

BİRİNCİ



SUSTAINABILITY  
REPORT  
2023





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## About the Report

As Birinci Otomotiv AŞ, we are pleased to share with you, our valued stakeholders, the transformation processes we have accomplished in line with our sustainability goals and the values we have created within the framework of our environmental, economic, and social responsibilities through this first sustainability report that we have prepared in accordance with the globally recognized GRI Standards.

In this Sustainability Report, for our January 1, 2023 - December 31, 2023 period, we provide information about the projects, strategies and targets we implement to minimize the environmental impact of our operations, to contribute to the economy, and to support social development. You can share your questions, comments, and suggestions regarding our report with us via [info@birinci.com](mailto:info@birinci.com).



01

Messages from  
Our Management



## Messages from Our Management



**Yakup Birinci**  
Chairperson of the  
Board

### Dear stakeholders,

As one of the leading manufacturers supplying hot forging, machining, and assembly-ready products to the world's foremost Original Equipment Manufacturers (OEMs) and Tier 1 suppliers, we are pleased to share with you the first edition of our Birinci Automotive Sustainability Report. In addition to the new investments we made in 2023, we proudly climbed 315 places to rank 660th place in the "Top 1000 Exporters of Turkey" list, as determined by data released by the Turkish Exporters Assembly (TİM). From the beginnings of our story in the 1970s to where we stand today, we take great pride in being one of the leading players in the industry

We act with the belief that sustainability, which is increasingly important today and recognized as having great value, should be at the foundation of all our business processes. We are aware of our responsibility to the society and to use our resources efficiently and to observe environmental, social and governance (ESG) principles in a balanced manner. We aim to minimize the potential negative impacts of our activities by always showing care for the environment, and to make continuous improvements by developing sustainable production methods. We carry out implementations such as energy efficiency, circular economy, ethics policy practices, collaborations with associations, granting union rights, ensuring employee participation, etc., thus making a positive contribution to both our legal requirements and customer audits.

We never compromise on our ethical standards. In all the fields we operate in, we act in line with these standards and continuously work to improve our company's ethical values. We do not limit ethical principles to legal obligations alone; instead, we foster a way of doing business that respects social values, environmental responsibilities, and employee rights. We value our employees and provide a fair, safe, and healthy working environment.

We also create channels that allow all our employees to freely express their opinions. As an employer, we engage in self-criticism and provide opportunities for our employees to give us anonymous feedback. We promote the participation of women in the workforce and actively work to combat gender inequality. In collaboration with our employees, we aim to achieve the most efficient outcomes in everything we do.

We consider ensuring environmental sustainability a top priority for our company. From our production processes to our procurement practices, we take great care to protect nature at every link in our value chain. We pay utmost attention to the preservation of biodiversity and carry out various projects for a better environment.

As Birinci, by combining our vision, mission, and values with the steps we take in sustainability, we vigorously continue to work, hoping for a greener future for our nation and our planet.

Regards,



A red propeller is positioned in the center of a target. The target has concentric circles and a crosshair. A large red arrow points from the top right towards the center of the target.

02

We Bring Life to  
Success



## CORPORATE PROFILE:

### About Us

GRI 3-3; GRI 413-1; GRI 413-2

As a company, we started our activities as a lathe workshop in Istanbul in the early 1970s and realized our first forging press investment in 1988.

Today, we take great pride in continuing our production and services without slowing down, with a forging capacity that has reached 38,000 tons.

As Birinci, we are one of the leading manufacturers in our industry, supplying hot forging, precision machining, and assembly-ready products to some of the world's foremost Original Equipment Manufacturers (OEM) and TIER 1 suppliers. We value customer experience with a dynamic and responsive approach, and by combining creativity with flexibility in our products and services, we proactively deliver solutions that meet their needs, contributing to the growth of our company within the sector.

