



INCI HOLDING

SUSTAINABILITY **REPORT 2022**

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



ABOUT THE REPORT 3

MESSAGE FROM PRESIDENT 5

MESSAGE FROM THE CEO 7

INCI HOLDING IN ITS 70TH YEAR 9

HIGHLIGHTS IN 2022 12

TRENDS, RISKS AND OPPORTUNITIES 21

SUSTAINABILITY MANAGEMENT 25

- Our Sustainability Priorities 2.0
- Sustainability Committee Activities
- Sustainability Communication

INVESTMENT IN INSTITUTIONALIZATION FOR NEW GENERATIONS 37

- Corporate Management
- Forward by Strengthening with Global Partners
- Arm in Arm with NGOs

INVESTMENT IN PEOPLE AND SOCIETY FOR NEW GENERATIONS 41

- Contribution to Employment and Decent Work
- Talent and Loyalty Management
- Empowerment of Working Women
- Our Benefit to Society Perspective
- Support for Quality Education

INVESTMENT IN RESPONSIBLE PRODUCTION AND CONSUMPTION FOR NEW GENERATIONS 58

- Efficient Use of Resources
- Waste Management and Circular Economy
- Environmentally Friendly Products and Services
- Sustainability in the Supply Chain

INVESTMENT IN INNOVATION FOR NEW GENERATIONS 75

- Investment in Future Business Areas
- Collaborations with the Ecosystem
- Investment in High Potential Initiatives with Vinci

OUR OTHER PRIORITIES 85

PERFORMANCE INDICATORS 87

REPORTING SCOPE AND GUIDE 93

GRI CONTENT INDEX 97

ANNEXES 101



About the Report

➤ ABOUT THE REPORT



Our Sustainability Report, which we publish for the second time as İnci Holding, covers the results and outputs of our activities in 2022, our targets and current plans in parallel with our sustainability purpose, and our approach. Our sustainability priorities found in the report contribute to the United Nations Sustainable Development Goals (SDGs) as well as İnci Holding's vision and sustainability purpose.

We also prepared our İnci Holding Sustainability Report 2022 in compliance with the Global Reporting Initiative Standards (GRI) this year covering İnci Holding Inc., 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 Corp., Vinci B.V. Venture Capital, AZKarbon Electronic Trade and Services Inc., and İnci Foundation, which constitute the İnci Group, our report focuses on the activities and performance data between January 1, 2022 and December 31, 2022.

Our report also aligns with the Communication on Progress (CoP) we prepared as a signatory of the United Nations Global Compact. In our sustainability report, which we are committed to sharing every year, we aimed to share our successful performance results as well as our areas open to improvement.

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

You can access our 2021 Sustainability Report published last year [here](#).



message from the executive management

➤ MESSAGE FROM THE PRESIDENT



NEŞE GÖK
President

Our Dear Esteemed Stakeholders,

With our second İnci Holding Sustainability Report for 2022, we are proud to present our sustainability perspective and the activities we carried out in line with this perspective.

As İnci Holding, today we operate mainly in the automotive supply sector, as well as in the service, technology, and social responsibility fields. We are an important supplier of the automotive supply industry with our battery and wheel production and a reliable business partner of the world's giant companies in the sector. As one of the pioneering companies in our sectors, we respond to the changes in a rapidly evolving world with our innovative perspective and work to build a sustainable world for "New Generations".

We follow social, environmental, economic, political and technological changes with our global partners, and we analyse and take into account all developments, opportunities and risks in national and global terms while evaluating our strategy and action plans. In response to the climate problems humans and nature face due to the climate crisis, we take actions on the carbon footprint and improve our awareness on the water footprint. While digitalisation brings many new business opportunities for our group

companies, it also requires us to put issues such as cyber security on our agenda. We are facing many changes in the social field. It is critical for us to evaluate social trends correctly. We believe that sustainability in the social field is the key to development. We believe in the global validity of equal work, equal rights, equality, diversity and inclusion, and aim to positively increase our practices in this direction.

We also believe it is necessary to provide new working conditions for young people, who constitute the majority of the rapidly growing world population, and to adopt dynamism and understanding in line with their expectations.

By contributing to the education and development of young people, we help them discover their talents, realise their potential and enable them to design their own future. We know that we can build a stronger and more inclusive society by acting together with the dynamism and vision of young people and that we can create a better world with their energy, creativity and innovative perspectives.

In addition to our corporate sustainability activities, as a person who has adopted a sustainable lifestyle on a personal level, I believe that our individual efforts will reflect on the future in a more significant and more beneficial way than we think.

I would like to share with everyone who reads this report that I consume the fruits and vegetables I grow at my home, even if they are few in number, regularly separate my clothes and share them with others, and take care not to buy products I do not need. I make sure to buy and consume fruits and vegetables in season and from local producers. For the last 3 years, I have been trying not to use plastic water bottles, paper or plastic cups unless I absolutely have to. I care about consuming less in every sense.

With the awareness that society is made up of individuals, I invite everyone to consume less in the areas of their lives that have an impact, to produce if they can, and to be more meticulous about the environment. All our awareness, which can be seen as simple, small and easily applicable for all of us, will be an indicator of our responsibility to new generations.

As we take firm steps into the future, we will continue to create value for all our stakeholders and our country on our sustainability journey. I would like to extend my sincere thanks to all our stakeholders, especially our employees, who have a great share in our success.



ZEKİ ŞAFAK OZAN
CEO And Member
Of The Board

Our Dear Esteemed Stakeholders,

As we share our second sustainability report with you with great pleasure, we are also proud of the achievements we had last year and the important steps we took in the field of sustainability. As İnci Holding, we know it is our responsibility to leave a livable world to future generations and continue to act with this awareness.

We harmonise our inclusive sustainability strategy by acting in cooperation and harmony with our global partners, moving in line with our partners to achieve our sustainability goals, and acting together to reduce global environmental impacts.

Through innovative solutions and partnership opportunities, we rapidly move our sustainability journey forward.

With climate change, the level of awareness of producers and consumers about the environment and energy resources is increasing responsibly. In addition, the interest in energy saving and the use of renewable energy sources is expanding both in the private and public sectors, especially due to the decrease in energy resources and ever-increasing energy costs.

As İnci Holding, we have made significant progress in carbon reduction and renewable energy utilisation, which were also the focal points of the past year.

In line with our target of 50% absolute reduction in carbon emissions by 2030, we, as İnci Group, reduced our carbon footprint by 13% and our carbon emission intensity by 61.7% as of 2022.

We are pleased to see that we achieved a reduction in our carbon footprint despite the increase in the number of our investments and production facilities, the expansion of the calculation scope, and the increase in the consumption data set included in the measurement. Development, communication and roadmap studies are ongoing to strengthen the technical competencies of our group companies and raise their awareness in this field. In 2022, as İnci Group, our recyclable waste ratio was 79%.

We evaluated **environment friendly energy investments** that could create synergy with our future portfolio in 2022 as well. Maintaining our focus on clean and renewable energy in this field, we took important steps with Vinci, in which we are a strategic investor, with our perspective of holding technology investments in the field of energy storage (VFlow Tech) as well as our investment in hydrogen technologies (SungreenH₂) in the transition to green energy.

As we move forward with confidence in the future, we also care about the contributions we received

from young people for new generations today; we therefore ensure the emergence of new ideas that offer solutions to heal air-water-soil and encourage innovation within the framework of the main theme of "Responsible Production and Responsible Consumption" through the Harvest Grant Program we initiated under the leadership of İnci Foundation and in cooperation with İnci Holding. With the program, we provided grants and scholarship support to the projects of 10 young teams in total. This year, we are also happy to launch İnciRadar, our open innovation platform where we obtain sustainability solutions through the entrepreneurship ecosystem in line with our strategic business areas.

With İnciRadar, we provide support and create value for the ecosystem, our Holding, and all professionals involved in the platform through technology initiatives in the fields of mobility-automotive, energy storage, industry 4.0, supply chain & logistics.

Ensuring that the impact created by all the activities we carry out is permanent is also essential for the sustainable development of our country and the world.

For this reason, we are aware that the steps we take to reduce environmental impact, our investments for the future and the economic value we created are not enough. However, we believe the multiplier effect of the results we have achieved in our "**society and people**" focus is/will be greater. Today, in the next five years and in the longer term, we aim to expand the value we create primarily for young people and all our stakeholders by increasing our contributions to qualified education through the İnci Foundation and İnci Academy.

As İnci Holding, we have a culture of equality in the workplace as a Group, with 37% of women on the Board of Directors and 25% of women employees in other managerial positions as of 2022.

Nevertheless, we will continue to improve our existing policy designs to prevent discrimination and eliminate gender-based inequalities. Our projects designed with multiple stakeholders will be implemented in order to improve the number of women working in the field, which is one of our development areas, in all our group companies and the region we are located in. With our holistic human

resources policies and focused projects, we want to bring the female employment ratio in our group to 20-30% next year.

As İnci Holding, while continuing to move forward full of hope for the future, we maintain our determination to advance further in the sustainability field and play a pioneering role. With the support from you, our valued colleagues and stakeholders, we look forward to taking greater steps in our sustainability journey and achieving significant successes to reduce our environmental impact in 2023 as well.



our 70-year-story

➤ INCI HOLDING IN ITS 70TH YEAR



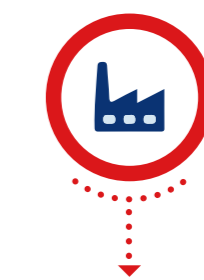
- Exports to more than 100 countries
- Exports account for 60% of production
- 36 years of global partnership experience



- 3 companies on the TIM 2022 - 1000 list**
- Maxion İnci (114)
 - İnci GS Yuasa (254)
 - Maxion Jantaş (259)



- 3 companies on the ISO 2022 - 500 list**
- Maxion İnci (142)
 - İnci GS Yuasa (233)
 - Maxion Jantaş (319)



- 11 institutions**
- Automotive supply industry
 - Service
 - Technology
 - Social Responsibility



- 3,166 Employees
- 9 production facilities
- 6 offices
- 7 storage facilities – 1 warehouse
- 1 logistics centre
- 1 design centre
- 1 R&D centre

- IATF 16949 Automotive Quality Management Systems Certificate
- ISO 9001 Quality Management System Certificate
- ISO 14001 Environmental Management System Certificate
- ISO 45001 Occupational Health and Safety Certificate
- ISO 50001 Energy Management System Certificate
- ISO 10002 Customer Satisfaction Certificate
- ISO 27001 Information Security Management System Certificate
- cUL-US Underwriters Laboratories Inc.
- EMC Electro Magnetic Compatibility



- CB Electrical Product Safety Certification
- LVD Basic Safety Test Report
- G-Mark Arab Gulf Countries Technical Compliance Certificate
- TÜV-GS Quality Approval Certificate
- EAC Russia Quality Compliance Certificate
- RoHS Chemical Test Analysis Report
- YYS Authorised Economic Operator Certificate
- TURQUALITY

İNCİ HOLDİNG

- We were included on the "Aegean's Best Employers" list by the Great Place to Work® Institute.
- We were included on the list of "50 Most Powerful Business Women in Türkiye" with our President Neşe Gök this year as well.
- We were included on the "30 Powerful Women Leaders" list organised by Capital Türkiye with İnci Holding's President Neşe Gök this year as well.
- We were included on the "Fortune Türkiye 50 CFOs" list with our CFO Batur Asmazoğlu.
 - We were included on Fortune Türkiye's 50 CTO list with our CTO Mehmet Tunçkanat.

MAXION İNCİ WHEEL GROUP

- "Equality for Women at Work" certificate
 - TAYSAD Export Award
- International gold award in the "Use of Digital" category at the Employer Brand Stars Awards with the Digital Communication Platform "PaylaşMax"
- Uludağ Automotive Industry Exporters' Association Golden Export Award
 - "Capital 500" List - 292nd place

OUR AWARDS IN 2022

İNCİ GS YUASA

- Uludağ Automotive Industry Exporters' Association Golden Export Award
 - "Capital 500" List - 355th place
- We were at the top of the Brandverse Awards for the 3rd time.
- The only brand in its sector on the "Türkiye's Most Valuable Brands 2022" list

İSM MİNİBAR

- The first company in its sector to receive the I-REC International Renewable Energy Certificate with İsm Minibar
 - Great Place to Work Türkiye "Best Employers Production" list "100-249 Employees Category"

İNCİTAŞ

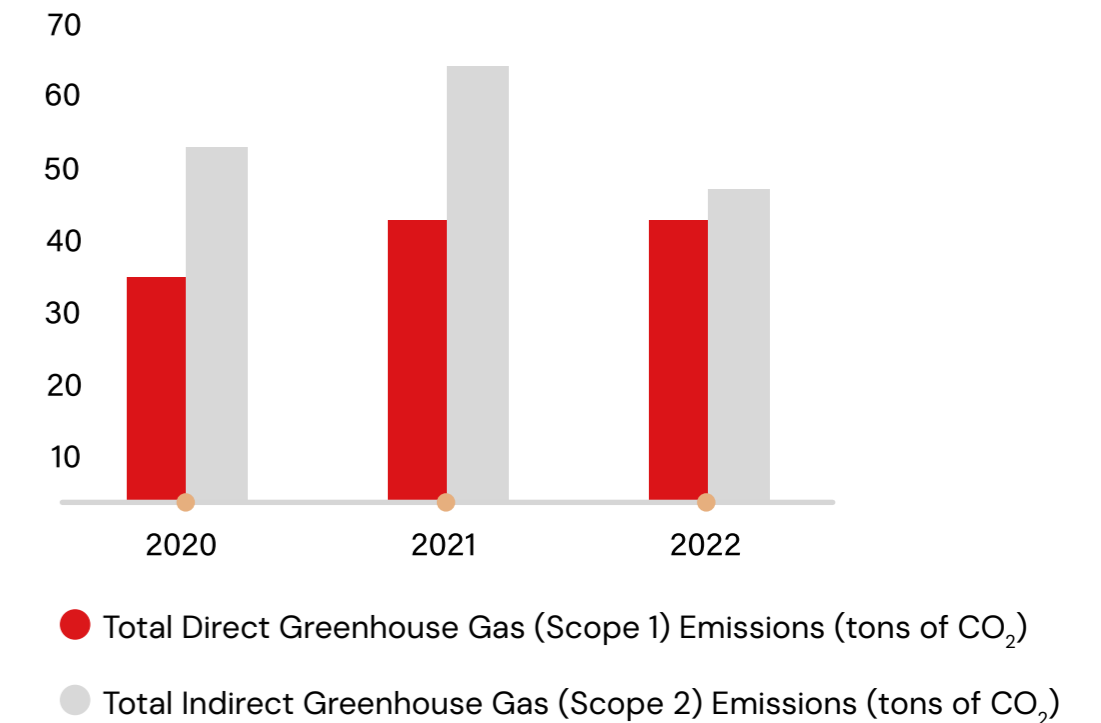
- 2022 Great Place to Work Certificate

HIGHLIGHTS IN 2022

OUR ENVIRONMENTAL PERFORMANCE

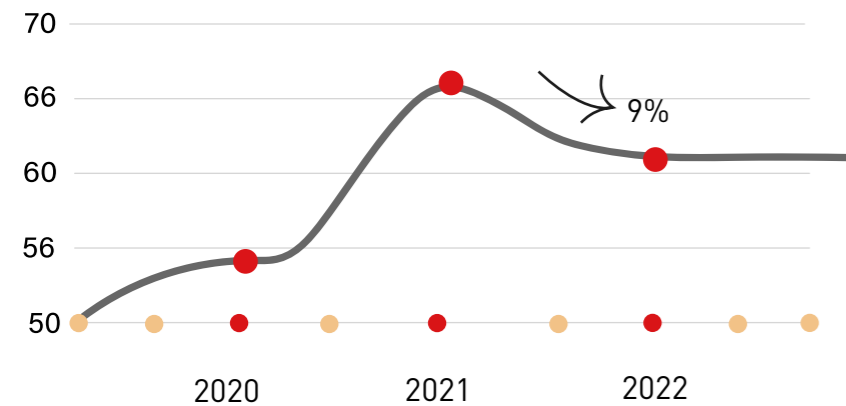
We reduced our Total Greenhouse Gas Emissions (91,453 tCO₂) by 13% compared to 2021 in line with our carbon action plans that we implement and follow across the group, our joint policies with our global partners, and the I-REC renewable Energy Certificates held by our production facilities.

İnci Group Scope 1 & 2 Greenhouse Gas Emissions (tCO₂)



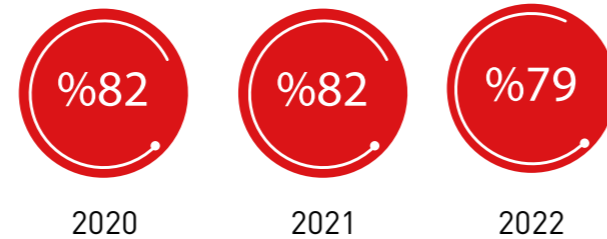
We reduced our Total Waste Amount (61,025 tonnes) by 9% compared to 2021.

İnci Group's Total Waste Amount



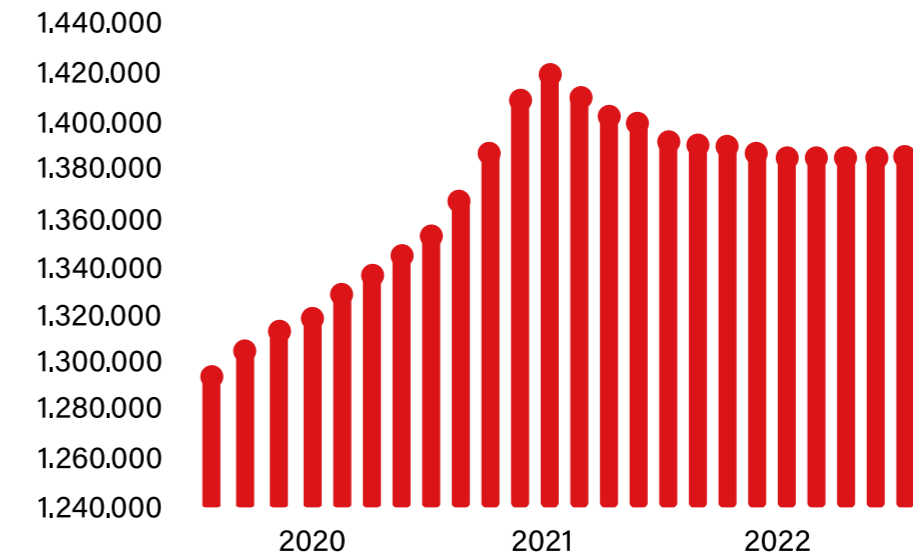
There was a 3-point decrease in our Recycled Waste Ratio (79%) compared to 2021.

Amount of Recycled Waste (Tons)



Although our water intensity decreased, we could not achieve a significant reduction in the amount of water consumed compared to the previous year in our Total Water Consumption Amount (1,408,960 m³). We consider water reduction as our area of development. In 2023, starting with our water footprint reduction awareness activities, we aim to prioritise this issue.

