **The Mobile HR platform, with its software that brings a holistic approach to human resources management, enables us to manage our digitalized processes from a single center and save time, thus providing a basis for the emergence of value-creating jobs.**

For example, with this software, we had the opportunity to do reporting and personal follow-up from a completely digital environment with a single interface. In addition, thanks to this step we took on the digitalization path, we have been able to reduce the use of 24,000 sheets of paper per year by implementing 6 processes that require paper use.



“Akümgelsin” from İnci GS Yuasa: Akümgelsin is a platform created with the aim to meet the needs of our consumers for battery purchase and on-site replacement from experts in a fast, easy and reliable way by bringing İnci Akü directly together with the end user. Passenger car and light commercial vehicle users who need an emergency battery on the road or want to change their battery anywhere in Turkey can easily purchase the most suitable battery for their vehicle at an affordable price with reliable IVR payment technology by calling the İnci Akü line and benefit from on-site installation services.

- **Akümgelsin creates great value for its customers by offering competitive prices and high-quality service at no extra cost.**

As İnci Akü, we thus create a new sales and service channel and develop ourselves in line with the needs of new generation customer groups.



➤ INVESTMENT IN INNOVATION

Yusen İnci Logistics – Digital Orientation / Yorient: We are moving the orientation program working with the Yorient project to the digital environment. The project aims to ensure the rapid adaptation of newly recruited employees to company functions. Yorient supports the innovative and creative approach, which is the necessity of our times and the expectation of the new generation, while creating a positive impact in terms of adaptation to digital life. Recruitment, training and adaptation processes have become more efficient thanks to

- **Yorient, where all the information and processes related to the company can be accessed by newly recruited employees at any time.**

Digital Transformation at Maxion İnci Wheel Group: With our digital transformation efforts, we make our systems able to talk to each other, manage each other and teach each other. By following the data end-to-end and ensuring its quality, we make sense of this data with artificial intelligence, machine learning and deep learning and manage the processes according to the data. We will transform all our factories into smart digital factories by 2025. In 2020, a total of 21 projects were completed in our Maxion İnci Wheel Group on many topics such as traceability, virtual reality, image processing and artificial intelligence, digitalization of maintenance processes, predictive maintenance and quality applications, robotic process automation applications,

- **25 projects were completed in 2021 within the scope of Digital Transformation at Maxion İnci Wheel Group.**

Incineering Technologies from İnci GS Yuasa: One of our breakthroughs, in which we evaluate our innovative perspective and know-how in technology in the field of production and contribute to our efficiency, was to include 7 machines that we designed and produced under the brand of Incineering Technologies into the production line.

In this project, we obtained 75% of the original designs, software and parts from our domestic suppliers. Some of the machines we produce in battery factories in Turkey do not have alternatives. On the other hand, we provided a fast and effective process management while offering automation, production tracking systems in production lines, robotic applications, machine manufacturing with a new generation data collection infrastructure, developments that provide flexibility in processes, and high-tech, quality products. With the efforts made in the last 5 years,

- **we achieved a 25% improvement in the overall equipment efficiency (OEE) in our production lines in our Starter factories..**



> INVESTMENT IN INNOVATION

Analytical and Machine Learning Applications at Maxion İnci Wheel Group: Our product development processes are triggered by customer needs. These needs include productivity gains in the production process and products that offer innovation, high performance, and safety. To achieve these objectives, we constantly monitor and evaluate market trends. We take care to create common solutions for the challenges faced by the industry by conducting customer surveys and working with suppliers and customers and to do business in a culture of development. Digital Transformation improves us and accelerates our factory investments by providing new tools and techniques to make our processes smarter. We constantly develop projects to have a production line that enables multiple Industry 4.0 technologies such as Augmented Reality (AR) for training and remote maintenance, analytics and traceability for variability reduction and quality improvement, and energy analytics. In 2021, we developed new projects using machine learning in our waste- and rework-intensive industry and achieved improvements in engineering, production, quality, HSE and maintenance fields.

- In wheel models with Machine Learning applied, an average of 40% improvement was realized in the waste rates of the relevant process area.