At our Kocaeli plant, which spans a total production area of 42,000 m<sup>2</sup> including 33,000 m<sup>2</sup> of enclosed space, we employ nearly 1,000 people and export 45% of all our products directly to Europe, as well as North and South America.



**50+**  
Customers



**900+**  
Employees



**45%**  
Share of  
Export



## CORPORATE PROFILE:

## History

1970

The story of our company began in the early 1970s when Mehmet Birinci decided to move from Trabzon to Istanbul and establish a turning workshop.

1988

In 1988, with our first forging press investment, we started producing hot-forged fasteners.

1995

1997

We earned the ISO 9002:1994 Quality Assurance System certification. While introducing our 6,800 m<sup>2</sup> Sarigazi factory, we also began our first export operations.

2000

2005

We worked tirelessly in order to improve our quality level and in 2005 earned the right to receive the QS 9000 and ISO 16949 Quality Management Systems, ISO 14001 Environmental Management Systems, and OHSAS 18001 Occupational Health and Safety Management Systems certifications.

2006

**We earned the Ford Q1 certification.**

2007

We launched the gear shift mechanism as our first assembled part.

2009

In addition to our 7,000 ton forging capacity, we started supplying machined casting parts.

2014

We moved to our new production facility located in the TOSB campus, which has 13,000 m<sup>2</sup> of enclosed space and a total area of 42,000 m<sup>2</sup>.

2015

We made investments in our Friction and Metal Active Gas (MAG) welding lines.

2017

We earned the title of R&D Center granted by the Ministry of Science, Industry, and Technology.

2018

To establish a presence in Europe and get closer to Original Equipment Manufacturers (OEM) and TIER 1 customers, we acquired a company and established our headquarters, Birinci GmbH, in Germany. We also began using our own designed and patented power step product in the main industry.

2020

To increase our market share in the United States, we opened our BTECH Inc. sales office. We started operations in our U.S. warehouse.

2021

We joined the Turquality brand program with the Birinci brand.

2022

WSW, located in Plettenberg, Germany, was acquired by Birinci GmbH. We started operations in our warehouse in Germany. We were ranked among the top 250 R&D Centers in Türkiye with the highest R&D expenditures. We earned the ISO 27001 Information Security Management Systems certification.

2023

We climbed 160 places to rank 104th in the Türkiye's Second 500 Large Industrial Enterprises list. According to the data announced annually by the Turkish Exporters Assembly (TİM), we advanced 315 places to rank 660th in the Top 1,000 Exporters of Türkiye list.



## CORPORATE PROFILE:

### Vision, Mission, and Values

#### Our Vision

To be the first company with our creative solutions.

#### Our Mission

To be a pioneer in the vehicle industry, that adds value to all business partners.

With our commitment to our core values, our emphasis on customer satisfaction, and our growing strong presence in global markets, our brand is recognized as a reliable solution partner both locally and internationally.

#### Our Values



**Being Innovative:** By continuously developing new technologies and methods, we take on a pioneering and innovative role in the industry.



**Sustainability:** By materializing environmental sensitivity in our production processes, we offer sustainable and eco-friendly solutions.



**Respect for Diversity:** We embrace the diversity of our employees and customers as a richness and approach them with respect.



**Customer Orientation:** We manage all our processes with a customer-focused approach to best respond to the needs and expectations of our customers.



**Transparency:** By adhering to the principles of transparency and honesty in all our business processes, we aim to be a reliable business partner.



**Enthusiasm & Dynamism:** We carry out our work with great excitement and dynamism, channeling our energy into our customers and projects in an agile and dynamic way to achieve success.