İnci Group's Total Water Consumption (m³)

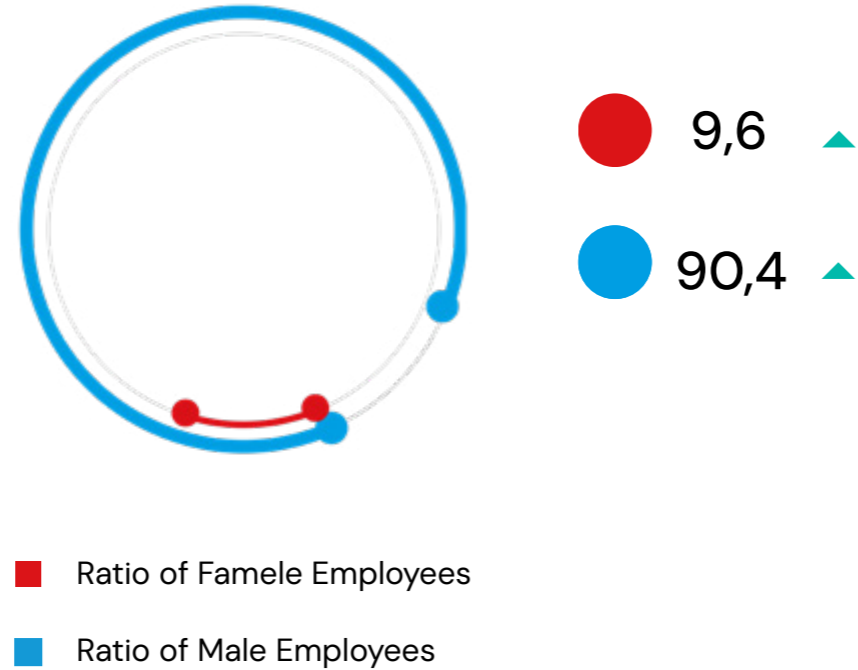


In 2022, we also had new KPIs added to our Environmental Indicators Dataset. We plan to monitor the change by also tracking our Ratio of Recycled Input Materials Used (17.3%) and the Number of New Suppliers Screened Using Environmental Criteria (66) every year.

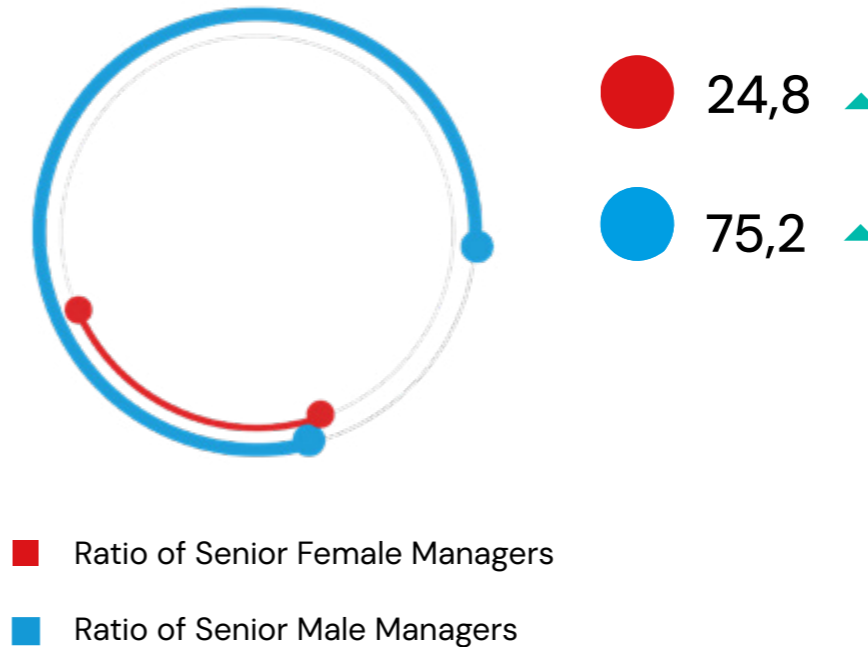
OUR SOCIAL PERFORMANCE

With a 7% increase in the **number of female employees**, our ratio of **female employees** in the group reached 9.6%. Making progress in this area, where we fall short of our target, is among our business plans for 2023. When we look at the breakdown by level, **our ratio of female senior managers** was realised as 25%. We aim to carry our success in senior management to all other levels. The number of newly recruited female field employees increased by 19% in 2022, and the **ratio of women in newly recruited field employees** increased from 3.93% to 5.22%. We aim to increase our female employment ratio in new recruitments to 20-30% in 2023.

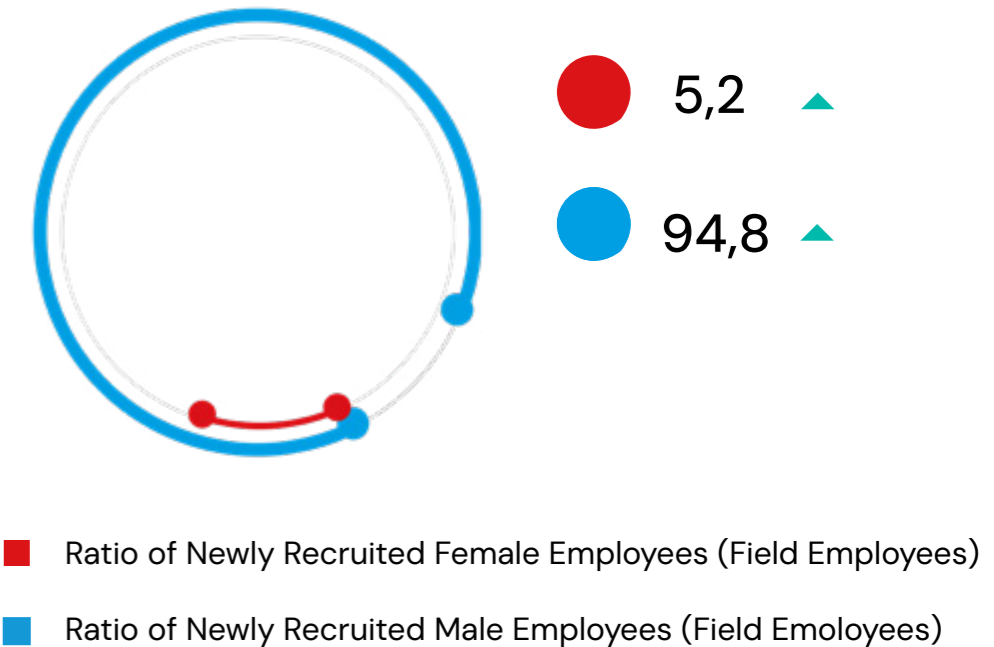
2022 Employee Breakdown of İnci Group



2022 Senior Level Manager Breakdown of İnci Group



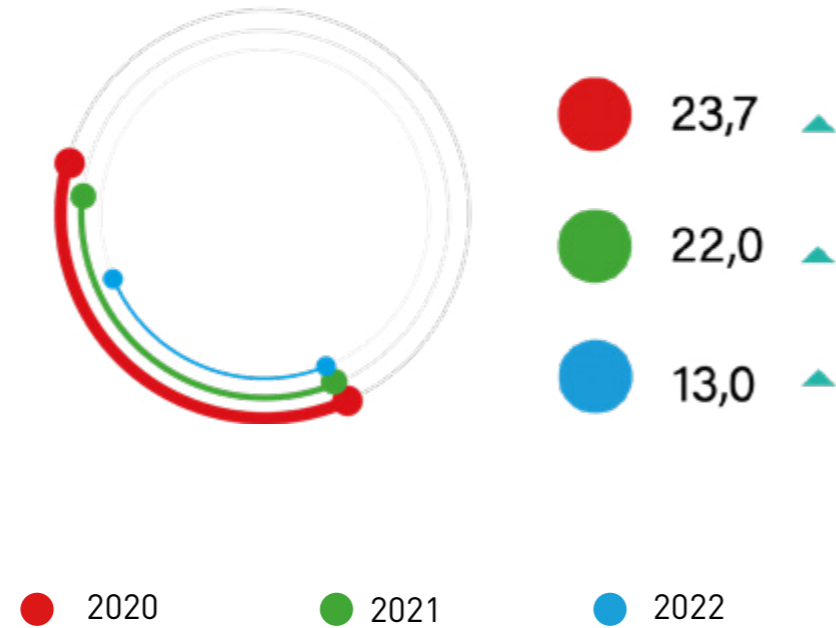
2022 Employee Breakdown of İnci Group in New Recruitments



Our Employee Turnover Rate was 13.96% in 2022. Our employee turnover rate increased compared to the 3% rate in 2021. Among the reasons for this is the increased preference for working abroad. In our companies with global partners, we offer career opportunities such as short-term work, project-based work, and internal transfer in factories and head offices abroad. In addition, we aim to reduce this rate again by expanding our efforts on talent and loyalty management throughout the group.

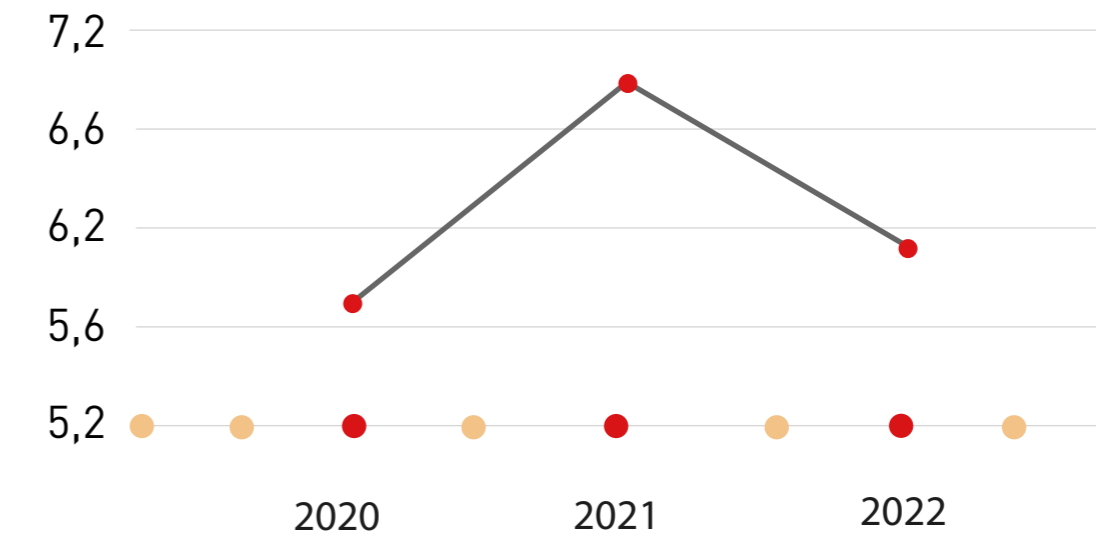
Annual Average Hours of Training per Employee

Average Annual Training Hours Per Employee was 24 hours in 2022. It increased by 8% compared to 2021 with the expansion of İnci Digital Academy and various digital training platforms used within the group.



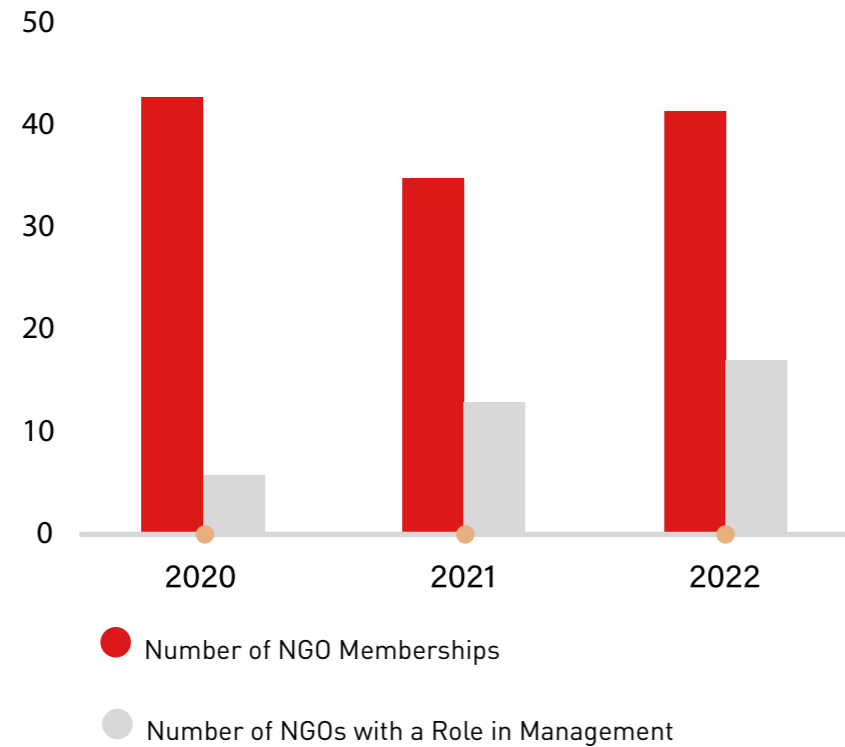
We achieved a 0.6-point decrease in our **Accident Frequency Rate** (6.12%) compared to 2021 thanks to possible risk assessments and measures taken in our offices, production areas and off-site operations.

İnci Group's Accident Frequency Rate (Employees)



The number of NGOs we serve increased from 35 to 42. With our increasing collaborations, we are actively serving as a Board member in 15 NGOs.

Inci Group NGO Membership Numbers

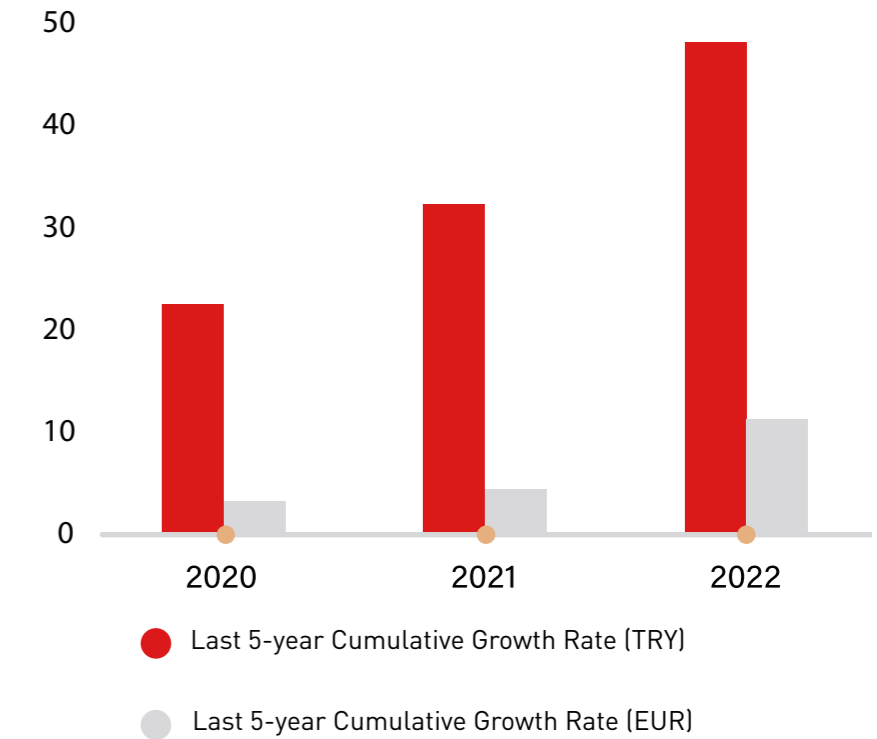


In our **Genç İnci Program**, the number of young people we employed increased by 87.5% compared to 2021. With this increase, we employed 83% of the young people participating in the Genç İnci Program in our group. In addition, our female employment ratio increased by 2 points compared to 2021 with 40%. Increasing the ratio of women in our Genç İnci employment is among our targets every year.

OUR ECONOMIC PERFORMANCE AND IMPORTANT BUSINESS STEPS

- Our Last 5 Years Growth Rate is 47% (TRY)
- Our Last 5 Years Growth Rate is 10% (EUR)
- 1 New Energy Storage Technology Investment and Partnership
- 1 New Green Energy Catalyst Investment
- 1 New Factory Opening (Maxion İnci Wheel Group)
- 1 New Factory Investment (Maxion İnci Wheel Group)
- 1 New Technology Utilisation Agreement (IGYA Lithium-Ion)
- 1 New Open Innovation Platform Establishment
- The number of New Initiatives Screened is 119
- Our Total Number of R&D Projects is 60

Last 5 Years Cumulative Growth Rate of İnci Group in the Last 3 Years



TRENDS, RISKS AND OPPORTUNITIES

As İnci Holding, we keep pace with the rapid changes in the world, internalise sustainability for "New Generations" in combating environmental and social problems, and place it at the centre of our operations. Adapting to the changes and innovations in all sectors we are involved in, we deliver our products and services to more than 100 countries.

We follow social, environmental, economic, political and technological changes with our global partners, and we analyse and take into account all developments, opportunities and risks in national and global terms while evaluating our strategy and action plans.

In 2022, the main trends we evaluated with our Sustainability Committee that may affect our business and the value we create for our stakeholders are as follows:

● **CLIMATE CRISIS**

According to a report published by the Global Carbon Project, if current emission levels continue, the global warming threshold of 1.5°C will be exceeded with a 50% probability. It is stated that in order to reach zero carbon emissions by 2050, a reduction of approximately 1.4 GtCO₂ will now be required every year. The EU is calling for an EU-wide "interim target" for 2040 in order to reach the 2050 climate neutrality target.

In response to the climate problems nature and human beings face due to the climate crisis, we, as İnci Holding, take actions on carbon footprint and improve our awareness of water footprint.

● **POLITICAL AND ECONOMIC DEVELOPMENTS**

The global economy is slowing down due to rising energy and raw material costs resulting from the Russia-Ukraine war and the high inflation environment in the US, Europe and China. Economists at the IMF, OECD and European Central Bank all point to a growth rate of less than 2.5%-3% for the world economy in 2023. The ongoing chip crisis in the automotive industry, issues in the supply chain and increasing energy costs directly affect the automotive industry as well.

As İnci Holding, we aim to continue our operations successfully with our innovative approach and proactive risk management steps.

In addition, with Türkiye becoming a vital production base and supplier in this period, we utilise opportunities in both automotive sub-industry and logistics.

● **TECHNOLOGICAL DEVELOPMENTS**

In the sectors in which we operate, topics such as automation, digital solutions and product innovations stand out. The dissemination of sustainable digital technologies opens up new areas in energy storage/management, industry 4.0 and digitalisation, mobility and automotive within the scope of technology investments that will create value in future business areas.

With products becoming a source of data, the importance of data analytics and data-based decision-making is increasing.

While digitalisation brings many new business opportunities for our group companies, it also requires us to put issues such as cyber security on our agenda.



● **SOCIAL CHANGES**

We are facing many changes in the social field. Migration from big cities to small cities started after the pandemic, the increasing preference of competent human resources to live abroad, the increase in consumers' tendency to buy from brands that create so-

cial benefits, the rise in information pollution with the use of social media, the expectation of ergonomic working conditions in every environment of employees with remote and hybrid working are just a few of the important changes. It is critical for us to evaluate social trends correctly. We believe that sustainability in the social field is the key to development. We believe in the global validity of equal work, equal rights, equality, diversity and inclusion, and aim to positively increase our practices in this direction. We also believe it is necessary to provide new working conditions for young people, who constitute the majority of the rapidly growing world population, and to adopt dynamism and understanding in line with their expectations. The inclusion of young people in decision-making and policy-making processes in particular at the 27th Conference of the Parties to the United Nations Framework Convention on Climate Change, COP27, which took place in 2022, shows us that new generations will shape their own future on many issues, especially climate change.

We also contribute to the education and development of young people, and we find it essential to communicate in all our relevant activities with young people who will design their own futures.



● **LEGISLATIVE REGULATIONS, DEVELOPMENTS AND THE EUROPEAN GREEN DEAL**

We see the Green Deal as an important transformation movement that will enable every company trying to be competitive in international trade to act with a focus on sustainability and benefit the future of our planet.

While determining the projects to focus on in our Group companies, we care about acting in line with the strategies within the scope of the EU Green Deal and meeting the requirements.