DATA COLLECTION SYSTEMATICS

PROCESSABLE DATA

Data collection systematics that must be applied correctly for traceability and machine learning



AUTOMATION WORK

AUTOMATIC FLOW MONITORING

Increasing the automation level of the facility for unmanned product and line monitoring and the ability to monitor this flow on a digital platform



INFORMATION TECHNOLOGIES INFRASTRUCTURE WORK

EFFICIENT/QUALITY DATA TRANSMISSION

The ability to transmit thousands of data collected at any time, at a stable speed, and at a constant quality level



MACHINE PLATFORM COMMUNICATION MANAGEMENT

MACHINE MONITORING AND CONTROL

Digital control of machines with Human/Platform interaction



HARDWARE PLATFORM COMMUNICATION MANAGEMENT

SOFTWARE ACTIVITY WITH SIGNALIZATION

Platform communication with signalization of cycle-based activities of equipment such as printers, readers, routers

➤ REPORTING SCOPE AND GUIDE



This Reporting Guide explains the definitions of certain concepts and their data specified in Inci Holding's Sustainability Report.

Priority Topics: The topics that reflect significant economic, environmental, and social impacts of the Holding and/or significantly affect the assessments and decisions of the stakeholders.

Full-Time Employee: A 'full-time employee' is an employee whose weekly, monthly, or annual working hours are specified according to national legislation and practice regarding working time.

Part-Time Employee: A "part-time employee" is an employee whose weekly, monthly, or annual working hours are less than "full-time" as defined above.

Senior Manager: They are the highest-ranking employees of an organization's management, who report directly to the CEO/General Manager or the highest governance body.

Mid-Level Manager: Employees who are not included in the definition of senior manager and manage a team.

Newly Recruited Employee: An employee who has not been previously employed by the employer and has been included in the payroll within the reporting period.

Leaving Employee: An employee who leaves voluntarily or due to dismissal, retirement, or death in service.

Workforce Turnover Rate: It is the rate that shows the share of the number of personnel entering or leaving the business within a year to the average number of personnel.

Maternity Leave: It is the leave given for the time that employees who are new parents do not work due to birth.

Accident: An event that occurs during work, and that may result in injury or health problems.

Accident Frequency Rate: It is found by multiplying the ratio of the total number of accidents to the total working time by 1 million.

Ethical Violation: It is a violation event of an ethical rule, detected and proven to be correct.

Ethical Compliance Stakeholder Survey Score: It is the average of the ethical question scores of the Employee Survey, the Board of Directors Performance Evaluation Survey, and the Companies Service Survey studies.

Corruption Case: It's a proven case of corruption. It does not include corruption cases still under investigation during the reporting period.

Direct Energy Consumption: Energy provided from primary fuel sources such as electricity, steam, natural gas, diesel, LPG, and fuel oil.

Indirect Energy Consumption: Electricity, thermal or other energy sources supplied by a retail provider, or energy provided from facilities that are not owned or operated by the energy user.

➤ REPORTING SCOPE AND GUIDE

● **Direct (Scope 1) Greenhouse Gas Emissions:** Greenhouse gas emissions resulting from sources owned or controlled by an organization. A greenhouse gas source is any physical unit or process that releases greenhouse gas into the atmosphere. Direct (Scope 1) greenhouse gas emissions may include CO2 emissions from fuel consumption.

● **Indirect (Scope 2) Greenhouse Gas Emissions:** Greenhouse gas emissions resulting from the purchased or obtained electricity, heating, cooling, and generation of the consumed steam by an organization.

Emission calculations made with the data included in the KPI data lists from IH and all group companies within the scope of the 2021 Sustainability Report were determined according to the principles below. As a general principle, hot water-heat, gasoline, diesel, LPG, and propane consumption data of IH and all group companies were not taken into account in Direct and Indirect Greenhouse Gas Emission calculations.

● **Water Consumption:** It is the sum of all water withdrawn and included in products, used in production or generated as waste, evaporated or polluted so that it cannot be used by other users.

● **Groundwater:** It is water that is kept in an underground formation and can be recovered. This definition comes from ISO 14046:2014.

● **Waste:** Anything that its owner throws, wants to throw, or should throw away. Waste can be defined at the point of generation according to national legislation. The owner may be, among others, a reporting organization, an organization located upstream or downstream of the organization's value chain (for example, supplier or consumer),

or a waste management organization. This definition is based on the United Nations Environment Program (UNEP), Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, 1989.

● **Hazardous Waste:** These are wastes that have any of the characteristics in Annex III of the Basel Convention or that are considered hazardous by national legislation. This definition is taken from the United Nations Environment Program (UNEP), Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, 1989.