## CORPORATE PROFILE:

### Main Strategic Goals

#### 1. Strategy-Focused Sustainable Growth

- 1.1. Sustainability Management
- 1.2. Strong Financial Structure
- 1.3. Global Footprint
- 1.4. Effective Marketing and Sales Management

#### 3. Operational Excellence

- 3.1. Effective Supply Chain Management
- 3.2. Industry 4.0 Production Line
- 3.3. Digital Transformation
- 3.4. Increased Efficiency
- 3.5. Optimization in Engineering Processes

#### 2. Value-Adding Innovations

- 2.1. R&D and Innovation
- 2.2. Happy and Engaged Employees
- 2.3. Value-Added Products

#### 4. Strong Corporate Structure

- 4.1. Happy Customers
- 4.2. Strategic Human Resources
- 4.3. Healthy and Safe Working Environment
- 4.4. Agile Management
- 4.5. Corporate Risk Management



## CORPORATE PROFILE: Capabilities

### 1) Forging

We supply hot-forged parts primarily for industries such as automotive, material handling systems, and the agricultural sector. In the automotive industry, we provide parts used in suspension, steering, chassis, engine, and transmission systems, as well as related parts for material handling systems and hot-forged parts used in agriculture and other sectors.

We provide efficient forging while keeping the material waste to a minimum. With an annual forging capacity of 38,000 tons, we carry out forging processes for parts ranging from 100 grams to 20 kilograms using specialized robotic solutions. In the forging process, we use various materials such as stainless steel, aluminum, carbon steels, and other metal alloys. After the forging process, the materials undergo controlled cooling, normalization, and sandblasting to optimize their strength and safety.

#### Capabilities:

- 6 Hammer Press Lines (40 KJ-125 KJ)
- 14 Mechanical Forging Presses (500-4,000 Tons)
- 2 Horizontal Forging Machines
- 3 Friction Presses (200-750 Tons)
- 3 Band Saw Machines
- Hydraulic and Mechanical Presses
- Post-Forging Normalizing and Controlled Cooling Operations
- Sandblasting Line

### 2) Machining

Since the day we were founded, one of our greatest passions has been machining. In this field, we perform various operations such as turning, milling, grinding, threading and spline cutting, broaching, friction welding, and robotic welding.

We equip our machining unit with the most advanced technologies and fully automated processing line applications. This allows us to achieve higher production rates, increased productivity, and consistent product quality. We perform machining with precise surface finishes and dimensional tolerances for various types of products used in different industries. Not only do we supply finished parts to our customers, but we also offer convenience and cost savings.

#### Capabilities:

- CNC Machining (52 Horizontal, 24 Vertical)
- Rotary Transfer Machine
- Turning (41 CNC Lathes)
- Grinding (7)
- Broaching (5)
- Thread and Spline Rolling
- Lapping Machine
- Robotic MAG (Metal Active Gas) Welding
- Friction Welding
- Ultrasonic Washing
- CNC Balancing Machine





## CORPORATE PROFILE: Capabilities

### 3) Assembly

With the added value we create and high-level efficiency, we supply ready-to-assemble products and aim to position ourselves closer to our customers. We use reliable assembly process solutions equipped with the latest technology, constantly striving to elevate the value we create to higher levels. Additionally, we supply the necessary assembly components based on our customers' expectations.

#### Capabilities:

- Servo Motor PLC Controlled Step Assembly Line
- Servo Motor PLC Controlled Pitman Arm Assembly Line
- Servo Motor PLC Controlled Hydraulic Piston Assembly Line
- Servo Motor PLC Controlled Planet Carrier Assembly Line
- Hydromechanical Gear Mechanism Assembly Line
- Hydromechanical Hinge Assembly Line
- Servo Press (20-ton)
- 5 Hydromechanical Presses
- Currentless Nickel Plating Line
- Ultrasonic Washing
- Industrial Washing Machine



### 4) Tool Shop

With our in-house tooling department, we design and create the molds used in our forging, machining, and assembly processes. This allows us to offer our customers complete product solutions in a faster, more flexible, and integrated manner.