Although there is no direct impact on our current operations for the time being, we anticipate an increase in raw material costs and a tightening in customer demands. While the EU Green Deal is a risk in terms of the speed of adaptation to new regulations and the costs it will bring, it also offers brand new opportunities as the beginning of a transformation. We think that very important gains will be achieved with the integration of circular economy practices and automation, especially energy transformation. With the entry into force of the Carbon Border Adjustment Mechanism, apart from the tax burdens it will bring to the sector, proximity to European markets creates many opportunities and advantages in terms of supply chain practices. You can see our table below, where we evaluate the impacts of the Green Deal on a group basis from a risk and opportunity perspective.

RISKS	Automotive	Logistic	Tourism	Service	Technology
Türkiye's compliance process with the EU Legislation (compliance in time)	●	●	●	●	●
Replacement of existing products / services with low-carbon alternatives	●	●	●	●	●
German Supply Chain Law	●				
Sectoral carbon-intensive products exportation	●				
Cost increase (tax burden) with CBAM / Carbon Leak in Products	●		●		
Cost of transitioning to low-carbon technologies	●		●		
Cost of transitioning to circular economy	●		●		
Increasing cost of raw materials (steel, aluminum, etc.)	●		●		
Digital Product Passport / Product Label	●				
Obligation to use electric accumulators after 2035	●		●		
Emission border values expected for transportation		●			
Decrease in competitive power	●				

OPPORTUNITIES	Automotive	Logistic	Tourism	Service	Technology
Financial supports that EU will grant to surrounding countries for harmonization - Sustainability Financing	●	●	●	●	●
Ownership of carbon reducing projects by the global and İnci top management	●	●	●	●	●
Compliance with ESG criteria	●	●	●	●	●
Proximity to EU market	●	●	●	●	
Power or digitalization and automation in transitioning to circular economy	●				●
Renewable energy documents (I-rec)	●		●		
Need for investments which will ensure that carbon initiatives and advancement of sustainability technologies which will be tested and scaled:				●	●
Our renewable energy sources (TR)	●		●		●
Sustainability Initiative Ecosystem Studies	●	●	●	●	●



our sustainability priorities

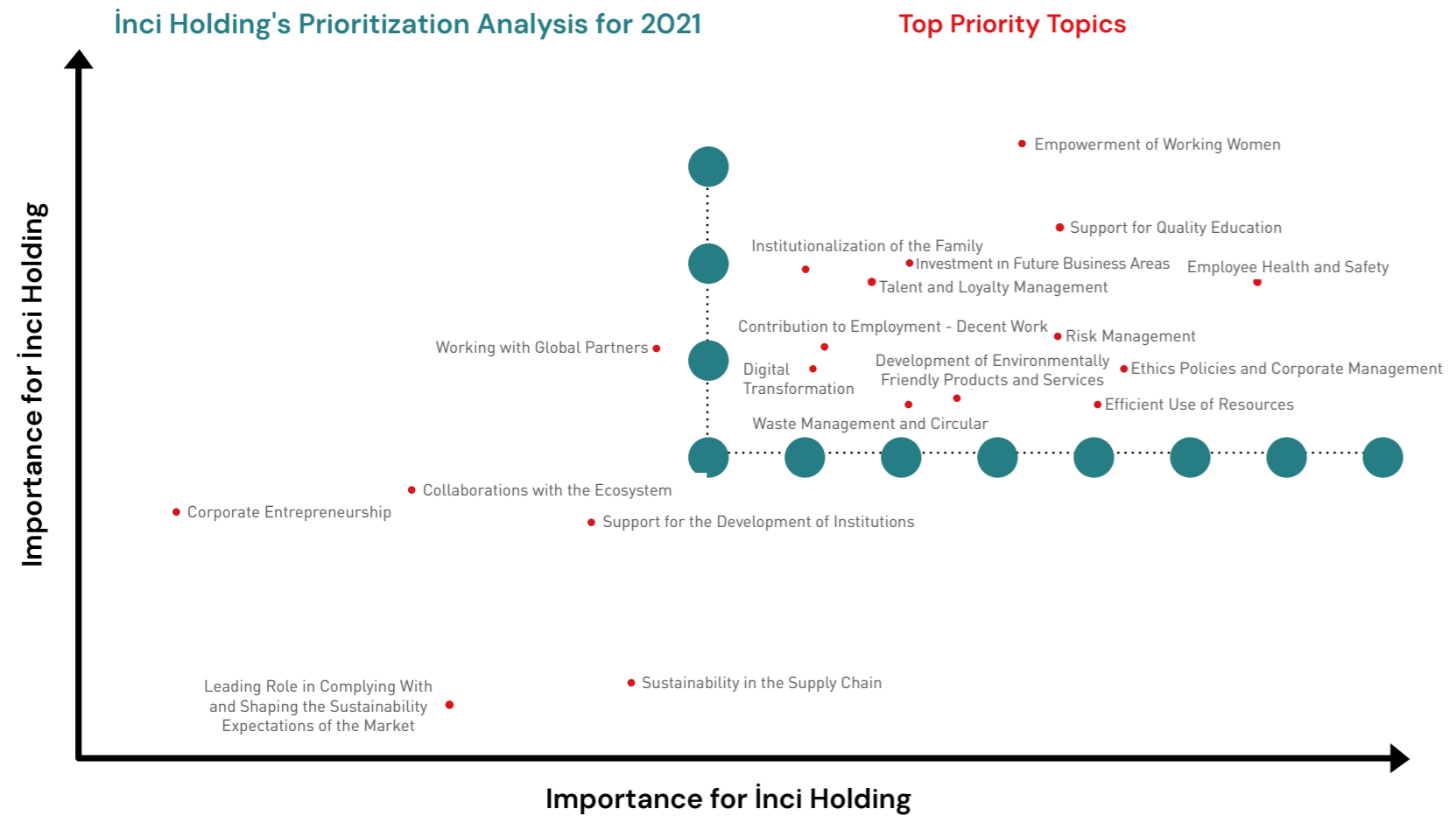
➤ SUSTAINABILITY MANAGEMENT

Our Sustainability Priorities 2.0

As İnci Holding, while having designed our sustainability strategy in 2021 with the participation of all our internal and external stakeholders, we had evaluated our priorities based on the impact our group created and may create in environmental, social and governance areas, and identified our material issues under 4 main leverage points as shown in the diagrams below.

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

01 Investment in Institutionalization for New Generations	02 Investment in People and Society for New Generations	03 Investment in Responsible Production and Responsible Consumption for New Generations	04 Investment in Innovation for New Generations
Corporate Governance	Support for Quality Education with İnci Foundation	Efficient Use of Resources, Climate Change and Carbon Management	Collaborations with the Ecosystem
Working with Global Partners	Contribution to Employment - Decent Work	Development of Environmentally Friendly Products and Services	Investment in Future Business Areas
Ethical Management	Gender Equality / Empowerment of Working Women	Waste Management and Circular Economy	Digital Transformation
Risk Management and Internal Audit	Talent and Loyalty Management	Sustainability in the Supply Chain	Corporate Entrepreneurship
	Employee Health and Safety	Leading Role in Complying With and Shaping the Sustainability Expectations of the Market	
	Support for the Development of Institutions		



Also in 2022, we evaluated our material issues from a different perspective, taking into account the possible effects of developing factors on our organisation and our activities. We evaluated the issues with our internal stakeholders in terms of "impact of the organisation" and "impact on the organisation" according to the "double materiality" perspective. As a result of this evaluation, Corporate Management, Working with Global Partners, Support for Quality Education with Inci Foundation, Contribution to Employment - Decent Work, Gender Equality - Empowerment of Working Women, Talent and Loyalty Management, Efficient Use of Resources - Climate Change & Carbon Management, Development of Environmentally Friendly Products and Services, Waste Management and Circular Economy, Sustainability in the Supply Chain, Investment in Future Business Areas, Collaborations with Ecosystem **became our top priorities** this year. In this year's report, we aimed to highlight our activities and development areas within the scope of these priorities.

OUR PRIORITIES	Impact on the Institution	Impact of the Institution
CORPORATE MANAGEMENT	●●●	●●●
WORKING WITH GLOBAL PARTNERS	●●●	●●●
SUPPORT FOR QUALITY EDUCATION WITH INCI FOUNDATION	●●	●●●
CONTRIBUTION TO EMPLOYMENT - DECENT WORK	●●●	●●●
GENDER EQUALITY / EMPOWERMENT OF WORKING WOMEN	●●●	●●●
TALENT AND LOYALTY MANAGEMENT	●●●	●●●
EFFICIENT USE OF RESOURCES - CLIMATE CHANGE AND CARBON MANAGEMENT	●●●	●●●
DEVELOPMENT OF ENVIRONMENTALLY FRIENDLY PRODUCTS AND SERVICES	●●●	●●●
WASTE MANAGEMENT AND CIRCULAR ECONOMY	●●●	●●●
SUSTAINABILITY IN THE SUPPLY CHAIN	●●●	●●
INVESTMENT IN FUTURE BUSINESS AREAS	●●●	●●●
DIGITAL TRANSFORMATION	●●●	●●
COLLABORATIONS WITH THE ECOSYSTEM	●●●	●●●

* As a result of the Double Materiality study, priorities having a score of 7.5 and above are shown with ●●●, and priorities having a score between 7-7.5 are shown with ●●.

Throughout this year, we also analyzed and embraced our contribution to the Sustainable Development Goals on the basis of targets.

SDGs and Targets



4.3 To ensure equal access for all women and men to quality technical, vocational and higher education, including university, by 2030

4.4 Substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship by 2030

4.5 Eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations by 2030



5.1 End all forms of discrimination against all women and girls everywhere

5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life



6.3 Improve water quality by reducing pollution, eliminating dumping and minimizing the release of hazardous chemicals and materials, halving the proportion of untreated wastewater, and substantially increasing recycling and safe reuse globally by 2030

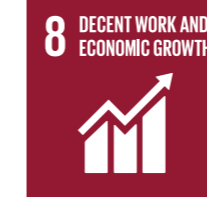
6.4 Substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity by 2030



7.2 Substantially increase the share of renewable energy in global energy sources by 2030

7.3 Double the global rate of improvement in energy efficiency by 2030

SDGs and Targets



8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value-added and labor-intensive sectors

8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services

8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation in accordance with the 10-year framework of programs on sustainable consumption and production, with developed countries taking the lead

8.5 Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value by 2030

8.6 Substantially reduce the proportion of youth not in employment, education or training



9.2 Promote inclusive and sustainable industrialization and, by 2030, significantly raise the industry's share of employment and gross domestic product in line with national circumstances and double its share in the least developed countries

9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally-sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities

9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people as well as public and private research and development spending

9.6 Support domestic technology development, research and innovation in developing countries, including by ensuring a conducive policy environment for, among other things, industrial diversification and value enhancement to commodities

SDGs and Targets



10.2 Empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status by 2030

10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard

12.2 Achieve the sustainable management and efficient use of natural resources by 2030

12.4 Achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment

12.5 Substantially reduce waste generation through prevention, reduction, recycling and reuse by 2030

12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle

12.8 Ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature by 2030

13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries

13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning



SDGs and Targets



15.2 By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests, and substantially increase afforestation and reforestation globally



16.5 Substantially reduce corruption and bribery in all forms

16.6 Develop effective, accountable and transparent institutions at all levels

16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels



17.7 Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships

Sustainability Committee Activities

Our Sustainability Committee, which started its activities in line with the İnci Holding Sustainability Strategy, convened 5 times in 2022. The committee, which actively worked within the scope of sustainability governance in 2022, primarily aimed to ensure that sustainability priorities are adopted by the entire group and that sustainability targets are spread across all units.

For 2023, we aim to organise development programs on Water Footprint and Water Management, Energy Management, Decarbonisation, Waste Management and Circular Economy, Equality, Diversity and Inclusion in parallel with our sustainability priorities and to raise awareness within the Group.

The main agendas of the Committee were as follows:

- Monitoring risks and opportunities in social, environmental and corporate management topics,
- Social benefit projects compatible with the sustainability strategy,
- Design and implementation of the Sustainability Development Plan,
- Review and follow-up of Company Sustainability KPIs,
- Infrastructure of investment opportunities for compliance with ESG Criteria,
- Possible impact of legislation,
- Following developments in sustainability practices,
- Creating the agenda content of the company Boards in-

involved in sustainability governance,

- Evaluation of inputs and outputs of company sustainability teams and all units,
- Follow-up of sustainability-related roadmaps in parallel with the agenda of Group companies and global partners

Sustainability Development Program

In 2022, we included both technical and awareness-raising trainings open to İnci Holding sustainability teams and the entire group. As a result of the "Training Needs Analysis" study conducted throughout the year, together we determined our training needs planned to be given to the group's general and sustainability technical teams in 2023.

2022 Development Plan:

- Sustainable Supply Chain & Sustainable Product Features,
- Aluminium Stewardship Initiative Briefing,
- Standards and Regulations on Sustainability Reporting,
- Impact Analysis of Social Projects for İnci Foundation,
- European Green Deal for ISM teams,
- We organised "Do I Know What I'm Wearing?" webinar on sustainability awareness in daily life open to all group participants.

For 2023, we aim to organise development programs on Water Footprint and Water Management, Energy Management, Decarbonisation, Waste Management and Circular Economy, Equality, Diversity and Inclusion in parallel with our sustainability priorities and to raise awareness within the Group.

In addition, we aim to raise our university students as sensitive and action-oriented leaders of the future through awareness trainings on "Sustainability and Ethics", which we include in the Youth Development and Scholarship Program we offer to our Foundation's scholarship holders.

"The sustainability session given to us within the scope of the İnci Foundation Development Program contributed a lot to me. I had the opportunity for self-evaluation especially on detailed information about ethics and the responsibilities of an ethical person. Thank you."

EMİR HARUN AYTEKİN
İNCİ FOUNDATION SCHOLARSHIP HOLDER

"Since sustainability is compared with real examples in the trainings/events organised at the İnci Foundation, I gained more knowledge on this subject, and since sustainability is a main principle in this program, I saw the reflection of this principle in every activity and I became more consciously aware of the sustainability topic."

İNCİ FOUNDATION SCHOLARSHIP HOLDER
*Manisa Celal Bayar University Electrical and Electronics Engineering
2nd Year Student*

Sustainability Data Management System

We created a database to be able to easily collect, consolidate and monitor the environmental, social and governance data of our companies in a single place. The system we implemented also enables the Holding Consolidated and Company Data collected to be monitored and analysed graphically on dashboards. Thus, with a fast, systematic and, most importantly, sustainable infrastructure, we offer a large data bank for consolidated and group companies to determine a road map. As of 2023, we aim to continue development activities such as target-based tracking through the system and integration of economic data through the ERP system, in the light of feedback from group company users.

ESG Focused Investment Evaluation Tool

Environmental, social and governance (ESG) criteria are the criteria we use to evaluate the operations of technology venture companies whose potential investments we screen as informed investors. In 2022, as İnci Holding, we commissioned the ESG evaluation tool we prepared within the scope of our sustainability studies for our investments under business development studies, and we are able to consider the financial risks and negative practices that may arise from the environmental or other practices of the relevant companies in our investments. In 2023, we prioritise publishing our business development procedure that includes ESG criteria.

Beside making investments through Vinci Venture Capital, in which İnci Holding is a strategic investor, we evaluate early-stage technology venture companies in the portfolio via different aspects of our ESG assessment tool.

In the process of evaluating new business development investments and venture opportunities, we assess the decarbonisation, waste management, operational water consumption approaches and energy efficiency practices of companies or ventures with a focus on the **environment**; equality approaches, female employee ratios, employee rights and OHS policies within the scope of **social** criteria; and corporate governance structures, corporate ethics and sustainability approaches in terms of **governance**, with scoring sets.

UN Global Compact Activities

In 2022, we shared our **first** Communication on Progress Report (CoP) within the scope of the United Nations Global Compact, of which İnci Holding is a signatory.

With our first report published with the "UN Global Compact Early Adopters Programme", İnci Holding became one of the 850 companies that completed the new reporting system globally.

The Communication on Progress Report covers our efforts in governance, human rights, labour standards, environment and anti-corruption topics.



In 2022, we participated in many events organised by the Global Compact Türkiye Network and worked to increase our competencies through sharing good practices and peer learning in the field of sustainability. We participated in the **Climate Ambition Acceleration Programme**, which lasted for 6 months, to set science-based emission targets and create a roadmap for a net-zero transition strategy. As İnci Holding, we took part in the workshops to create a "Diversity and Inclusion Action Plan", which includes the steps to be taken to set our targets in the field of **Diversity and Inclusion** and to achieve these targets.

Sustainability Communication

As İnci Holding, we see sustainability communication as a strategic priority of our organisation. We want to contribute to a sustainable future by reshaping our way of doing business and corporate social responsibilities "For New Generations".

We aim to develop trust-based relationships with our internal and external stakeholders by providing transparent communication on sustainability.

To this end, we carry out compatible activities in line with our annual sustainability business plans prepared by our corporate communication department. These activities include actively sharing sustainability bulletins with our group companies and sharing good practice examples that will raise awareness within group companies by following national and global developments. In addition, we provide regular briefings on sustainability senior management responsibility in our Synergy Group.

We also contribute to information sharing in the sustainability field by contributing with content and articles to the work of committees, working groups, magazines and bulletins of non-governmental organisations we serve. We try to raise awareness about sustainability both within the organisation and among the public by preparing awareness-raising blog posts about sustainability on our Inciblog (<https://blog.inciholding.com/>) page.



70th Anniversary of İnci Holding

In 2022, we shared with the public all of our communication activities in which we emphasised our deep-rooted history and experiences. As İnci Holding, we addressed our 70th anniversary celebrations under the main theme of "Roots and Seeds" throughout the year under the titles of Respect for Masters, Art, Education and Nature.

We spread our communication activities throughout the year under the titles of Respect for Masters, Art, Nature and Education. Under the title of "Respect for Art", we organised various concert events with our İnci Foundation Children's Orchestra. We coloured the walls in İzmir and Manisa with 4 different mural works, including school and workplace walls, with our 70th anniversary special concepts. Within the scope of "Respect for Education", our group employees voluntarily participated in the "International Marathon İzmir Race" to support the activities of the İnci Foundation and contributed to education with the donations they collected. We published our first sustainability report in the last quarter of 2022 with the theme of "Respect for Nature".

With the voluntary participation of employees, we launched the #70Yıl-70DoğaHareketi event to clean forests and coasts.

We launched our new website, which is compatible with İnci Holding's vision and trends, user-friendly, will support our employer brand, and will always be up-to-date and open to improvement. We also included a "Sustainability at İnci" section on our website.

In cooperation with the Aegean Forest Foundation, we planted saplings in the İnci Holding 70th Anniversary Forest and increased the number of saplings planted so far to over 100 thousand.



Our painting made by artist Firat Karapinar using materials from our office wastes such as electronic waste, plastic cases, paper, cables, mouse, etc. within the framework of the "Respect for Art" theme and to raise awareness about the environmental problem in Gölarmara, Manisa.



investment in institutionalization

INVESTMENT IN INSTITUTIONALIZATION FOR NEW GENERATIONS

CORPORATE MANAGEMENT

2022 was a year in which we ensured compliance for the axis of strong execution and effective functioning of the Board, with a focus on risk-based financial control, strategic investment agendas for a sustainable future within the framework of the strategic focus topics and strategic goals of the Board, compliance with current developments, stakeholder relations and corporate governance within the framework of the economic conjuncture.

Our actions regarding the aspects open to improvement identified by our Corporate Governance Committee as a result of the "Self-Assessment" studies completed in 2022 were as follows:

- Within the scope of Facilitating Shareholder Rights; Conflict of Interest Declarations were created for Board Members, CEO and Employees, Related Party Transaction reports started to be submitted to the BoD regularly, General Assembly documents were added to the relevant portal to inform shareholders.
- Within the scope of the Functioning and Structure of the Board of Directors; written documents regarding the duties, working principles and

members of the Committees were shared with the shareholders through the Annual Report.