● **Non-Hazardous Waste:** Industrial waste that cannot be added to a trash bin or sewer line according to regulations.

● **Recycled Waste:** It is the waste that is recovered as a result of any recovery operation by which waste materials are reprocessed into products, materials or substances whether for original or other purposes.

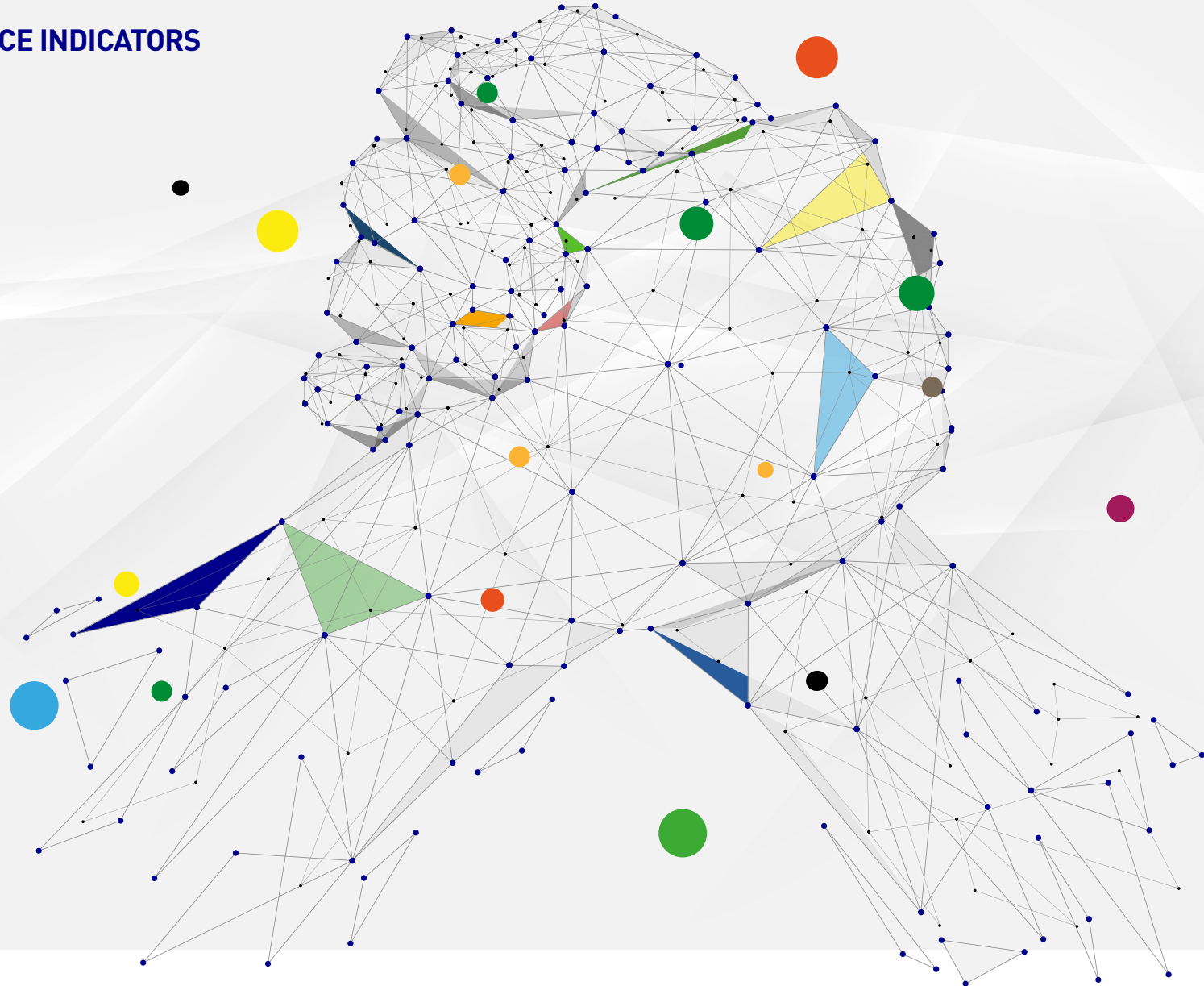
● **Realized / Planned Board of Directors Meetings Rate:** It is the ratio of the number of board meetings held in a year to the number of board meetings planned for the same year.

● **Participation Level in Board of Directors Meetings:** It is the average participation rate of the board members who attend the board of directors' meetings held within a year.