#### Capabilities:

- CCNC Machining Centers (12)
- Universal Lathe Machines (3)
- Universal Milling Machines (3)
- Grinding Machine (1)
- Erosion Machine (2)





## CORPORATE PROFILE: Products

### 1) Automotive

The global automotive industry is undergoing a profound transformation due to increasing environmental standards, changes in user behavior, the rapid advancement of digitalization, and the rise of alternative propulsion concepts (diesel, gasoline, gas, hybrid, and electric vehicles). These changes require both automotive manufacturers and industrial subcontractors to reassess their strategic approaches and are influencing the dynamics of the industry.

We collaborate with leading original equipment manufacturers (OEM) worldwide, such as Ford, Audi-VW, Mercedes, Man, Jaguar, and Scania, and continuously shape our future strategies with the aim of offering innovative solutions while closely monitoring global trends.

We build our product portfolio with high-performance and durable components for critical systems such as engines, chassis, bodies, and other key systems of vehicles. Beyond meeting customer expectations, we provide solutions aimed at increasing sustainability and efficiency in the automotive industry. Within the framework of quality, safety, and environmental sensitivity criteria, we are recognized among the leaders in the industry.

Within our product range, we offer:

- Differential, Transmission, and Axle
- Engine
- Steering
- Suspension
- Chassis and Body Exterior
- ABS Gear, Brake, Gear Mechanism, and other forged and machined parts

### 2) Material Handling

We offer a wide range of products to meet the needs of the material handling industry, producing various parts for material handling vehicles, primarily forklifts. In this context, we include high-quality components such as chain retainers, connection brackets, steering joints, shackles, and forged parts in our portfolio, developing all products in compliance with the quality and safety standards required by the industry.

With the solutions we offer, we enhance operational efficiency in material handling processes and contribute to businesses achieving a safe and sustainable structure. With our industry experience and innovative approaches, we are committed to providing reliable solutions tailored to the changing needs of our customers.



### 3) Agriculture

Agricultural tractors are fundamental vehicles that bear the heavy workload of the industry. These machines are designed to withstand long and intense working hours and to deliver high performance under challenging terrain conditions. In addition to essential requirements such as safety, usability, and productivity in the agricultural sector, automation, smart functionality, and power management are becoming increasingly important, emerging as key factors driving the industry.

We manufacture engine and drivetrain components aimed at enhancing the durability and efficiency of agricultural machinery. Our product portfolio includes disc arms, pulleys, transmission forks, and custom-forged and machined parts, along with components that offer high durability and functionality. All of these products are manufactured in accordance with high quality standards and are developed to be compatible with the demanding conditions of agriculture, in line with the sector's sustainability goals.

With our innovative approach that addresses the needs of the industry, we strive to adapt to the ever-evolving demands of the agricultural sector and aim to provide our customers with reliable and long-lasting solutions.

### 4) Others

We supply hot-forged, machined, and assembled parts for various sectors such as railways, construction, electric bicycles, and two/three-wheeled vehicles. With the solutions we offer to meet the requirements of different industries, we fulfill high standards of quality and durability, delivering components that meet customer expectations at the highest level.

Our wide product range includes differential assemblies for three-wheeled vehicles, as well as various aluminum and steel forged parts. These products are designed with a focus on durability and performance, and are secured through quality control at every stage, from assembly to final delivery.

With our expertise and innovation-focused approach, we continue to add value for our customers, offering a wide range of solutions tailored to the technical requirements of various industries.





## CORPORATE PROFILE:

### Our Awards

- We climbed 160 places to rank 104th in the list of Türkiye's Second Top 500 Industrial Enterprises.
- According to data announced annually by the Turkish Exporters Assembly, we rose 315 places in 2023 to reach the 660th position in the list of Türkiye's Top 1,000 Exporters.