- Within the scope of relations with Stakeholders; company policies were updated, quality standards regarding suppliers were determined and added to procurement procedures, and our code of ethics was integrated into procurement processes.
- Within the scope of Public Disclosure and Transparency, an information procedure was prepared for shareholders.

"With its corporate culture and effective governance approach, Inci Holding is a strong institution that can address the topics that should be on the agenda of the business world from all angles and develop projects and values on these topics, setting an example for both our city and our country."

AEGAN YOUNG BUSINESS ASSOCIATION (EGİAD)

Priority Topic	Our 2022 Results	Targeted Development for 2023
Corporate Management	Participation level in Board of Directors meetings: 96% Realised/Planned BoD Meetings Ratio: 1.08 Compliance with the Meeting Calendar of the Board Committees: 98% Ratio of family members of Inci Holding and its subsidiaries in the Board of Directors: 23%	<ul style="list-style-type: none"> • To carry the effective and sustainable structure of our corporate governance structure to future periods. • To proceed with 100% compliance with our Corporate Governance Business Plan.

FORWARD BY STRENGTHENING WITH GLOBAL PARTNERS

Working with Global Partners, one of our sustainability priorities, is very important for us in terms of being open to different perspectives and innovative ideas. Through our collaborations with global partners, we provide access to new technologies, increase our sustainability performance through experience sharing, and spread the value we create for all our stakeholders to wider audiences. Working with global partners provides us with the opportunity to increase our competitive advantage through strategic collaborations as well as the continuous development of our products and services. With our partner **Maxion Wheels**, we laid the foundations of our investment, the 6th factory in the Manisa region to produce forged **aluminium wheels** for commercial vehicles; we are working to start mass production in the last quarter of 2024. **In the batteries business line**, within the scope of the share transfer agreement signed in 2022 with our partner **GS Yuasa**, we are continuing the lithium ion battery project for module or battery packaging in industrial applications in Türkiye. **In logistics**, we prioritise 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. With the investment we made in 2022 in Singapore-based **Vflow Tech**, which operates in the field of **energy storage technologies** and in which we take part in the board, we aim to increase the synergistic growth contribution of the sector, which is a business area of the future, both in our country and in our current fields of activity.



Priority Topic	Our 2022 Results	Targeted Development for 2023
Working with Global Partners	<ul style="list-style-type: none"> Number of global partnerships: 4 1 New Energy Storage Technology Investment and Partnership (VFlow Tech) 1 New Factory Opening (Maxion İnci Wheel Group) 1 New Factory Investment (Maxion İnci Wheel Group) 1 New Technology Project (IGYA Lithium-Ion) Global Partnership Number: 4 	<ul style="list-style-type: none"> To increase the number of projects related to sustainability, value chain dominance, energy efficiency, collaborations with our existing partners and new partnerships. To multiply the value of our existing portfolio.

ARM IN ARM WITH NGOS

One of our priorities is to work together with national and international NGOs to contribute to the sectors and society in which we operate in parallel with our priorities.

In 2022, we actively took part in the management of 15 of the 42 NGOs of which we serve on a group basis. We participate in and monitor a total of 22 working groups at TÜSİAD on a group basis, and continue to manage the Digital Transformation in Industry SD² Program. We actively contribute to 18 different working groups of other NGOs in which we serve. In the working groups, we conduct webinars on corporate governance, sustainability and ethics, as well as studies on social benefit and reputation management.

Active Projects and Activities We Carried Out with NGOs in 2022:

- Leadership in the EGIAD Sustainability Committee Activities - Organisation of Sustainability for the Future Summit
- PERYÖN Human Management Summit Sponsorship - Digitalisation Main Theme Session
- TAIDER North Star Sustainability Program Committee Execution and Evaluation

- ESİAD Sustainability Round Table Activities
- SKD Green Deal Round Table Activities
- Sharing of TIM Sustainable Export Campaign Good Practice Examples
- TKYD Management Corporate Management Main Working Group Activities (ESG and Corporate Management Self-Assessment)
- TEİD Ethics and Reputation Society İzmir Representative Office Activities
- OİB - TAYSAD Türkiye Automotive Sector Sustainability Action Plan Studies

In addition to all these project-based activities, we continue to contribute to NGOs' monthly bulletins, provide content and training support with our experts to basic training programs or their events such as summits, webinars, etc.

"We believe that NGO-Private Sector dialogue is based on "transparent" and "participatory" communication, and that we achieved this synergy with our legal member İnci Holding. İnci Holding is among our stakeholders that add value to the activities of our association with the voluntary support it provides both in our activities that require sponsorship and in our activities that we present for the benefit of the public. We find İnci Holding's contribution and visionary approach valuable in the projects carried out by the ESG Working Group of our association."

Corporate Governance Association of Türkiye (TKYD)



investment in people and society for new generations

➤ INVESTMENT IN PEOPLE AND SOCIETY FOR NEW GENERATIONS

OUR BENEFIT TO SOCIETY PERSPECTIVE

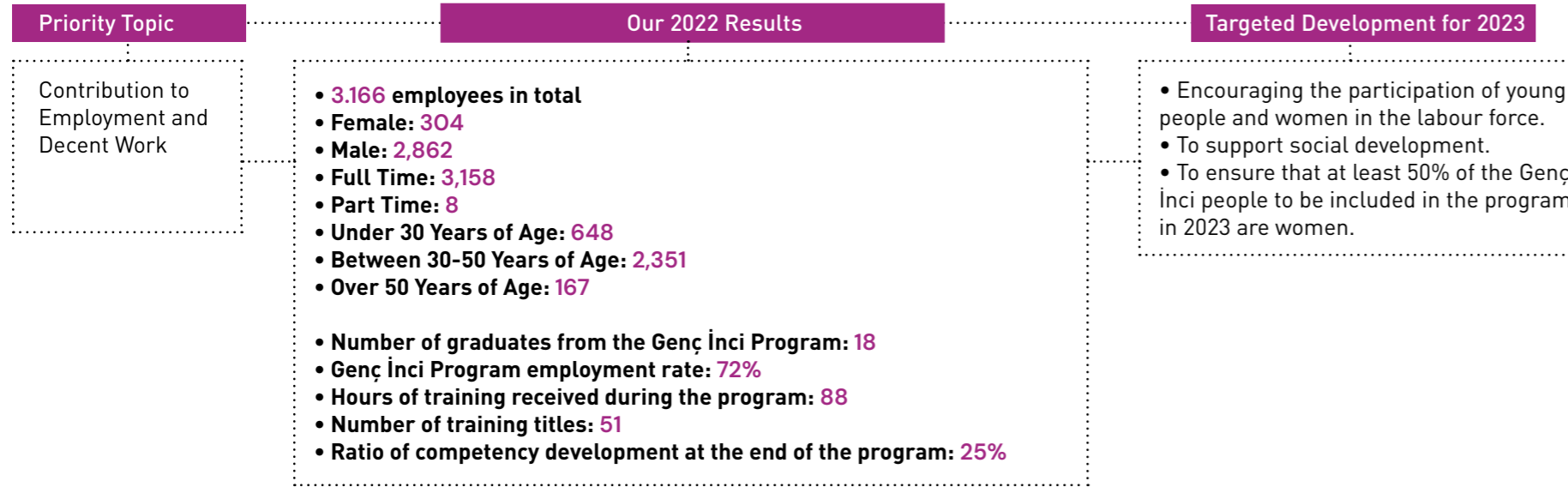
In 2022, we updated and published our "Social Benefit Procedure" in which we harmonised the criteria for the projects to be carried out and supported in the field of Corporate Social Responsibility (CSR) with our main sustainability priorities and expressed our principle of creating shared value. We harmonised the criteria for the areas to be supported in our CSR projects with our main sustainability priorities and made Investment in Institutionalisation, Investment in People and Society (with the dimensions of education, employment and culture & arts), Investment in Responsible Production and Responsible Consumption, and Investment in Innovation the dimensions in which we prefer to create social benefit.

We also added sub-criteria such as supporting at least one of the Sustainable Development Goals in the CSR projects that we will evaluate, as required by the procedure.

CONTRIBUTION TO EMPLOYMENT AND DECENT WORK

We contribute to employment with decent work and policies that grow a sustainable economy and support social development with a focus on value creation inspired by our vision. Encouraging the participation of young people and women in the labour force, increasing their employability and contributing to the business world constitute our 2 main focuses.





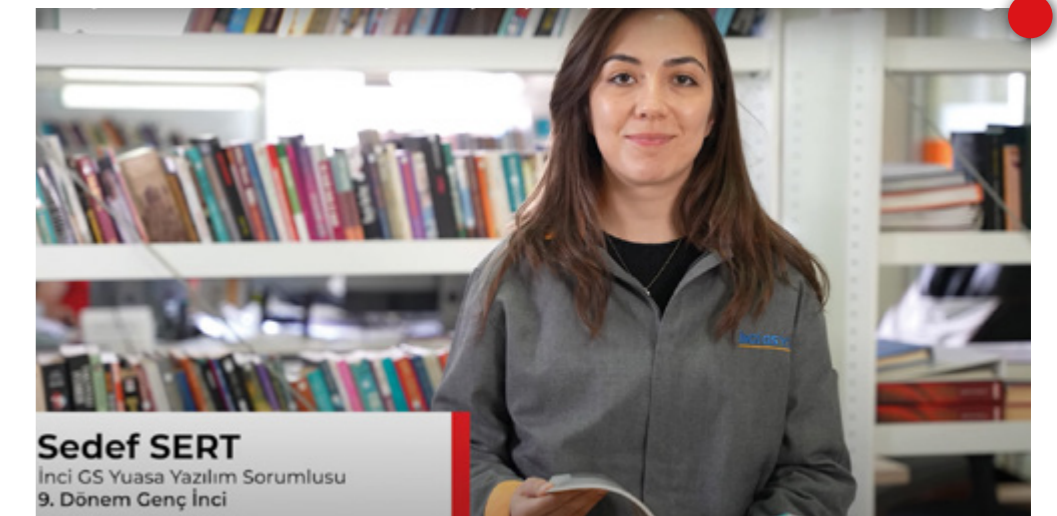
Genç İnci Program

In 2022, we successfully completed the 9th term of the Genç İnci Program, through which we continue to encourage young people to participate in the workforce and increase their employability. Our 18 Genç İnci participants who joined us this year embarked on a 6-month development journey under the roof of İnci Academy, where next-generation learning tools were included in the process, in order to acquire the competencies in our leadership development model. Simultaneously, they took active roles in the projects determined for them in different departments and positions in İnci Holding and group companies and prepared themselves to be fully equipped for professional business life.

So far, 61% (59 people) of the 96 people included in the program continue to work in our group. In the Top 100 Talent Program Competition, where we took part in 2021 with the Genç İnci Program and were entitled to receive an award, we also ranked 3rd in the Group category in 2022.

"I can say that İnci Holding has a staff and perspective that supports and looks out for me whenever I need it. The valuable trainings provided to train versatile and genuine managers have given me a different vision and contributed greatly to my personal development. While I did not know the true meaning of the sustainability concept when I started my new position, I participated in projects and activities in the field of efficiency and sustainability during my tenure. This awareness I gained has been reflected in my daily life and I now act with a different perspective."

AHMET ALPER UZUNOĞLU
2022-23 TERM GENÇ İNCİ
İNCİ GS YUASA



Sub-Priority	Our Featured Projects
Contribution to Employment and Decent Work	Genç İnci Program
	İnci GS Yuasa - My Development Path - Employee Development Model
Talent and Loyalty Management	İnci Holding - Brilliant Fringe Benefits Program (PAY)
	İnci GS Yuasa - Plant Operations Development Program
	İnci GS Yuasa - Area Leader Development Program
Empowerment of Working Women	Maxion İnci Wheel Group - W-Lead
Support for Quality Education	Yusen İnci Logistics - Yusen Advance
	İnci Digital Academy
	Youth Development and Scholarship Program
	Kod'İnci

İnci GS Yuasa – My Development Path – Employee Development Model

In 2022, we reviewed our development process from end to end by taking the process development suggestions and feedback of our colleagues and managers to increase our awareness of our goals and identify our future needs. We created a digital platform where development plans and development actions are integrated and expanded the scope of our development platform, IGYA Campus, with more than 7,000 learning resources, including book summaries, articles, e-trainings, videos, and podcasts. We conducted a 360-degree competency assessment survey and a personality inventory study for all our office employees and field leaders to see the perception our behaviours create on others.



By determining the critical technical competencies required for each department and business function on a role basis, we created development plans which are designed by considering the future needs of all our colleagues and that they can monitor with their managers at regular intervals.

TALENT AND LOYALTY MANAGEMENT

“Focus on Development for Winning Teams”

Our strategy is based on focusing on development to create winning teams. We address development in 5 dimensions: Organisation, Leadership, Loyalty, Talent Development and Digital Development.

Within the scope of the renewed Talent and Career Management practices and process management, 9 career transition movements were carried out in 2022, supported by organisational and individual development plans. The workforce turnover rate at İnci Holding

A.Ş. has decreased by 9% in the last 3 years thanks to our Employer Brand efforts, which scored above the Great Place To Work Türkiye Best Employers trust index score.

We finalised the total reward management design, which we included as part of our holistic Human Resources transformation plan. In the Global Talent Trends Research Report published in May 2022 by Mercer, with which we formed the basis of our business architecture structure, we can see that the importance of “Total rewards that include the promise of flexibility and continuity in return for wider options” has been emphasised as a future focus for companies. We continue our work based on this data.

We determine our People and Culture strategy with the perspective of development and continuous learning in order to realise İnci Holding's strategies.



Priority Topic	Our 2022 Results	Targeted Development for 2023
Talent and Loyalty Management	<ul style="list-style-type: none"> • 24 hours of training per employee on average (in-classroom + online + e-learning) • Ratio of employees subject to regular performance assessment: 72% • 2022 Group-wide Workforce Turnover Rate: 13.96% 	<ul style="list-style-type: none"> • To maintain our İH Great Place to Work Employee Survey Overall Perception Score. • To maintain our trust index score.

İnci Holding – Brilliant Fringe Benefits Program (PAY)

Providing substantial and personalised fringe benefits to our employees was included in our Holistic Human Resources 3-year transformation plan. The results of the GPTW Loyalty Survey conducted in 2021 revealed findings to support this need (Türkiye’s Best Employers: 61%, İnci Holding: 41%). Based on the focus and priority analysis included in the survey, we took swift action in 2022 and launched the Brilliant Fringe Benefits Program (PAY).

Within the scope of PAY, employees can make different choices among existing (such as health insurance, remote working support package, meal card) and new fringe benefit options (such as online gift voucher, discounted fuel card) while staying within their determined budgets.



With PAY, our employees can create the most accurate and customised benefits package for their holistic well-being.

İnci GS Yuasa- Plant Operations Development Program

We launched our "Plant Operations" program in order to develop the technical and managerial skills of our teams working in field operations by creating a structured training plan and to spread the working culture of our company among the teams. With the internal and external trainings we organised within our program, we brought the knowledge levels of our colleagues who joined us at different times to a common point. We aim to keep our technical and managerial competencies alive with this program, which will continue in 2023.

İnci GS Yuasa- Area Leader Development Program

We launched our "Area Leader Development Program" in order to improve the individual and managerial competencies of our "Area Leader" team, who are at the executive level of our factory employee roles, and to support the development of their teams and increase their motivation. We attach great importance to the effective leadership skills of our area leaders, who ensure the correct flow of operational processes by providing coordination between teams, and we believe that they can overcome difficulties more easily by establishing proper communication. We therefore plan to complete the second term of our development program, the first of which was held in 2019, with our area leader graduation ceremony.

We attach great importance to the effective leadership skills of our area leaders, who ensure the correct flow of operational processes by providing coordination between teams, and we believe that they can overcome difficulties more easily by establishing proper communication.

EMPOWERMENT OF WORKING WOMEN

As İnci Holding, we attach great importance to the participation of women in working life and aim to increase the female employment ratio in the field, as we shared in our 2021 Sustainability Report. In 2022, we added the target of "Increasing the Female Employment Ratio in New Recruitment" to the Holding's sustainability KPIs and ensured that the issue is kept on the agenda in our holding and group companies.

With the target monitoring and actions taken on a quarterly basis, we increased our field female employment ratio in new recruitment from 3.98% to 5.22%. In this way, the ratio of female employees to the total employees increased from 9.2% to 9.6%.

In 2023, within the scope of our sustainability priority "Contribution to People and Society for New Generations", we plan to realise the "Increasing Women's Employment in the Field" Project under the leadership of İnci Foundation and in cooperation with İnci Holding. While facilitating our companies in reaching their targets for women's employment in the field, we aim to generate social benefits in terms of women's employment.

In this project, we will include activities focused on vocational and technical training to strengthen women's social skills and employability.

"I know that the holding and company managers attach importance to the inclusion of female employees in employment in sustainability studies, especially under the heading of gender equality. With the increase in the number of female employees in recent years, the employment of female employees in our company has gained much more importance and reached a good point."

HATİCE REYHAN COŞKUN
ISM – Production-1 Assembly Operator

Priority Topic	Our 2022 Results	Targeted Development for 2023
Empowerment of Working Women	Ratio of Female Employees <ul style="list-style-type: none"> In İnci Holding Board of Directors: 37.5% In Mid-Level Manager Positions: 31% In Senior Management Positions: 25% In Total Workforce: 9.6% Among Newly Recruited Office Workers: 34.4% Among Newly Recruited Field Workers: 5.22% Female Employees Turnover Rate: 13.96% 	To increase the female employment rate in new recruitments to 20-30% across the group



Maxion İnci Wheel Group

At Maxion İnci Wheel Group, we continue to realise our development actions with the awareness that we are stronger with our differences within the scope of our motto #AdıylaSanıylaEşitlik, with our "Original and Together" perspective

As the first company in the automotive industry to receive the "Equal Women at Work Certificate", we launched the "W-Lead Women's Leadership Development Program" on March 8, International Women's Day.

We aim to support the potential of our female colleagues and enable them to discover their strengths and gain different perspectives that they can use in their business and private lives, through sharing such as becoming aware of personal patterns.

SUPPORT FOR QUALITY EDUCATION

With İnci Foundation based on the principle of "Support for Education, Service for the Future", we continue to provide education to various focus groups, especially children and young people of all ages in need of education. At the same time, we continue our training activities for all our stakeholders through İnci Academy. Across the Group, we follow and attach importance to the activities enriched by both İnci Academy and the training platforms of group companies for their employees and suppliers.



Priority Topic

Support for Quality Education

Our 2022 Results

- 5,518 children and 289 young people reached through **all foundation** programs
- Number of University Students benefiting from the **Youth Development and Scholarship Program**: 7,530 Scholarship Holders (primary school, high school, university)
- 14-hour Awareness Session
- 14 Volunteer Speakers
- 2 scholarship holder meetings
- 47 Individual Supporters
- 8 Corporate Supporters
- 22.5 hours of training with **Kod'İnci**
- 25 volunteer coding trainers
- By **İnci Academy**
- 7,163 hours of training, 2,104 participants
- 95% satisfaction rate
- 88 training topics

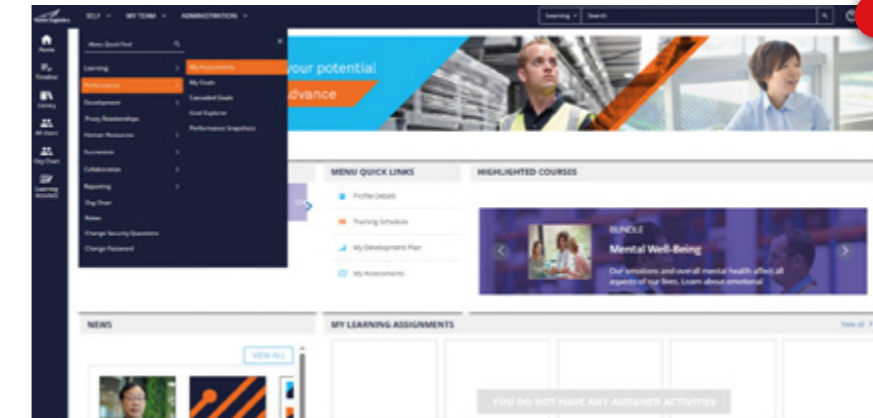
Targeted Development for 2023

- To continue to provide multi-faceted support to the young beneficiaries of the Youth Development and Scholarship Program.
- In addition to scholarship support, to provide support to facilitate students' education and career journeys.
- To provide education-oriented support for people and institutions affected by the earthquake.