● **Compliance with the Meeting Calendar of the Board Committees:** It is the rate of compliance of all management committee meetings held within a year with the planned calendar.

[GRI 102-8, GRI 401-1, GRI 404-2, GRI 404-3]

▶ PERFORMANCE INDICATORS



➤ PERFORMANCE INDICATORS

	2019	2020	2021
Social Performance Indicators			
Total Number of Employees	2,822	2,786	3,054
Female	241	245	283
Male	2,581	2,541	2,771
Full Time	2,739	2,707	2,957
Part Time	83	79	97
Under 30 Years of Age	451	444	664
Between 30-50 years of Age	2,167	2,157	2,247
Over 50 Years of Age	204	185	143
Number of Senior Managers	87	88	93
Female	21	22	23
Male	66	66	70
Number of Mid-Level Managers	124	142	159
Female	32	39	47
Male	92	103	112
Total Number of Newly Recruited Employees (Office Employees)	95	68	130
Female	34	23	55
Male	61	45	75

➤ PERFORMANCE INDICATORS

Under 30 Years of Age	26	33	56
Between 30-50 years of Age	49	34	70
Over 50 Years of Age	2	1	4
<hr/>			
Total Number of Newly Recruited Employees (Field Employees)	237	156	407
Female	8	8	16
Male	229	148	391
<hr/>			
Number of Employees Subject to Regular Performance Assessment	2,792	2,736	2,991
<hr/>			
Workforce Turnover Rate	8%	4%	3%
<hr/>			
Annual Average Hours of Training per Employee	32	13	22
<hr/>			
Accident Frequency Rate	3.97%	5.76%	6.72 %
<hr/>			
Number of NGO Memberships	40	43	35
<hr/>			
Number of NGOs with a Role in Management	4	5	12
<hr/>			
Number of people contacted by Foundation Projects	-	-	4,809 children 239 young people

➤ PERFORMANCE INDICATORS

	2019	2020	2021
Environmental Performance Indicators			
Total Direct Energy Consumption (MWh)	3,002,965	2,806,092	4,563,197
Total Indirect (Purchased) Energy Consumption (MWh)	707,867	279,769	833,883
Total Direct Greenhouse Gas (Scope 1) Emission (in tons of CO ₂)	41,671	35,925	40,538
Total Indirect Greenhouse Gas (Scope 2) Emission (in tons of CO ₂)	59,473	53,940	64,474
Total Water Consumption (m ³)	1,693,501	1,316,414	1,429,874
Municipal Water	1,264,106	935,315	1,096,569
Groundwater	429,305	381,019	333,225
Other	90	80	80
Number of ISO 14001 Certified Facilities	8	15	15
Total Waste (tons)	67,748	55,695	66,834
Hazardous Waste Amount	20,465	17,457	19,044
Non-Hazardous Waste Amount	47,283	38,238	47,790
Recycled Waste Amount (tons)	55,912	45,445	54,526
Number of Saplings Planted (cumulative number)	82,000	86,000	90,000