### Our Certifications

We see becoming a preferred supplier as the key to the philosophy of continuous improvement. In this context, we present below the certificates and standards that we hold and integrate into our operations:

- IATF 16949:2016 Automotive Quality Management System
- ISO 14001:2015 Environmental Management Systems
- ISO 45001:2018 Occupational Health and Safety Management Systems
- DIN EN ISO 50001:2018 Energy Management Systems
- FORD Q1 (Global Ford Quality Number 1) Certification
- JLRQ (Jaguar Land Rover Quality) Certification
- ISO 27001:2022 Information Security Management Systems
- Zero Waste Certificate





The background is a chalkboard with various math problems written in white chalk, including  $2 \times 7 = 14$ ,  $2 \times 7 = 14$ , and  $2 \times 7 = 14$ . There are also some small white cubes and a brown ball on the chalkboard. A large red geometric shape, resembling a stylized 'Y' or a large triangle, is overlaid on the right side of the image. A white rounded rectangle is positioned within the red shape, containing the text 'We Bring Life to Strategy'.

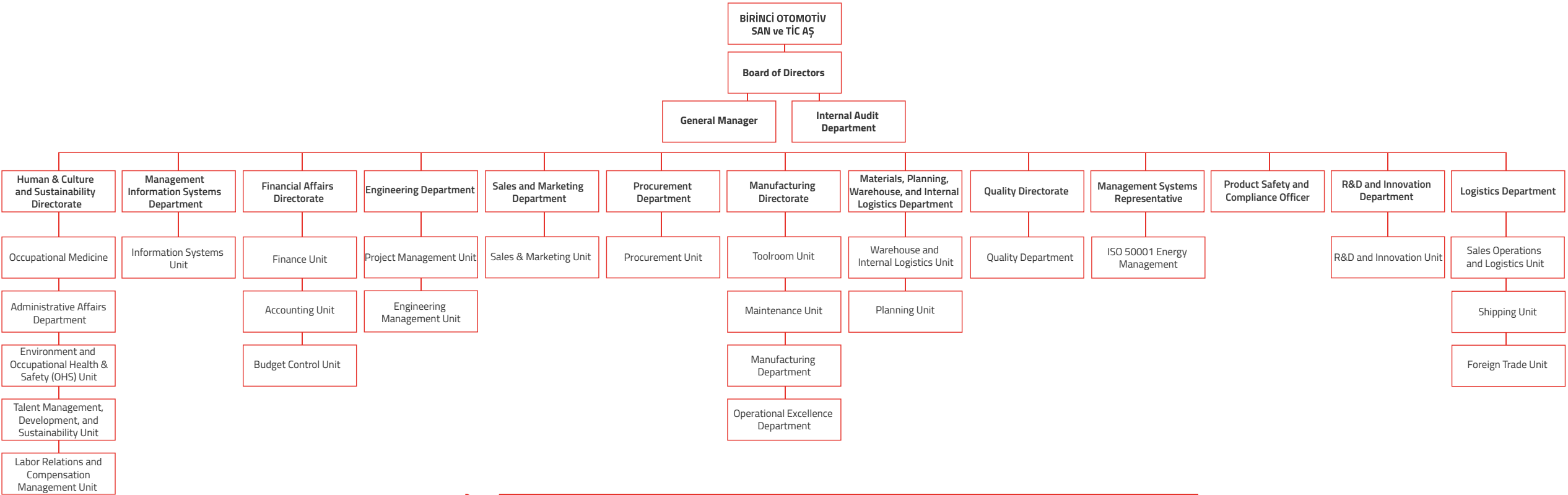
03

We Bring Life to  
Strategy



GOVERNANCE APPROACH:  
Management Structure

As Birinci, under the leadership of our Board of Directors, composed of experts and authorized individuals in their respective fields, we adopt a management approach that is fair, accountable, transparent, and ethical toward all our stakeholders, especially our employees. With these values at the core of our way of doing business, we aim to make the best decisions for our company while always considering the benefit of our stakeholders and materializing long-term success. Within the framework of our comprehensive governance approach, led by our Board of Directors, we fulfill our environmental, social, and economic responsibilities.