Yusen İnci Logistics – Yusen Advance

We continue to use applications that support the continuous learning and development of our employees at Yusen.

With Yusen Advance, we aim to improve employee skills as they gain the necessary competencies for career development and develop themselves in line with our goals.



Yusen Advance offers training options in accordance with the learning styles and needs of employees. These include online trainings, webinars, face-to-face trainings and many training resources. In addition, Yusen Advance determines the trainings that employees need to complete, and they receive timely reminders to complete these trainings.

YUSEN ADVANCE QUARTERLY NEWSLETTER

Apr - Jun 23

2022 - Eğitimlerde rekor kırdığımız bir yıl! 2022'de e-öğrenmeyeel katılanlar her geçen gün artıyor. Toplu olarak, çok şey öğrendik!

EĞİTİM	2022 TAMAMLANANLAR	2023 HEDFİ
Lisans	3,111	3,500
Sertifika	1,236	1,500
Yusen content	7,895	8,000

Küresel öğrenme platformumuz Yusen Advance'e hoş geldiniz.

Yusen Advance hakkında destekleyici materyalleri, güncellemeleri ve fikirleri paylaşacağımız ve öğrenme kültürümüzü oluşturmaya yardımcı olacak bir topluluk sayfa. Bu Sayfa Geliştirme çalışmaları (işbirlikçi) için Yusen Advance platformunda ayrılmış bir alan oluşturulmuştur. Artık Antipal'deki tüm gelişmeler için, yaklaşık 7.000 kişi için yayımlanan Yusen Advance'da, Yusen konularını kapsayan oluşturduğumuz e-öğrenme kütüphanesine ek olarak podcast'ler ve sesli kitaplar için tam Skillsoft kütüphanesine erişebilirsiniz. Bunun yanında yeni bir dil öğrenmek veya dilbilgisi ve telaffuzunuzu geliştirmek için kayıt olabilirsiniz. Ayrıca yıl boyunca tüm gelişmeler yöneticileri ile Performans geliştirme sistemi üzerinden yalıtılarak yapacak istemide olan eğitimler ile gelişiminizi destekleyebilirsiniz.

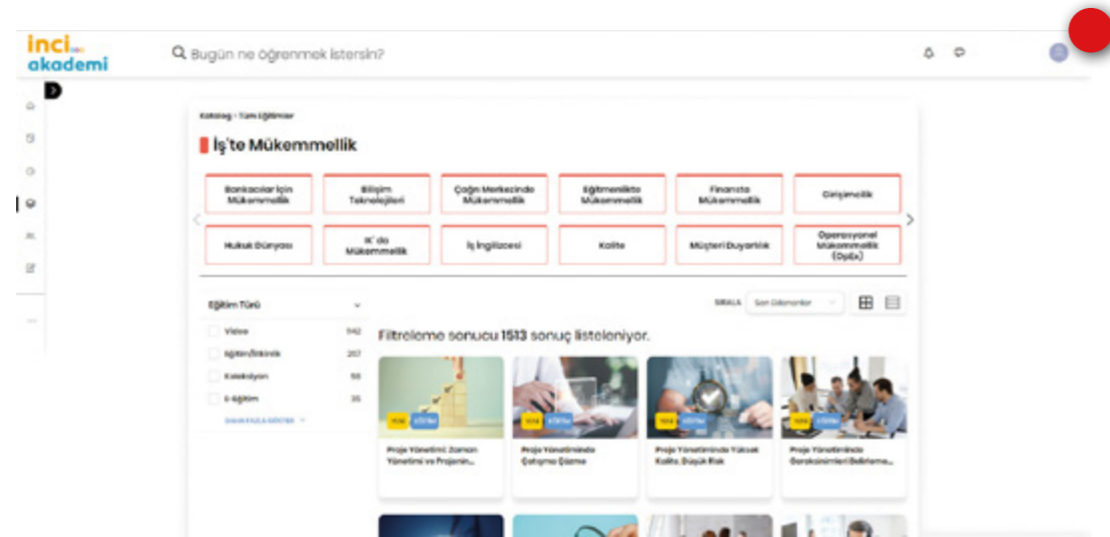
GO
further with Yusen Advance

Inci Digital Academy

By expanding the topics in Inci Digital Academy, which we have implemented as a learning platform supporting the individual and professional development of employees, we stand by our employees in their development journeys and also contribute to employee motivation.

Within the scope of Inci Academy development planning activities, we create individual development plans for the technical and behavioural needs of all employees according to the 70:20:10 method complying with the Inci Holding behavioural model.

We positioned the End-to-End Digital Learning System as Inci Digital Academy as of 2022 with the platform we commissioned in 2021 in line with the digitalisation of human resources processes. We switched to a new catalogue model that includes more than 100 competencies and subjects, and within the scope of our efforts to support corporate management, we published our in-house training catalogue and activated the Idenfit application training module.



Youth Development And Scholarship Program

The İNCİ FOUNDATION provides scholarships to students who are successful and continuously succeed, but lack financial means, in order to ensure the continuity of their success in their education life and thus to provide our country with talented, modern individuals who love their country and respect the values of our society. Since the first year of the establishment of our Foundation, we have included students of all levels, from primary school to the last year of university, in our scholarship program. In the past years, we realised that in addition to the financial support provided to students in our scholarship programs so that they can continue their education in a quality manner, we also conveyed different experiences to them. We observed that these gains created significant added value for their lives after graduation. Based on our experiences, we reviewed our program in terms of content and process.

Realising that it would not be sufficient to call our program only a scholarship program, we define it as the "Youth Development and Scholarship Program". We organise our meetings in a way that highlights the three main achievements of the university group in the program content: "care, get involved and produce results together".

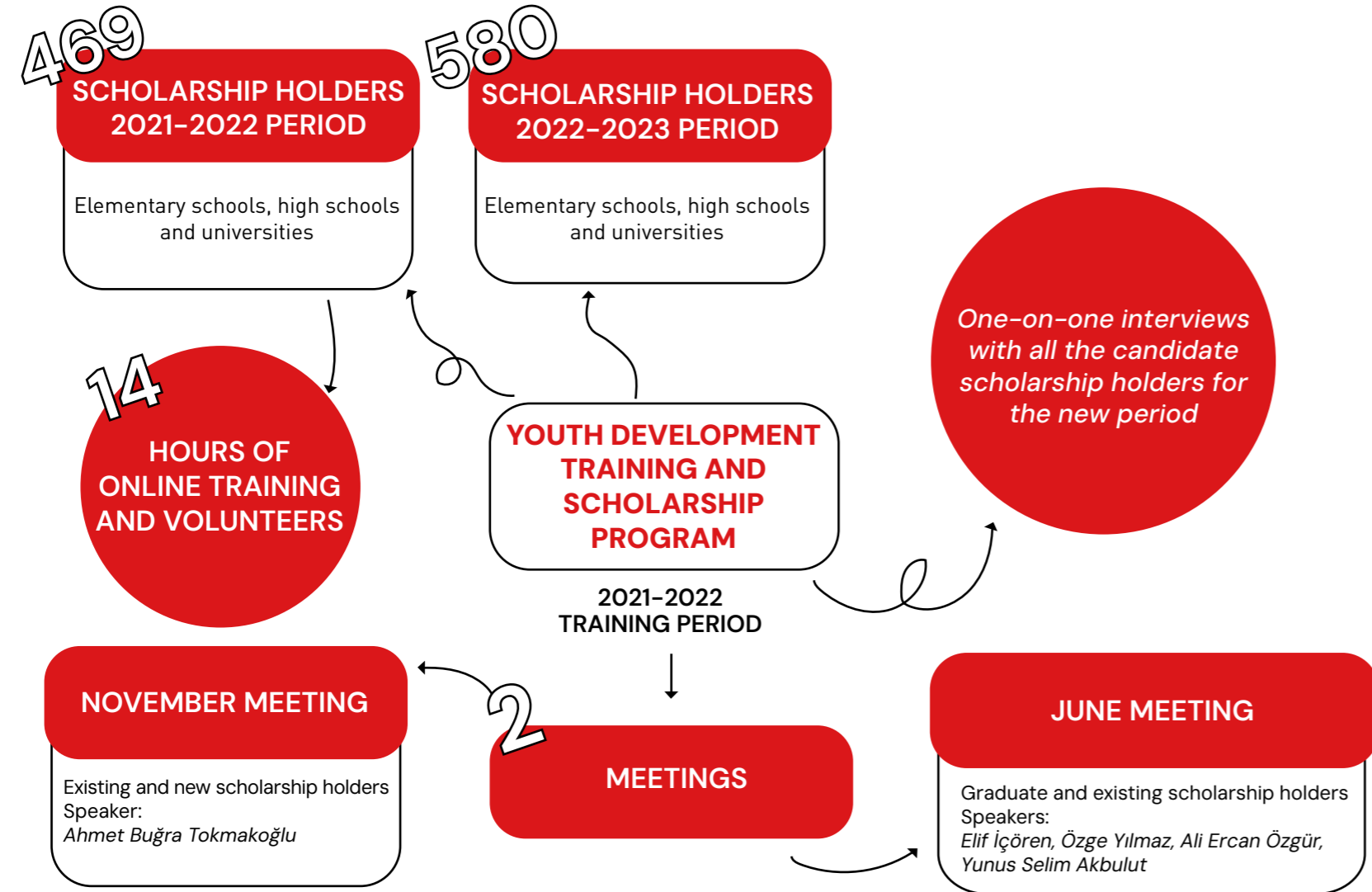
We aim to contribute to our students' personal development and provide them with the social skills they may need in business life with our trainings consisting of 9 modules spread over weeks throughout the year.

In 2022, we held two face-to-face meetings with the participation of our graduates and new students. At the meetings, we bring together young people with experts from different fields and create a mutually positive impact.

In 2023, we aim to provide multi-faceted support to the beneficiaries of the Youth Development and Scholarship Program and to deliver support that facilitates students' education and career journeys in addition to our scholarship support.

"Due to the inclusiveness and diversity of the trainings selected for the Youth Development and Scholarship Program and the fact that it is a program prepared in line with the needs of the scholarship holders, I think it is a program that raises our awareness as scholarship holders, guides our personal development and enables us to gain insight on many issues. The fact that the program brings us together with people who have expertise in their fields creates an excellent opportunity for scholarship holders. Likewise, coming together with people who have different goals and have taken different paths through the My Journey online sessions leads us to determine our career goals and helps us chart the path we need to follow to move ahead. Thank you."

İNÇİ FOUNDATION SCHOLARSHIP HOLDER
EGE UNIVERSITY
DEPARTMENT OF MATHEMATICS
1ST YEAR STUDENT



KOD'INCI

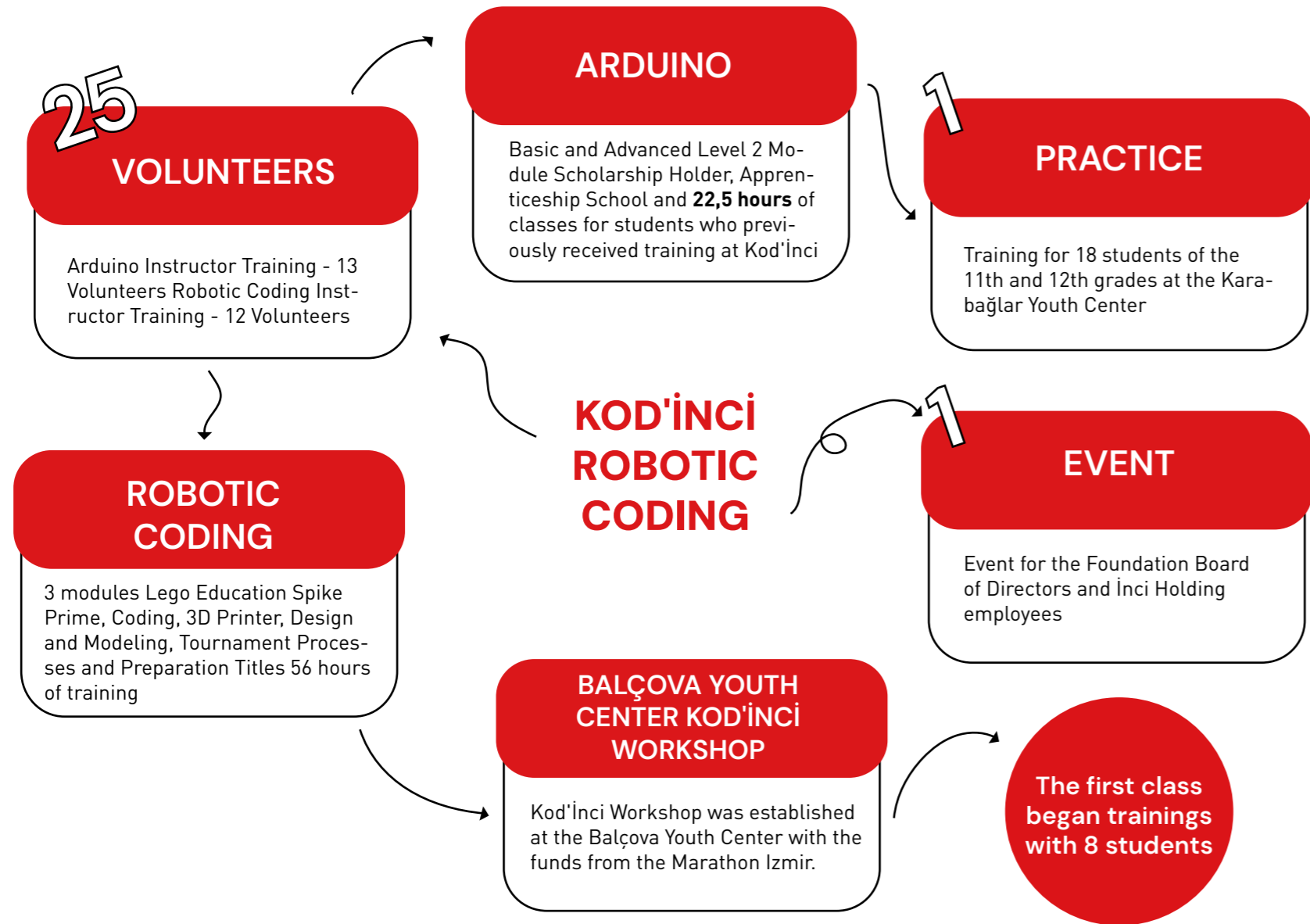
Within the scope of our Kod'inci project, we provide "coding training" to support the development of underprivileged students in public schools who are curious about software and to prepare them for the professions of the future.

Working in teams, children and young people develop their skills in the disciplines that make up STEM while producing innovative ideas.

In 2022, for the sustainability of the project, we organised a 6-day basic and advanced level Arduino-Based Robotics Coding Instructor Training with 16 volunteer candidates. With 8 volunteers who completed their training, we implemented our Arduino-Based Robotics Coding training with 18 secondary school students at Karabağlar Youth Centre. With the funds we received through our participation in the İzmir Marathon in April and in cooperation with İzmir Metropolitan Municipality, we launched our first Robotics Coding Workshop in Genç İzmir Balçova. We organised a 7-day Robotics Coding Instructor Training with 15 new enthusiastic volunteers in the STEM area to teach in this workshop. According to the instructor training monitoring and evaluation report, at the end of the training, volunteer instructors improved 86% in the Lego Education Spike Prime area, 126% in the 3D printer & design area, 42% in the tournament processes and preparation area, and 77% in all processes.

In 2023, we aim to participate in the First Lego League (high school) tournament with the team of high school students participating in the robotics coding training with Legos in our Genç İzmir Balçova workshops and to increase training with new student groups.





investment in responsible production and responsible consumption

➤ INVESTMENT IN RESPONSIBLE PRODUCTION AND RESPONSIBLE CONSUMPTION FOR NEW GENERATIONS

EFFICIENT USE OF RESOURCES, CLIMATE CHANGE AND CARBON MANAGEMENT

In 2022, we continued to take actions to reduce environmental impacts at İnci Group. We expanded the scope of our carbon footprint measurement. Despite the increase in the consumption data set included in the measurement, we achieved carbon reduction. Within the scope of sustainability efforts, we have group companies that use green energy in all their production processes with I-REC certification of 5,000 MWH, valid for 5 years.

In 2022, we calculated our carbon footprint in order to calculate İnci Holding's consolidated carbon footprint, to evaluate our consumption by energy and fuel types, and to see where we have reached in line with our target of 50% absolute reduction in İnci Holding's 2030 consolidated carbon emissions.

According to the results of the calculation, our 2022 carbon footprint is 91,452 tCO₂e. While our carbon footprint decreased by 13% in one year, our intensity decreased by 61.7%.

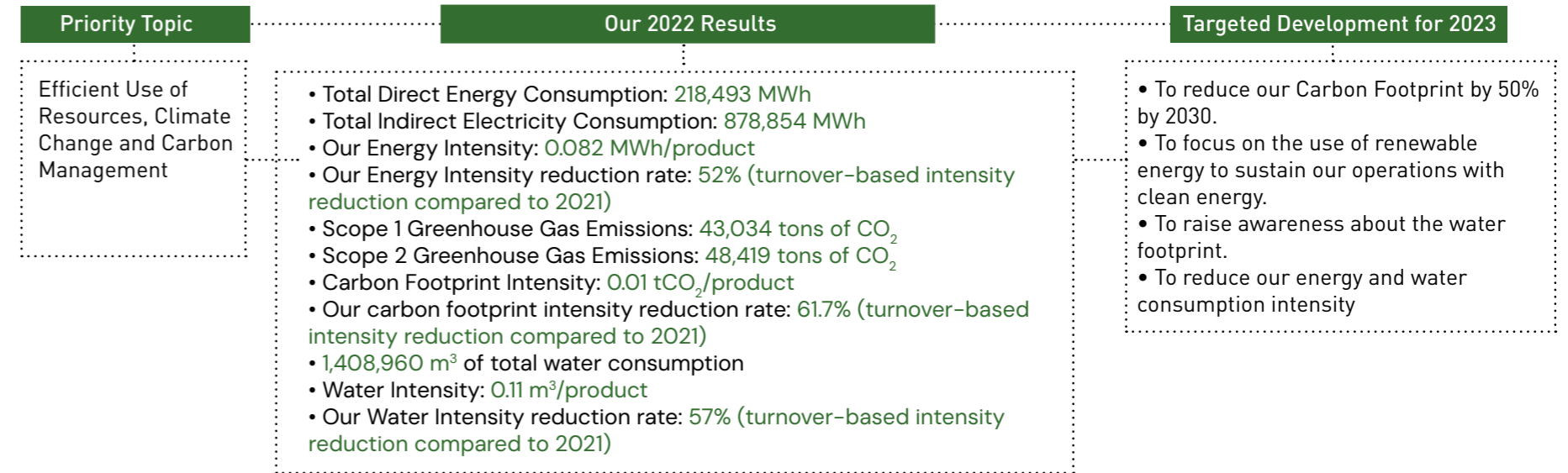
During the year, we organised carbon calculation workshops, technical and awareness trainings on carbon reduction, and communication activities within the Group. We reviewed the carbon action plans and road maps on the basis of group companies, and ensured their follow-up under the ownership of senior management by meeting with company BoDs every 3 months.