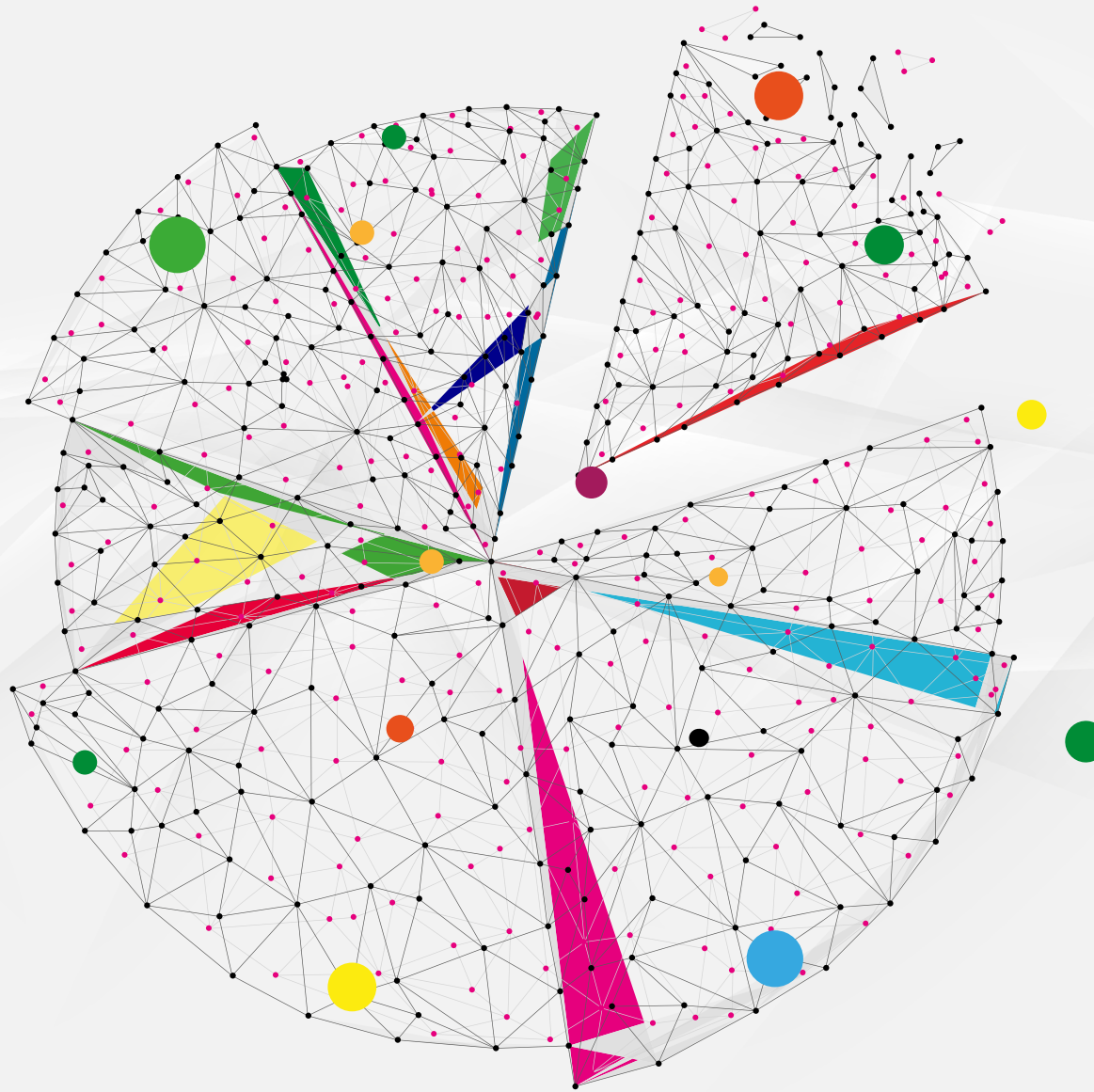
➤ PERFORMANCE INDICATORS

	2019	2020	2021
Economic Performance Indicators			
Last 5 Years Growth Rate (TRY)	24%	22%	32%
Last 5 Years Growth Rate (EUR)	6%	1%	5%
Total Number of R&D Projects	14	21	28
Total Number of Patent Applications	6	6	5
Ratio of Employees Who Received Training on Ethical Compliance (%)	88%	80%	80%
Closing Time of Cases Coming to the Ethics Line (days)	30	26	34
Ethical Compliance Stakeholder Survey Score	3.91	4.19	4.68
Ratio of Family Members in the Board of Directors	26%	23%	23%
Organized / Planned Board of Directors Meetings Rate	-	-	126%
Participation Level in Board of Directors Meetings	97.66%	98.84%	99.71%
Compliance with the Meeting Calendar of the Board Committees	-	-	100%

Notes:

- The data of our Yusen İnci and İncitaş companies within the Total Water Consumption data. These data are not available since they are not collected as consolidated.
- Net Sales and International Sales data. Independent of our partnership rates. Shows the whole group consolidated sales.
- Our carbon footprint reporting standard is carried out on the basis of financial control since our global partnerships are also in our activity portfolio, while the total footprint of all our group companies was calculated as consolidated based on the operational control approach to monitor the total impact within the scope of our sustainability report.
- Ethical Compliance Stakeholder Survey Score calculation is made over “five points” in total.
- Number of Saplings Planted shows the cumulative number of total saplings planted until that year.
- İH Great Place to Work Employee Survey is conducted every two years.

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> GRI CONTENT INDEX

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Thank You.

We would like to thank all individuals and organizations who supported us while preparing our report for their contributions. If you have any questions about our report, you can reach us at the e-mail address surdurulebilirlik@inciholding.com.

İNCI HOLDİNG SUSTAINABILITY REPORT 2021

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