The Board of Directors, which is the highest governing body of our company, consists of the Chairperson, the Vice Chairperson, and two members.

Name/Last Name	Title	Gender	Duration of Service (Years)	Birth Year	Stakeholder Representation Status
Yakup Birinci	Chairperson of the Board of Directors	M	3	1978	YES
Ali Kemal Demirbaş	Vice Chairperson of the Board of Directors	M	3	1961	YES
Sevcan Tılısbık	Board Member	F	3	1965	YES
Selahattin Babul	Board Member	M	3	1968	NO



## GOVERNANCE APPROACH:

### Ethics Values and Governance

We consider working with high ethical standards and embracing ethical principles with a strong sense of responsibility as our core perspective in every area we operate. We build our ethical governance approach on a foundation that encompasses both our internal processes and our relationships with all stakeholders. We go beyond merely complying with legal requirements by creating a way of doing business that respects societal values, environmental responsibilities, and employee rights.

We aim to build our success on the foundation of our values, continuously growing and evolving through the experience we gain. As Birinci, we include the ethical values that form the basis of our Company in our Ethical Principles Policy. In this policy, we present to all our stakeholders the ethical values and principles that we have strived to protect, develop, embrace, and instill since the day our Company was founded. You can access the details of our policy [here](#).

We consider it essential that our employees internalize and adhere to our ethical principles from the moment of hiring until their departure from the Company. To support our employees throughout this process, to ensure proper implementation of the rules, and to clarify any misunderstandings, we have established an Ethics Committee within our organization. In addition, we have created an Ethics Reporting Line that can be used by any stakeholder (including employees, suppliers, customers, and any third parties or institutions we are in business with) to report actual or potential situations that conflict with our values. Alongside this line, which can be used anonymously for any questions or concerns, we also provide a dedicated written e-notification address. Only members of the Ethics Committee are authorized to access the emails or phone calls received through these channels. Our Ethics Committee aims to evaluate all information, questions, and requests promptly and resolve them efficiently. Furthermore, unlike the Disciplinary Committee, the Ethics Committee is also responsible for investigating violations as defined in the relevant Policy.

Our Ethics Committee consists of at least one Board Member, the Human Resources Manager, and an internal auditor, and is chaired by a member of our Board of Directors. While the Ethics Committee convenes whenever a relevant situation or ethical violation arises, it also meets once a year on a routine basis to review practices, to discuss necessary actions for embedding and enhancing the internal ethical culture, and to evaluate company-wide ethical practices. During these meetings, ethical violations are reviewed, and measures to prevent their recurrence are discussed. All meetings are formally documented and archived. Ultimately, the continuity and development of the Company's ethical culture are supported, and guidance and recommendations are provided to employees regarding ethical behavior and the challenges they may encounter.

Our employees are obliged to report to the Ethics Committee if they become aware of or suspect a violation of our Company's ethical principles or applicable regulations. The same responsibility is also expected from third parties with whom we maintain any kind of business relationship. Upon receiving a report, a qualified employee or manager within our Human Resources department evaluates whether the subject falls under an ethical violation or within the scope of the Disciplinary Committee. Matters outside the Ethics Committee's scope are filtered and referred to the Disciplinary Committee. The process is then carried out in accordance with our Disciplinary Committee Regulations.

Any employee, customer, supplier, or other relevant stakeholder who observes behavior that violates ethical conduct principles may report their concerns to our Ethics Committee through the following channels;

- By email: via [etik@birinci.com](mailto:etik@birinci.com),
- By written letter: addressed to the Ethics Committee at TAYSAD Organized Industrial Zone, 2nd Avenue, No:1, 41420 Şekerpınar, Çayırova, Kocaeli / Türkiye,
- By phone: through the Ethics Line at +90 262 723 42 00 / extension 3845.

Any notifications, complaints, petitions, and the identity of the complainant submitted to our Ethics Committee are kept strictly confidential, except in cases where the matter requires an audit or review and must be shared with the relevant internal or external audit authorities.