Our priorities for 2023 include ensuring that our group companies regularly perform their own carbon footprint calculations and evaluate their contribution to our absolute reduction target through technical trainings provided by the Holding and İnci Academy. In addition, as İnci Holding A.Ş., we aim to review our consumption within "Scope 3" and create a road map to reduce our emissions within this scope.

As İnci Holding, we attach great importance to the efficient use and sustainable management of water resources without depleting the water resources of the future "For New Generations". For this reason, we consider water footprint reduction as a part of our sustainability strategy and primarily aim to increase our awareness activities. With the trainings planned in 2023, we want to first contribute to the awareness of our employees and society on water use. We currently try to use water-saving technologies in our production facilities and monitor our water consumption.

"We regularly receive environmental and waste management trainings every year. Through these trainings, we learned the importance of waste separation and recycling and that neither of them is garbage but a value that can be recovered, and we increased our awareness by using this information in our private lives outside the workplace."

ISM Minibar – Employee Opinion



Sub-Priority	Our Featured Project
Efficient Use of Resources, Climate Change and Carbon Management	Maxion İnci Wheel Group - Water Explorer Project 2022 Term Final
	Maxion İnci Aluminium - Cold Casting Project
	Maxion İnci Aluminium - Energy Recovery Project
Waste Management and Circular Economy	İnci Gs Yuasa – Iso 50001 Energy Management Systems Certificate
	ISM - Zero Nitrogen Project
	Hasat Grant Program
Development of Environmentally Friendly Products and Services	ISM - Plastic Raw Material Reduction Project
Sustainability in the Supply Chain	AZKarbon
	İnci Gs Yuasa - Eco Production Climate-Friendly Competitiveness Program
	Yusen İnci Logistics - Supplier Performance Evaluation Module
	Maxion Jantaş A.Ş. – Dig-Greenlogers
	Maxion İnci A.Ş. – Packman

Maxion İnci Wheel Group – Water Explorer Project 2022 Term Final

The spring term activities of the international Water Explorer Program, which aims to raise water awareness among students aged 8-14, were carried out with the support of Maxion İnci Wheel Group, one of the pioneers of the Turkish automotive supply industry. A total of 102 public schools in Manisa and İzmir participated in the program, which ended its spring term with the final event held in İzmir. Hundreds of water ambassador students became a part of the solution with the projects they developed and contributed to, raising awareness about water by reaching a total of 2,300 people through their activities. Maxion İnci Wheel Group, which has made sustainability one of the foundations of its corporate culture, took responsibility for solving water problems as a part of this understanding and carried out the spring term of the Water Explorer Program, which aims to raise water awareness among students worldwide. Within the scope of the Water Explorer Program, trainings, fairs, and festivals were held, and projects offering solutions to existing problems were produced.



Maxion İnci Aluminium – Cold Casting Project

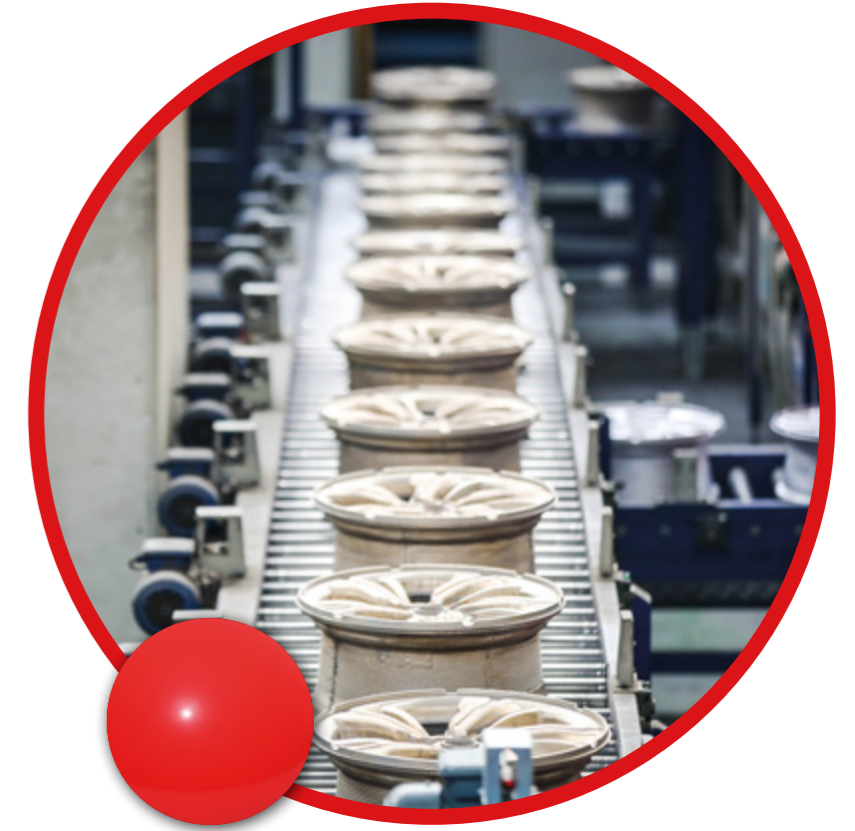
With the cold casting project implemented at Maxion İnci Aluminium within the scope of wheel production in line with our low carbon emission target, we shortened the casting cycle time by an average of 25 seconds with low metal temperature and parameter optimisation. Thus, we contributed to energy efficiency and low emission production by preventing losses

in many aspects. In the project, we aimed to reduce both CO₂ emissions and energy costs by reducing natural gas consumption. At the same time, by reducing aluminium loss due to oxidation and skimming, we ensured the efficient use of raw materials and increased production numbers in our foundry. On the other hand, a reduction in working hours was achieved, and a more flexible plan was implemented due to the improvement in the bottleneck process (casting).

- 10% Energy Consumption Reduction in Foundry Furnaces,
- 1% Reduction in Combustion Loss due to Oxidation and Skimming,
- With the completion of expansion to all casting furnaces, an annual gain of 3.77M Kwh will be achieved. In 2022, a 40% expansion was achieved for the project.

Maxion İnci Aluminium – Energy Recovery Project

As Maxion İnci Aluminium, we continue to expand the scope of our work on energy efficiency. With the project we implemented in 2022, we reduced our natural gas consumption by 2% and achieved a significant reduction of 50% in our use of hot water supplied from the Manisa Organised Industrial Zone (MOSB). Our daily heat transfer from the MOSB hot water line also decreased by 51%.





İNCİ GS YUASA – ISO 50001 Energy Management Systems Certificate

As İnci GS Yuasa, we completed our efforts to adapt the ISO 50001 standard to our entire system in order to ensure the continuity of our energy efficiency approach and to continuously improve our energy use. As in all management systems, we established ISO 50001 Energy Management System with PDCA (Plan, Do, Check, Act) cycle and created our energy policy by adhering to our systems and the requirements of the standard as IGYA.

.....
 We established an Energy Management Team and identified activities for risks and opportunities. By also identifying important energy points, we monitored, measured and controlled their energy performance.

In case of deviations from the targets, we took measures to continuously improve energy performance. With the adaptation to the ISO 50001 Energy Management Systems standard, we observed an increase in the awareness of our employees on energy issues.

ISM – Zero Nitrogen Project

At ISM, we continue our efforts to contribute to the 2030 target by reducing our carbon footprint. On the one hand, we set out with the goal of reducing the use of nitrogen gas in the cooling unit test process to 0% in order to minimise the impact of increases in energy costs and decreasing the energy consumed by the compressor by 30% throughout the factory. At the same time, with the help of the air dryer installed in the system, we have made a positive contribution to the life of all machinery and equipment in the production processes by providing clean air completely free of oil and water.

.....
 With the zero use of nitrogen, we reduced the energy consumption caused by the compressor machine by 55%. Thus, with 55,000 Kwh less electricity consumption per year, we achieved a reduction of 24.2 tco₂ in our carbon footprint.



Inci Foundation Hasat Grant Program

The Hasat Grant Program, which we carried out under the leadership of Inci Foundation and in cooperation with Inci Holding, was designed to support the implementation of sustainability-related projects of postgraduate students with a focus on Air, Water and Soil, and within the framework of the main theme of "Responsible Production and Responsible Consumption", one of the main priorities of Inci Holding Sustainability Strategy. 31 projects and teams applied to the program, whose Final Hasat Day took place on 19 December 2022.

10 projects with air-water-soil restorative solutions in the fields of energy, packaging, plastic recycling, agriculture and textiles were awarded grants and scholarships in the final.

The program, supported by Inci Holding and facilitated by the Yerli Yeşil Yeni Platform, is the first grant program in Türkiye designed and implemented in cooperation with civil society and the private sector within the framework of the Sustainable Development Goals and with a focus on "Responsible Production and Responsible Consumption". The program, which covers 18 universities in the Aegean Region only as a pilot application, was attended by students enrolled in a graduate-level program with their sustainability-related projects that completed the idea stage and were in the process of being implemented in the fields of circular economy, waste reduction at the source, and alternative and clean energy with a focus on Air, Water and Soil. In the program, whose applications were collected between November 25 - December 7, 2022 via www.incivakfi.org, projects were evaluated within the framework of basic criteria such as ecological, economic and social benefit, sustainability of this benefit, its measurability, how innovative it is, impact area, and development potential. A grant of TRY 70 thousand and a scholarship of 3,500 TL during 9 months have been provided for 5 projects, and for 5 other projects, support of TRY 20 thousand has been provided in addition to mentorship for project owners.



While supporting the personal welfare of individuals with scholarships, the program supports innovative entrepreneurs by enabling them to develop their ideas or initiatives with grants. Thanks to the projects funded under the program, we support many positive environmental impacts such as the conversion of carbon dioxide into biofuel, the production of biocomposites from different biomass sources, the development of salt water batteries, and the reduced and more efficient use of water in the circular system.

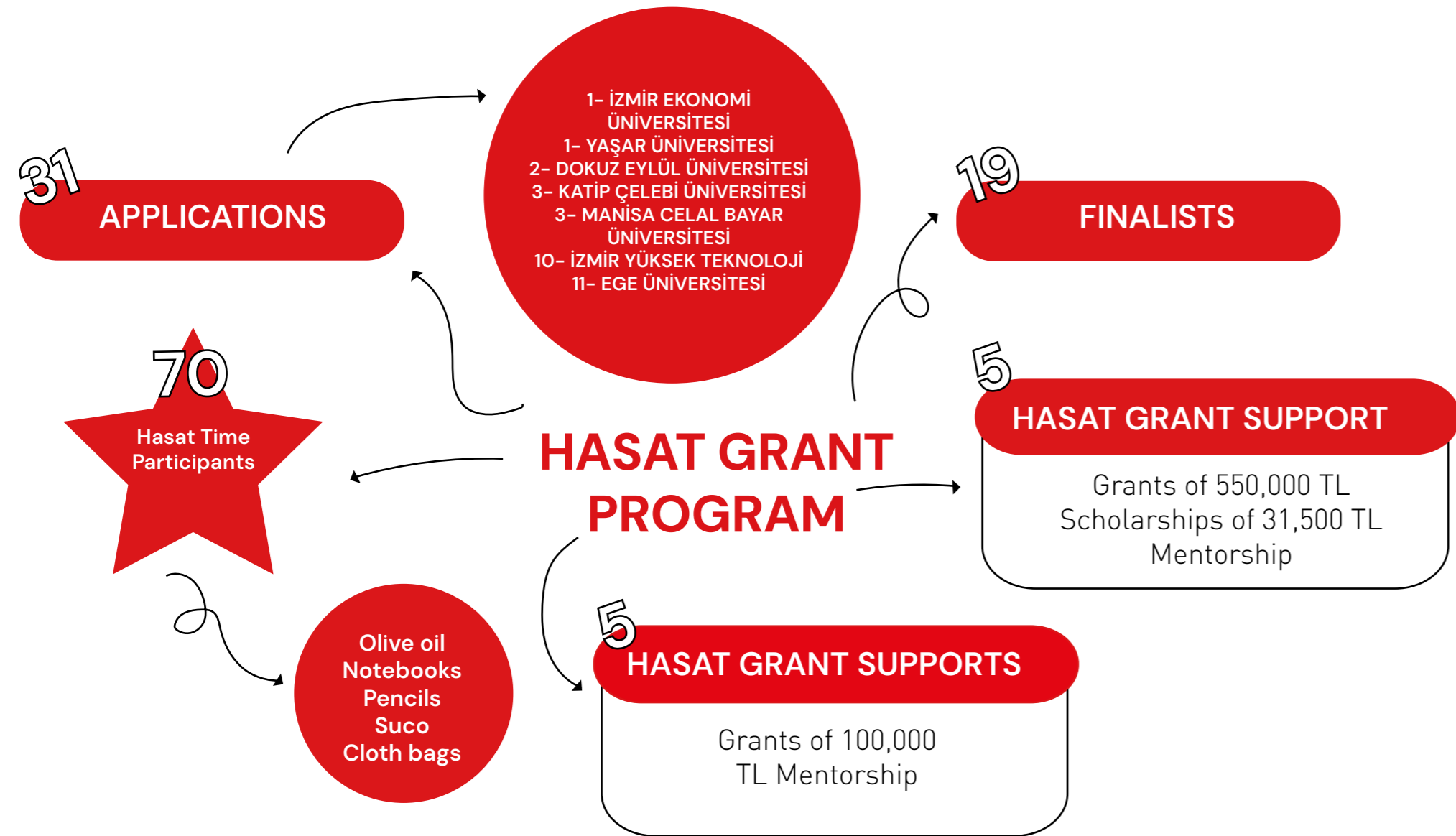
You can access the List of Hasat Projects [here](#).

The Hasat Grant Program directly contributes to social development as it combines scholarships, grants, mentoring and networking support in order to enable students enrolled in any postgraduate program to implement, commercialise and develop their ideas.

"The Hasat program has made a big difference in my life. This program showed me that a young woman who has just graduated can achieve great things with a little motivation, increase her self-confidence and be among professionals for the first time. In other words, it gave me the opportunity to tell or explain what I wanted to do with a small presentation. The degree I earned and the success I gained allowed me to crown this work and provided me with an opportunity for new scientific studies."

RANA TAŞKIN
EGE UNIVERSITY
DEPARTMENT OF ENVIRONMENTAL ENGINEERING





WASTE MANAGEMENT AND CIRCULAR ECONOMY

We see that resource consumption and current consumption habits, which intensify with increasing industrialisation, have a negative impact on our ecosystem, and in today's world, where extraordinary conditions have emerged with the climate crisis, it is of great importance for us to use resources economically, and prevent and reduce pollution at the source. We work on applications that will contribute to the circular economy so that the vast majority of the billions of tons of resources transferred to the global economy every year do not continue to trigger the climate crisis as "waste".

We implement applications that support waste reduction, recycling and reuse in all our operations and processes.

Priority Topic	Metrics Followed, 2022 Values	Targeted Development for 2023
Waste Management and Circular Economy	<ul style="list-style-type: none"> • 61,025 tons of waste in total • We reduced our total waste by 9% • We reduced our hazardous waste by 54% • Waste intensity: 0.004 tons/product • 47,943 tons of recycled waste • 79% of our total waste is recycled waste. • Ratio of Recycled Input Materials Used: 17.3% 	<ul style="list-style-type: none"> • To reduce our waste amount. • To increase our recycling rate. • To make our contribution to the Circular Economy sustainable.

ISM - PLASTIC RAW MATERIAL REDUCTION PROJECT

We continue our recycling and continuous improvement efforts at ISM. With the project we carried out to reduce the amount of HIPS anti-shock sheets produced during the hot forming of minibar body-door plastics and sent for recycling, we achieved radical revisions in body and door thermoforming machine designs based on product models. By reducing the waste rates on the basis of each model, we have achieved a minimum 13% reduction in the annual use of plastic HIPS sheets by reducing the labour applications in mould change times below 10 minutes.

Due to the reduction in the use of plastic, we achieved a 13% reduction in the carbon formation during transportation and carbon footprint created for heating energy used in raw material processing, while 12 tons of annual waste was eliminated with the body modular frame project and 7 tons of annual waste was eliminated with the door modular frame project.

DEVELOPMENT OF ENVIRONMENTALLY FRIENDLY PRODUCTS AND SERVICES

As İnci Holding, we believe that a cleaner and greener world is possible with developing technologies and a focus on sustainability. In this context, we carry out our R&D activities in our main product groups with the approach of developing and producing environmentally friendly products including new technologies. As required by the sector, we proceed in accordance with "energy and environment-oriented" technology trends in both production and new product development while taking into consideration original technology and design.

AZKarbon

We know that the future lies in renewable energy sources. Since 1952, İncitaş, the first company of İnci Holding, has not only maintained its presence in the market with its product range consisting of the basic parts of the automotive industry (batteries, wheels) but also continues to take important steps to keep up with the times.



AZKarbon aims to be a new-generation, focused shopping website where consumers can find the products and services they need related to clean energy and energy efficiency.

İncitaş designs its strategies, 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, it is pleased to have launched AZKarbon, an online marketplace that brings energy-efficient products together with customers in its 70th year.

We launched the AZKarbon vertical/focused marketplace in 2022 in order to bring consumers together more easily with the technologies and innovations developed in the field of renewable energy, energy saving, energy efficiency, sustainable, future and environmentally friendly products and services, to introduce them, to contribute to changing their preferences in this direction and to increase their usage. With AZKarbon, we also aim to bring companies that supply products and services in these areas together with the appropriate customer portfolio. AZKarbon brings together customers who care about energy efficiency and costs with vendors who are experts in their field and have actively established a place in the sector with their products and services.

AZKarbon, which brings together vendors in the categories of energy generation, white goods, energy efficiency and mobility with a wide range of products, helps to collect multiple offers from companies and evaluate the offers correctly by determining the needs of the visiting consumer for those needs that require project-based solutions. AZKarbon has been operating as a separate legal company since December 2022.

İNCİ GS YUASA – ECO PRODUCTION CLIMATE-FRIENDLY COMPETITIVENESS PROGRAM

With the program, it was aimed to create a comprehensive platform, from analysis and needs assessment to project design, and access to financing and to bring together different stakeholders. İGYA had the chance to access an evaluation report for the basic needs of ECO Production in areas such as data measurement and evaluation, determination of basic needs for cleaner production and resource efficiency, and preparedness for environmental legislation sanctions and competitiveness conditions. In the continuation of the program, consultancy processes will start with the companies that completed the first stage.

İGYA was one of the pilot companies participating in the "ECO PRODUCTION - Climate Friendly Competitiveness Program", which was carried out in cooperation with the Turkish Foundation of Technology Development - Manisa OSB in 2022.



SUSTAINABILITY IN THE SUPPLY CHAIN

In addition to our company's sustainability approach and strategy, we care that our stakeholders in the supply chain have a similar approach. We believe that this harmonisation, which can be achieved while determining suppliers, will not only reduce procurement and operational risks, but also provide a significant competitive advantage with our suppliers that comply with ESG criteria.

We shared the supplier evaluation tool we prepared within the scope of sustainability studies for 2022 with our group companies. With our Supplier Evaluation Question Set, we evaluate whether our suppliers have environmental and energy management systems, whether they measure their carbon footprint, their water consumption and waste management approaches.

Within the scope of supplier development activities, a total of 10 suppliers, including the suppliers of İnci Holding A.Ş., İnci GS Yuasa, Maxion İnci Wheel Group and ISM Minibar, participated in the ESG Scoring Survey studies prepared by the Turkish Association of Corporate Governance (TKYD) ESG Working Group, in which we took an active role as İnci Holding in 2022.

We take into account their studies such as gender equality policies and local supplier collaborations, and aspects such as quality management and ethical approach.

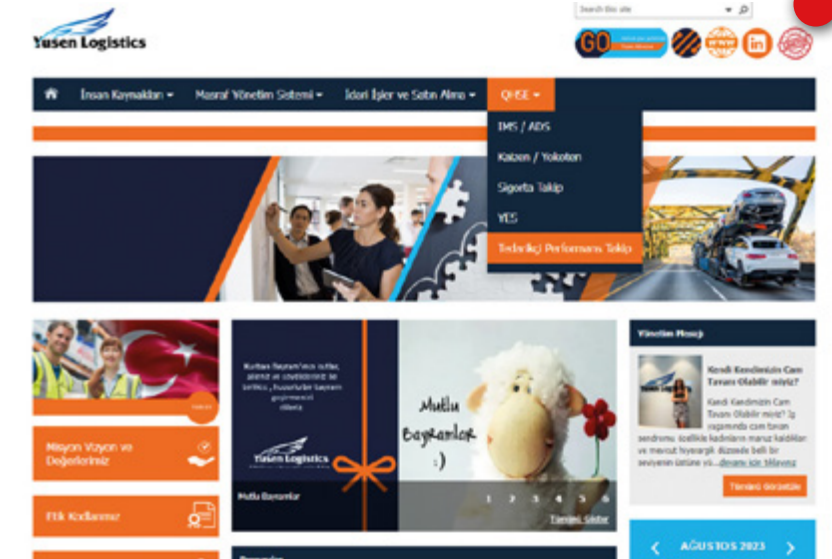


Priority Topic	Our 2022 Results	2023 için Hedeflenen Gelişim
Sustainability in the Supply Chain	<ul style="list-style-type: none"> Number of New Suppliers Screened Using Environmental Criteria: 66 The number of suppliers, including the suppliers of İnci Holding A.Ş., İnci GS Yuasa, Maxion İnci Wheel Group and ISM, who received training within the program and received an evaluation report in the ESG Scoring Survey studies prepared by TKYD ESG Working Group 10 	<ul style="list-style-type: none"> To support our suppliers to improve their sustainability performance. To increase the number of our suppliers open to environmental and social development. To increase the number of our suppliers determined according to ESG criteria.

YUSEN İNCİ LOGISTICS – SUPPLIER PERFORMANCE EVALUATION MODULE

At Yusen İnci, we attach importance to continuously increasing our success in supply chain management together with our logistics competence. In order to increase our efficiency in strengthening our company's relations with suppliers, we developed an in-house online module that includes supplier performances, quality, price, environment and OHS evaluations.

With our module, we objectively evaluate the performance of suppliers and select the suppliers that can offer the best service to our business partners.



MAXION JANTAŞ A.Ş. – Dig-GreenLogers

At Maxion Jantaş A.Ş., within the scope of our main goal of sustainability, we are working to minimise costs and keep up with digital transformation in a world where the automotive industry is rapidly developing and changing. With our Dig-GreenLogers logistics tracking improvement project, consignment warehouse optimisation was completed, and manual processes were automated with RPA (Robotic Process Automation). With this reduction, we saved 18 trees for nature. We reduced noise pollution by using fewer vehicles. We reduced our manual labour hours in operations by 66% compared to the previous year. In terms of safety, falling wheels were prevented by 50%. With the digitalisation of the system, we minimised paper waste. In addition to minimising the risk of sending incorrect or damaged wheels, customer satisfaction was increased.



.....
 With the improvement of the tracking system, we reduced the number of trips in transport and reduced our carbon footprint by 8.5 tCO₂ per year by increasing the use of railways in port transport.

MAXION İNCİ A.Ş. – PACKMAN

In our Maxion İnci Wheel Group, we are trying to find a number of sustainable methods to reduce freight and packaging costs, especially on the packaging side. With a team working with agile methodologies, we first selected focal points, potential improvement areas and team-oriented alternative solutions for these focal areas. With daily fifteen-minute scrum meetings, target information was provided and solutions to the problems experienced were sought. With the Lean Six Sigma methodologies used for delivery optimisation, the current situation was first analysed and then delivery optimisation was achieved with the improvements made. The project was applied to 70% of our export customers and 50% of the products shipped.



.....
 According to the results obtained, 400 truck deliveries were eliminated with a reduction rate of 53%, thus preventing 130 tCO₂ carbon emissions. With our pallet improvements, we protected 1,000 trees by achieving a 225 tCO₂ reduction in emissions.



investment in innovation

INVESTMENT IN INNOVATION FOR NEW GENERATIONS

INVESTMENT IN FUTURE BUSINESS AREAS

In parallel with İnci Holding's vision, we focus on both synergistic investments that will increase the value of our existing portfolio and technology investments that will create value in future business areas.

We aim to multiply the value of our existing portfolio by developing projects for sustainability, value chain dominance, energy efficiency, new partnerships, and collaborations. With this perspective, we effectively manage the projects we designed in line with the strategies of our group companies.

Within the scope of technology investments that will create value in the future business areas, we are examining energy storage/management, industry 4.0 and digitalisation, and mobility/automotive opportunities.

We base our selection on businesses that will create strong synergy with our group companies and that make a difference with technology, market dominance and process knowledge. In the rounds where strategic or financial main investors will participate, we prioritise arrangements that we can invest in together.

Priority Topic	2022 Sonuçlarımız	Targeted Development for 2023
Investment in Future Business Areas	1 New Energy Storage Technology Investment and Partnership 1 New Green Energy Catalyst Investment 1 New Factory Opening (Maxion İnci Wheel Group) 1 New Factory Investment (Maxion İnci Wheel Group) 1 New Technology Utilisation Agreement (IGYA Lithium-Ion) Our Total Number of R&D Projects is 60	<ul style="list-style-type: none"> To continue bringing sustainability solutions in the initiative ecosystem together with our group companies. To be able to tangibly measure the value arising from synergy. To increase the number of events that create an ecosystem. To increase the number of collaborations with initiatives. To increase the per-project improvement rate of initiatives that can provide solutions on the basis of ESG parameters in terms of energy, waste and water.

Sub-Priority	Öne Çıkan Projelerimiz
Investment in Future Business Areas	VFlow Tech
Collaborations with the Ecosystem	Our Open Innovation Platform: İnci Radar
	İNCİ GS YUASA - Tortoise: Human Perception System With Artificial Intelligence
	Traceability With Digitalisation In İsm
	Investment In High Potential Initiatives With Vinci

VFLOW TECH

In 2022, we invested in VFlow Tech, a Singapore-based company operating in the field of energy storage technologies. VFlow Tech aims to stabilise and minimise interruptions in energy resources and produces vanadium redox flow battery systems. The systems can be scaled from 30 kwh up to mwh level as needed. It can be used in areas such as microgrids, renewable energy systems, grid balancing, and electric vehicle charging complexes with long-term uninterrupted power needs. VFlow's technology, with its features of;

- Longevity (20-25 years),
- Ability to store 4 hours or more
- Posing no risk of combustion and leakage,
- With the ability to operate at temperatures up to 60 degrees, it separates itself from both competitors in its field and alternative technologies.

We evaluate environment friendly energy investments that could create synergy with our future portfolio under the energy storage/management heading. In this context, we are examining energy efficiency in production, storage technologies, business models for carbon reduction and predictive maintenance services. In the field of Industry 4.0, we focus on areas such as artificial intelligence, smart sensors, data analytics, and AGV (automatic guided vehicle) in production, which

will create synergy with our group. On the mobility/automotive side, we continue to work on products and business models that will not be affected by the transformation in the sector.

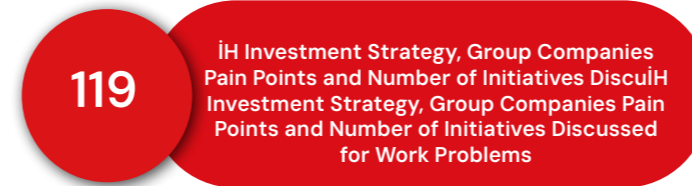
Last year, we initiated our actions in line with the provisions of the EU's Energy Efficiency Directive, which was published as part of the Green Deal, such as replacing fossil fuels with renewable energy and encouraging the use of clean energy.

We aim to reduce our carbon footprint and costs by procuring the energy needs of our facilities from renewable sources.



COLLABORATIONS WITH THE ECOSYSTEM

In our entrepreneurship and innovation ecosystem, which we created in line with our activity and focus areas, we interact with all ecosystem actors surrounding İnci Holding, and through memberships and stakeholdings, we take important steps towards closer cooperation between the group companies targeted by the Platform Project and the entrepreneurship world.



We primarily carry out studies to identify the pain points of our group companies, and for this purpose, we determine the technology supply needs of our group companies through a Needs Analysis Form in order to continue the process systematically. In 2022, as a result of the screening and bridging activities we carried out within the framework of the needs we identified, we met with a total of 119 organisations, matched 40 initiatives, and enabled our group companies to collaborate with 12 of the 40 initiatives matched.

We selected the relevant initiatives with the motivation to create the highest value within the framework of ESG criteria by focusing on sustainable and responsible investments. In addition to matching activities, we became a member of many networks to create the İnci Holding Open Innovation Model, which can be described as an output of the Platform Project. Some of these memberships are Tüsiad SD2, Here2Next, Entrepreneurial Institutions Platform and Türkiye Artificial Intelligence Initiative. Also, we completed our partnership processes with tech-parks such as Teknopark İstanbul, İzmir Bilimpark, Teknopark İzmir, and Gazi Teknopark, which contribute to the development of the concepts of "Advanced technology", "R&D", "innovation", "competition" and "entrepreneurship" with a common culture in order to reach entrepreneurs who produce industry-oriented solutions from a broad axis. Other activities we organised to screen initiatives for the needs of our Group companies were ecosystem events with stakeholder institutions. Within the scope of the events listed below which we organised throughout 2022, 9 of the initiatives we met were matched by focusing on the needs of our group companies.

- Hack4Karşıyaka-Karşıyaka Municipality
- Teknopark İstanbul-Partners Meet-Up
- İzmir Bilimpark Stakeholder Meeting
- İZQ Bridge-İzmir Chamber of Commerce
- İzmir Metropolitan Municipality - Entrepreneurship Centre İzmir Smart and Sustainable Transport Accelerator Program Demoday

In all these processes, we organised 6 different trainings open to the participation of the whole group, with a focus on closely following technology trends and accelerating our digitalisation processes;

- Nokia-5G and Applications in Production
- Microsoft-Cloud and Internet of Things Online Certified Trainings
- Google-Cloud Training
- Microsoft-Power BI Analytics Training
- CISCO-Computer Networks Training
- Applied Entrepreneurship Mentoring Training

We organised the "Applied Entrepreneurship Mentoring" training, which we plan for integration into the entrepreneurship ecosystem and to create a sub-platform for open innovation processes, with the participation of İnci Holding Board members and group-wide executives. As the most significant outcome of this training, we aimed to use internal competencies in mentoring processes and to support the ecosystem as a whole group after matching the entrepreneurs we scanned through our open innovation channel.

"We aim to place the recycling and efficiency studies we carry out in the laboratory with the contributions of İnci Holding on an axis that is environmentally sensitive and protects primary resources in the Aluminium sector. İnci Holding is a productive and inspiring stakeholder with its sustainability-oriented approach in both industrial and social areas. With our current studies, we aim to inspire private sector-university collaborations and set a good example in sustainable development goals."

ASSOCIATE PROF. MERTOL GÖKELMA
İZMİR INSTITUTE OF TECHNOLOGY

"We have close collaborations with the R&D and Design Centres in your companies in Manisa OSB. Our University-Industry collaboration activities with İnci Holding are in the areas of human resource development, career, R&D, design, product development and digital transformation. We realise target-oriented projects with our partner departments, especially in technology development and application studies. In congresses, conferences and seminars, and student and academy meetings, the experience sharing of İnci Holding, which has visible activities especially in the international network, creates an important awareness."

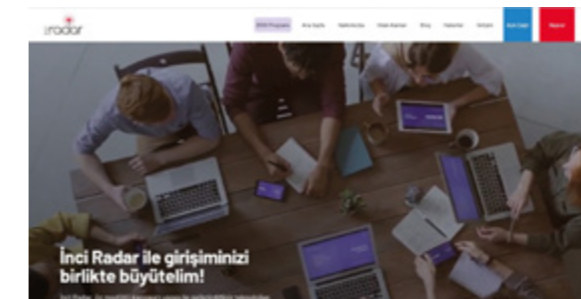
PROF. DR. OSMAN ÇULHA
MANİSA CELAL BAYAR UNIVERSITY

Our Open Innovation Platform: İnci Radar

With İnci Radar, which was set up to create a common culture where Holding group companies and stakeholders can work in cooperation with entrepreneurs in line with their needs and expectations and to be able to establish an ecosystem-supporting open innovation program that generates innovation and triggers strategic collaborations, we bring together entrepreneurs and all professionals in İnci Holding and its network and provide an environment where they can run towards a common goal. With its three-module inclusive structure, İnci Radar aims to bring startups together with industry-leading institutions and organisations and add value to the technology developed by startups with the goal of "a successful application ready for production". We launched our "İnciRadar" open innovation platform in 2022, bringing together the entrepreneurship ecosystem and all professionals in İnci Holding and its network to create shared value.

Technology companies that develop production-oriented solutions in the "Mobility-Automotive, Energy Storage, Industry 4.0, Supply Chain-Logistics, and Sustainability" areas in parallel with their strategic business areas can apply to İnci Radar and receive support focused on growing their initiatives.

As part of its three-module inclusive structure, İnci Radar enables access to İnci Holding and all stakeholders in its network and transfer of technology through Networking, delivers mentoring-consultancy services specific to the Team and growth-oriented support for needs through the Mentoring and Consultancy module, and provides the opportunity to communicate with Vinci VC, of which İnci Holding is a strategic investor, through the Investment Opportunity module.



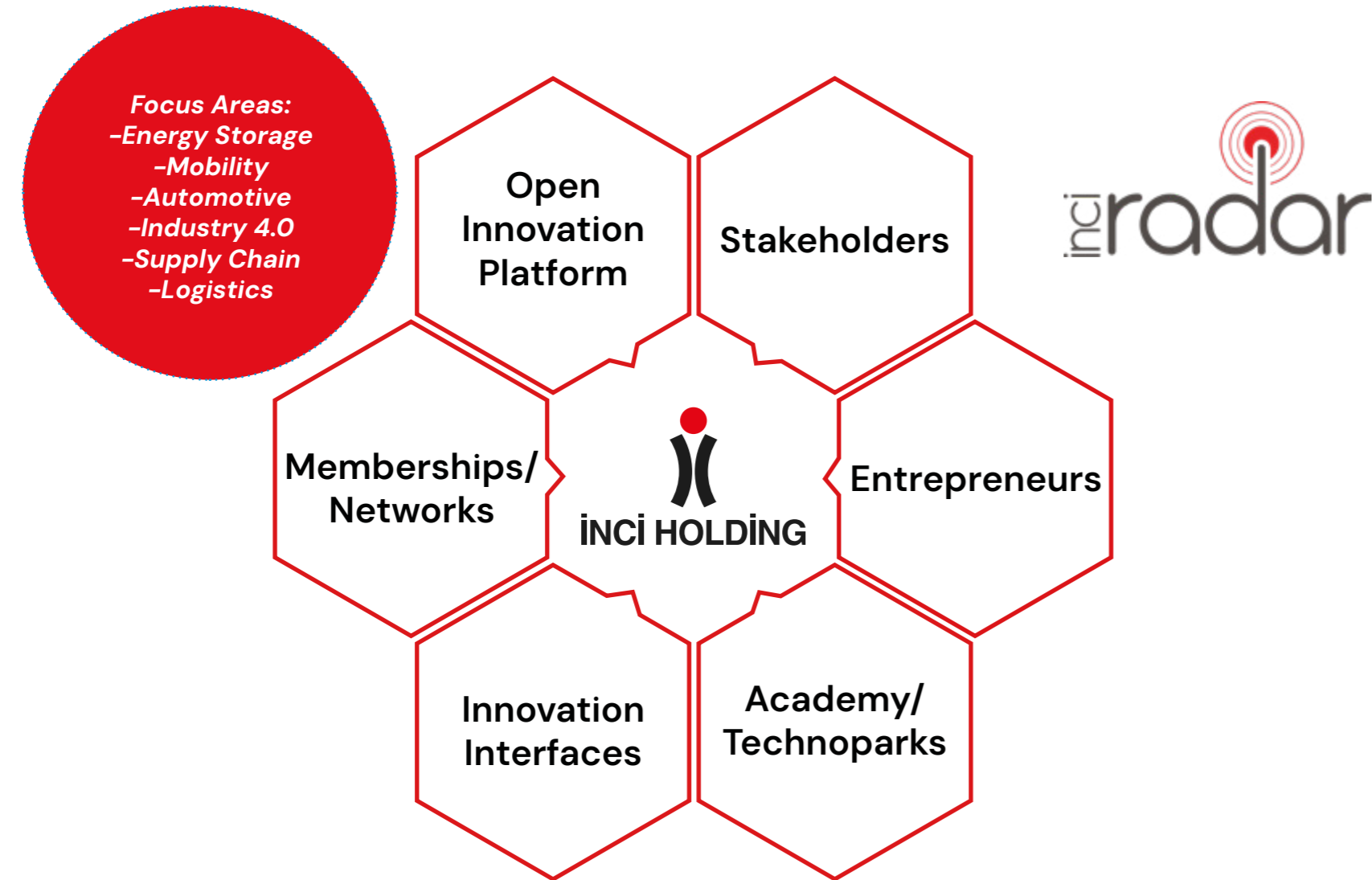
"İnci Holding supports us through İnciRadar with great devotion in many topics such as mentoring, networking expansion and implementation of our projects. We are in a place where we feel that they stand with us to gain different perspectives and to turn our initiative into a company that creates added value as soon as possible. We see İH's ecosystem contribution to IDD as a great advantage. Especially on platforms where we emphasise that our initiative is an İH entrepreneur, third parties and companies have great trust in IDD and become more open to collaborations based on this trust."

DOÇ.DR. GAMZE GEDİZ İLİŞ
IDD ENGINEERING

"At Salty Energy, as a company participating in the entrepreneurship ecosystem from İzmir, we are happy to see the help and support of İnci Holding at every stage. In every entrepreneurship/sustainability event we attend, İnci Holding's leadership makes a great contribution to us both in terms of collaboration and networking. We believe that private sector-entrepreneur relations can be accelerated with the leadership of İnci Holding in the future and a sustainable and strong value can be created all over Turkey."

PELİN KELEŞ
SALTY ENERGY

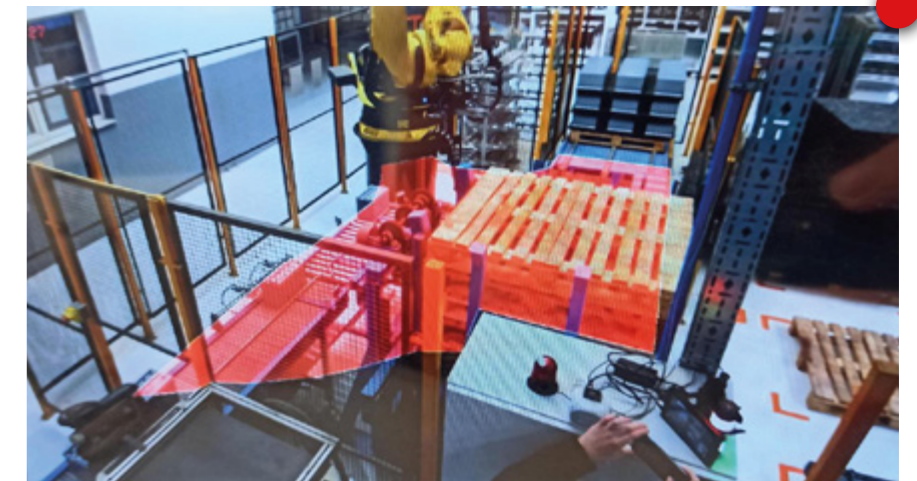
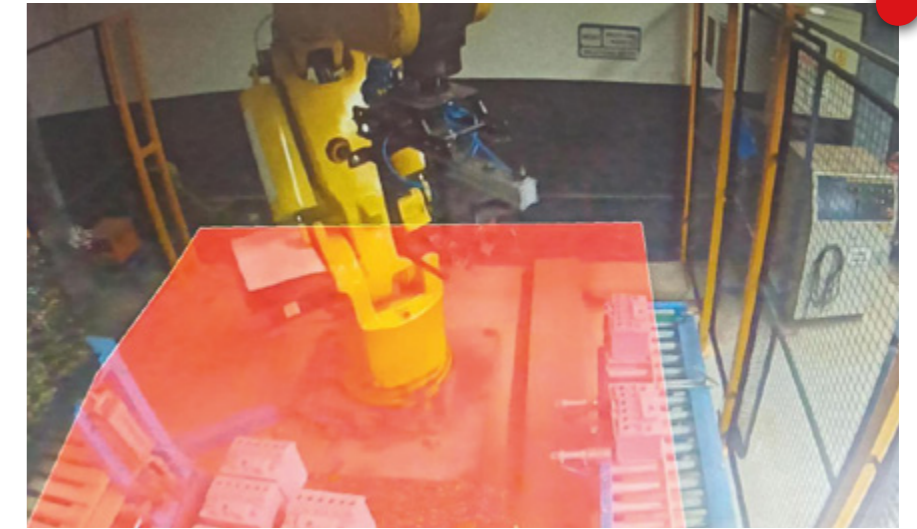




İnci GS Yuasa – Tortoise: Human Perception System With Artificial Intelligence

At İnci GS Yuasa, we prioritise occupational health and safety. With the system we installed for this purpose, we aimed to detect employees entering dangerous areas in terms of occupational safety by using image processing technologies and artificial intelligence algorithms and to create a safe working area. By installing the Tortoise system in the robot working areas, we detected the employees entering the dangerous area and prevented the robot from operating while they were in that area. With the project, we reduced the risk scores in the robot areas, and the security level of the relevant areas increased. With our Tortoise system, our working environment has become safer and we also took an important step towards digital transformation at İnci GS Yuasa

With the project, we reduced the risk scores in the robot areas, and the security level of the relevant areas increased.



Traceability with Digitalisation In ISM

At ISM, we attach importance to expanding the traceability of production in all processes by constantly improving our digitalisation infrastructure. In this context, we ensure that production, quality and downtime data are received directly from our machines with Network & Barcode readers and buttons. In line with the received data and the cycle time and work schedule assumptions predefined in the system; Availability, Performance and Quality values can be calculated on a department and machine basis, and their retrospective reporting and instant monitoring from factory monitoring screens can be made.

In our factory, we started up-to-date production data tracking with Hardware reorganisation in 26 Work Centres. In 80 work centres, we continue to work for our instant tracking target.



Investment in High Potential Initiatives with Vinci

With Vinci Venture Capital, which we established in order to closely follow future trends and to be present in future businesses, in addition to the Octovan, Thread in Motion, Surve Mobility Herotech8, Mobilus, Ships-go, and Turbit investments we made in 2019-2021, we invested in SungreenH₂, a company with nano-catalyst and coating technology that reduces the cost of green hydrogen by increasing electrolyser efficiency and hydrogen production, in 2022.




We continue to work towards our goal of obtaining green hydrogen, which is a low-cost and sustainable resource with zero emission and lower energy consumption thanks to its technology applicable to all existing electrolyzers, instead of producing hydrogen, a fossil fuel which has a very high environmental impact.





Among our reasons for investing in SungreenH₂ is to increase hydrogen production, a key technology in the green energy transition.

In 2022, **Thread in Motion**, one of Vinci's investments, was listed among Türkiye's 50 Most Innovative Companies by "Fast Company"!



OUR OTHER PRIORITIES

OUR PRIORITY	Meaning for İnci Holding
16 PEACE, JUSTICE AND STRONG INSTITUTIONS 	Ethical Management <p>Our ethical principles rely on values such as transparency, honesty, fairness and respect for the rights of all our stakeholders, including employees, and all our approaches, activities and operations are based on our principles. We also care that our transparent and accessible ethical values can be easily understood and implemented by our employees, customers, suppliers and other stakeholders. We place our understanding of ethics at the top of our company's strategies.</p> <p>With the development of our communication on the functioning of ethical management and our group-based structure, the use of our independent Ethics Hotline, which has been in use since 2016, has increased. In addition to the development of ethical awareness, the fact that the hotline is independent and operates 24/7 has resulted in an increase in employee feedback on general workplace rules and satisfaction, as well as notifications that carry the risk of ethical violations.</p>
17 PARTNERSHIPS FOR THE GOALS 	Risk Management <p>We find Corporate Risk Management and Internal Audit essential due to their focused contributions to process improvements. In addition to process audits, we carried out KPI audits of the Holding and Group Companies, quarterly action follow-up audits of internal audit findings, and Corporate Risk Management action follow-up audits. In 2022, we measured the effectiveness of our risk management, and identified our development areas regarding the protection of assets and improvement of processes. Increasing risk awareness across the Group and developing the corporate culture in this area is another important goal for us.</p>
4 QUALITY EDUCATION 	Support for the Development of Institutions <p>In addition to contributing to the society, environment and the region we serve through non-governmental organisations and platforms, we support the strengthening of the capacities of institutions by organising training programs to improve the regional ecosystem, taking an active role in working groups and providing informative contributions to the content of publications.</p>

OUR PRIORITY	Meaning for İnci Holding
8 DECENT WORK AND ECONOMIC GROWTH 	Employee Health and Safety <p>In all our fields of activity, we always aim to identify and eliminate situations and actions that may cause occupational accidents and environmental impacts and possible risks in advance by conducting an effective risk assessment. We take all kinds of precautions, ensure the availability and use of tools, equipment and protective equipment in accordance with current OHS and EMS regulations and customer requests for the environmental impact arising and that may arise from our activities. Our group companies Maxion İnci Wheel Group, İnci GS Yuasa, ISM Minibar and Yusen İnci Logistics have ISO 45001 Occupational Health and Safety Certificates.</p>
12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	Leading Role in Complying With and Shaping the Sustainability Expectations of the Market <p>By adapting to the rapidly changing needs and expectations of global markets, we continue to follow regulations, disseminate information, raise awareness in our group companies and play a facilitating role in order to minimise the environmental and social impacts of our activities and increase our competitive advantage as a group.</p>
13 CLIMATE ACTION 	Corporate Entrepreneurship <p>We believe that corporate entrepreneurship with increased productivity and performance along with strong support for employee engagement can contribute to the competitiveness and economic development of an institution through innovative activities and ideas. We aim to create the necessary environment for learning and growth in every entrepreneurship activity that supports our innovation strategy, and we develop tools for this purpose.</p>
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	Digital Transformation <p>Our top priorities are to increase the value we create by making digital solutions and sustainable digital technologies widespread in all our processes while gaining cost advantages and seizing new business opportunities that come with digitalisation.</p>

performance indicators

PERFORMANCE INDICATORS

SOCIAL PERFORMANCE INDICATORS	2020	2021	2022
Total Number of Employees	2786	3054	3166
Female	200	283	304
Male	2540	2771	2862
Full Time	2707	2957	3158
Part Time*	7	7	8
Under 30 Years of Age	444	664	648
Between 30-50 years of Age	2157	2247	2351
Over 50 Years of Age	185	143	167
Number of Senior Managers	88	93	125
Female	22	23	31
Male	66	70	94
Number of Mid-Level Managers	142	159	113
Female	39	47	35
Male	103	112	78

SOCIAL PERFORMANCE INDICATORS	2020	2021	2022
Total Number of Newly Recruited Employees (Office Employees)	68	130	207
Female	23	55	53
Male	45	75	154
Under 30 Years of Age	33	56	98
Between 30-50 years of Age	34	70	69
Over 50 Years of Age	1	4	3
Total Number of Newly Recruited Employees (Field Employees)	156	407	364
Female	8	16	19
Male	148	391	345
Number of Employees Subject to Regular Performance Assessment	2.736	2.991	2.289
Workforce Turnover Rate	4%	3%	13,9%
Annual Average Hours of Training per Employee	13	22	24
Accident Frequency Rate	5,7%	6,7%	6,1%
Number of NGO Memberships	43	35	42
Number of NGOs with a Role in Management	5	12	15

SOCIAL PERFORMANCE INDICATORS	2020	2021	2022
Number of people contacted by Foundation Projects	-	"4.809 çocuk / 239 genç"	"5518 çocuk / 289 genç"
ENVIRONMENTAL PERFORMANCE INDICATORS	2020	2021	2022
Total Direct Energy Consumption (MWh)**	186.945	172.030	218.493
Total Indirect (Purchased) Energy Consumption (MWh)	279.769	833.883	878.854
Energy Intensity (MWh/product)	-	-	0,082
Energy Intensity Change Rate (as TRY turnover)	-53%	29%	-52%
Total Direct Greenhouse Gas (Scope 1) Emissions (tons of CO₂)	35.925	40.538	43.034
Total Indirect Greenhouse Gas (Scope 2) Emissions (tons of CO₂)***	53.940	64.474	48.419
Carbon Footprint Intensity (tCO₂/product)	-	-	0,01
Carbon Footprint Intensity Change Rate (as TRY turnover)	-17,9%	-29,8%	-61,6%
Carbon Footprint Intensity (m³/product)	-	-	0,11
Total Water Consumption (m³)	1.316.414	1.429.874	1.408.960
Municipal Water	935.315	1.096.569	1.085.423
Groundwater	381.019	333.225	323.445
Other	80	80	92

ENVIRONMENTAL PERFORMANCE INDICATORS	2020	2021	2022
Water Intensity Change Rate (as TRY turnover)	-28%	-35%	-57%
Number of ISO 14001 Certified Facilities	15	15	15
Total Waste (tons)	55.695	66.834	61.025
Hazardous Waste Amount	17.457	19.044	8.761
Non-Hazardous Waste Amount	38.238	47.790	52.264
Amount of Recycled Waste (Tons)	45.445	54.526	47.943
Waste Intensity (tons/product)	-	-	0,004
Weight of recycled materials used to produce and package products (Tons)	-	-	28.497
Weight of all materials used to produce and package products (Tons)	-	-	165.104
Number of New Suppliers Screened Using Environmental Criteria	-	-	66
Number of Saplings Planted (cumulative number)	86.000	90.000	100.000+
ECONOMIC PERFORMANCE INDICATORS	2020	2021	2022
Last 5-year Growth Rate (TRY)	23%	32%	47%
Last 5-year Growth Rate (EUR)	3%	5%	10%
Total Number of R&D Projects	21	28	60

ECONOMIC PERFORMANCE INDICATORS	2020	2021	2022
Total Number of Patent Applications	6	5	6
Ratio of Employees Who Received Training on Ethical Compliance (%)	80%	80%	79%
Closing Duration of Cases Reported to the Ethics Line (Days)	26	34	21
Ethical Compliance Stakeholder Survey Score	4,1	4,6	4,3
Ratio of Family Members in the Board of Directors	23%	23%	23%
Realized / Planned Board of Directors Meetings Rate	-	126%	108%
Participation Level in Board of Directors Meetings	98,84%	99,71%	96%
Compliance with the Meeting Calendar of the Board Committees	-	100%	98%

NOTES:

*The number of Part-Time Employees was updated with the review of data based on 2021 consolidated results.

**Total Direct Energy Consumption (MWh) was updated with the review of data based on 2021 consolidated results.

***In the 2021 İnci Group consolidated emissions calculation, Maxion İnci Wheel Group I-REC certificates are not included.

****Yusen İnci Logistics operations are not included in the number of products.

Reporting Scope and Guide

This Reporting Guide explains the definitions of certain concepts and their data specified in İnci 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: The highest-ranking employees of an organisation'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: 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: 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: Found by multiplying the ratio of the total number of accidents to the total working time by 1 million.

Ethical Violation: An ethical violation, detected and proven to be true.

Ethical Compliance Stakeholder Survey Score: 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: 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.

Energy Intensity: Energy consumed per unit of product.

Energy Intensity Change Rate: The change in energy intensity on the basis of consolidated TRY Turnover.

Direct (Scope 1) Greenhouse Gas Emissions: Greenhouse gas emissions resulting from sources owned or controlled by an organisation. 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 organisation.

Carbon Footprint Intensity: The greenhouse gas emissions emitted per unit of product.

Carbon Footprint Intensity Change Rate: The change in carbon footprint

intensity on the basis of consolidated TRY Turnover.

Water Consumption: The sum of all water withdrawn and included in products, used in production or generated as waste, evaporated or polluted so that it is unusable by other users.

Water Intensity: Water amount consumed per unit of product.

Water Intensity Change Rate: The change in water intensity on the basis of consolidated TRY Turnover.

Groundwater: 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 organisation, an organisation located upstream or downstream of the organisation's value chain (for example, supplier or consumer), or a waste management organisation. This definition is based on the United Nations Environment Program (UNEP), Basel Convention on the Control of Trans-

boundary Movements of Hazardous Wastes and their Disposal, 1989. Hazardous Waste: 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: 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.

Weight of recycled materials used to produce and package products: The weight of recycled materials or raw materials used in the products produced and packaged by the organisation.

Weight of all materials used to produce and package products: The total weight of materials and raw materials used in the products produced and packaged by the organisation.

Number of New Suppliers Screened Using Environmental Criteria: The number of suppliers included in the supplier lists in the reporting year and assessed using environmental-social-governance criteria.

Realised / Planned Board of Directors Meetings Rate: 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: 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: The rate of compliance of all management committee meetings held within a year with the planned calendar.

GRI content index

INCİ HOLDİNG GRI INDEX

GRI Standards	Answers and Page Numbers
GRI 2-1	About the Report 4
GRI 2-2	About the Report 4
GRI 2-3	About the Report 4
GRI 2-4	**Total Direct Energy Consumption (MWh) in Data Environmental Performance Indicators was updated with the review of data based on 2021 consolidated results. -
GRI 2-5	The data in the report has not been verified by an independent audit organisation. -
GRI 2-6	İnci Holding in Its 70th Anniversary 10-11
GRI 2-7	Performance Indicators 88-89
GRI 2-8	We do not have any employees who are not on the payroll. -
GRI 2-9	Sustainability Management, Corporate Management 33-38
GRI 2-22	Trends, Risks, Opportunities; Sustainability Management 6-7-8
GRI 2-28	Arm in Arm with NGOs 40
GRI 2-29	Collaborations with the Ecosystem 78-79-80-81
GRI 3-1	Our Sustainability Priorities 2.0 26-27
GRI 3-2	Our Sustainability Priorities 2.0 28
GRI 3-3	Our Sustainability Priorities 2.0 28

GRI Standards	Answers and Page Numbers	
GRI 200 Economic Standards Series		
Economic Performance		
GRI 201-2	Trends, Risks, Opportunities	21-22-23-24
Indirect Economic Impacts		
GRI 203-1	Investment in Innovation For New Generations	76-77-78-79-80-81-82-83-84
GRI 300 Environmental Standards Series		
Energy Management		
GRI 302-1	Efficient Use of Resources, Climate Change and Carbon Management; Performance Indicators	59-60
GRI 302-2	Efficient Use of Resources, Climate Change and Carbon Management; Performance Indicators	59-60
GRI 302-3	Efficient Use of Resources, Climate Change and Carbon Management; Performance Indicators	60-90
GRI 302-4	Efficient Use of Resources, Climate Change and Carbon Management; Performance Indicators	60-90
Emissions Management		
GRI 305-1	Efficient Use of Resources, Climate Change and Carbon Management; Performance Indicators	59- 60-90
GRI 305-2	Efficient Use of Resources, Climate Change and Carbon Management; Performance Indicators	59- 60-90
GRI 305-4	Efficient Use of Resources, Climate Change and Carbon Management; Performance Indicators	60-90
GRI 305-5	Efficient Use of Resources, Climate Change and Carbon Management; Performance Indicators	59- 60-90

GRI Standards	Answers and Page Numbers	
Waste Management		
GRI 306-3	Waste Management and Circular Economy; Performance Indicators	68- 91
GRI 400 Social Standards Series		
Supplier Evaluations		
GRI 308-1	Sustainability in the Supply Chain	71
Employment		
GRI 401-1	Performance Indicators	89
GRI 401-2	Talent and Loyalty Management	47
Talent Management		
GRI 404-1	Performance Indicators	89
GRI 404-2	Talent and Loyalty Management	42, 43, 44, 45, 46, 47, 48, 49, 50
GRI 404-3	Performance Indicators	89
Diversity, Equality and Inclusion		
GRI 405-1	Empowerment of Working Women, Performance Indicators	49-88
Relations with the Community		
GRI 413-1	Support for Quality Education	51

HARVEST GRANT PROGRAM PROJECT LIST

PROJECT NAME	BRIEF REMARKS	SECTOR	AREA
CONVERSION OF CO2 IN CHIMNEY GASES TO BIOFUEL	Conversion of CO2 to biomethan, a renewable type of energy	ENERGY	AIR
BIOCOMPOSITE PRODUCTION FROM DIFFERENT BIOMASS SOURCES	Development of compostable and environmentally friendly biocomposite using biochar and bioplastic as an alternative to single-use petroleum-based plastics	AGRICULTURE - BUILDING	SOIL
KATRENA	Catalyst and reactor design for all kinds of catalytic processes to be generated in renewable areas; catalyst production and reactor design for renewable natural gas.	ENERGY	AIR
REBSF	Production of the insect Hermetia illucens (BSF), production with insects in laboratory-scale climate-controlled rooms and integration of Blockchain-IoT systems - raw material manufacturing	AGRICULTURE	SOIL
SALTY SALTWATER BATTERIES	Reducing energy and resource intensity in production and use by using sodium, and eco-friendly energy storage units	ENERGY	WATER

PROJECT NAME	BRIEF REMARKS	SECTOR	AREA
AGRICULTURAL WATER CIRCULATION ASSESSMENT MODEL	Establishing links between governance, purification technology, water logistics and irrigation techniques in the field of the water cycle	AGRICULTURE	WATER
ENERGY AND AIR QUALITY MANAGEMENT THROUGH PHYTO-REMEDIATION	Plant improvement for indoor air quality, improving poor air quality by saving energy and presenting eco-architectural design suggestions	ECO-ARCHITECTURE	AIR
PLASTIC DEPOLYMERIZATION WITH FUSION ENZYMES	Recycling PET plastic down to its raw materials using the inexpensive and eco-friendly enzyme catalysis method	PLASTICS RECYCLING	SOIL
SWATCHLOOP	Artificial Intelligence Based Sustainable Waste Management Digital Platform	TEXTILE	SOIL
ULVAPAC	Manufacturing an Ulva lactuca-based packaging raw material which can be an alternative to plastic in the production of disposable packaging	PACKAGING	SOIL



İNCİ HOLDİNG

*“With the **100-year** light of our Republic, we move forward confidently into the future.”*

Thank you

We would like to thank all individuals and organisations who supported us while preparing our report for their contributions. For your questions, comments and suggestions regarding our report, please contact us via e-mail at surdurulebilirlik@inciholding.com.

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