In our Ethical Principles Policy, we clearly define all behaviors related to bribery and corruption that could damage our Company's reputation, undermine public trust, and hinder our progress — and we maintain a zero-tolerance stance against such cases. We view the fight against bribery and corruption not merely as a legal obligation, but as a critical responsibility in maintaining the trust-based relationships we have built with all our stakeholders. Additionally, we aim to include a clause regarding bribery and corruption in our supplier evaluation forms in 2024. Our Raw Material Procurement Policy also specifically addresses topics related to the procurement of prohibited substances (conflict minerals).

We provide our employees with training on ethics, human rights, and risk management. We continuously support each of our employees to fulfill their ethical responsibilities, act in alignment with the Company's values, and not forget their responsibilities towards society.

## Risk Management

In today's highly competitive business environment, companies must adopt a systematic and disciplined approach in many areas such as management, operations, internal communication, and external relations. In this process, internal audit, internal control, and risk management activities play a key role in achieving long-term success. As Birinci, we target long-term success in all the areas where we operate and identify all risks to ensure this success is sustained. We use a comprehensive risk management system that is aligned with the dynamics of the automotive and machining sectors as well as global economic conditions, while keeping it updated. We aim to develop a strategy that takes preventive measures against uncertainties and challenges, while maximizing opportunities to the best of our ability.

In this regard, we structure our risk management based on internal control systems and actions, and manage the process owners with responsibility. Additionally, as the Internal Audit Department, we lead risk workshops and committees. We audit our processes through an internal audit function that is independent of the executive and is structured separately. As an internal audit function, we test the existence and effectiveness of internal controls in accordance with Global Internal Audit Standards and the COSO (Committee of Sponsoring Organizations) Enterprise Risk Management and Internal Control Frameworks. Furthermore, we identify and address environmental and social risks related to sustainability topics through our Occupational Health and Safety and Human Resources Systems.

We define the risks related to forced labor, child labor, corruption, bribery, and human rights that may occur during our activities or the activities of our suppliers in our Company's [Ethical Principles Policy](#). In accordance with this Policy, we conduct risk analysis including supplier evaluations. Additionally, we assess fraud risks according to the Global Internal Audit Standards and the COSO Enterprise Risk Management and Internal Control Frameworks. To address fraud risks, we have prepared an Anti-Fraud Policy. For technology-related risks such as information security and cyberattacks, which may impact our business continuity, we define, manage, and monitor these risks in collaboration with our Information Technologies (IT) Department. We manage the relevant technology risks within the scope of our [Information Systems Management Policy](#), using ISO 27001 Information Security Management Systems certification and TISAX (Trusted Information Security Exchange) standards.



# GOVERNANCE APPROACH:

## Quality Management

Quality management has become critically important for the long-term success of companies, driven by changing market dynamics, increasing global competition, and advancing technology. At Birinci, we recognize that having a quality management system is a strategic material topic in achieving sustainable growth, ensuring operational excellence, and attaining long-term success. Through our quality management system, we not only ensure customer satisfaction but also gain a competitive edge in global markets thanks to our corporate reputation as well as our R&D and innovation capabilities.

We continuously improve our processes in line with international quality management standards. We approach quality with a broad perspective, encompassing product and service quality, production efficiency, environmental sustainability, and social responsibility.

We aim to be a leading company that understands our customers’ quality expectations and continuously improves all products and processes within our value chain accordingly. Below are the key points of our Quality Policy that we have prepared in line with this objective:

- To accurately and promptly analyze our customers’ expectations and needs, and to offer solutions that meet them,
- To deliver excellent quality products to customers on time and in full, ensuring absolute customer satisfaction,
- To provide training support and encourage participation to foster the development and motivation of our employees, with the awareness that intellectual capital is of great importance,
- To create a peaceful and safe working environment for our employees,
- To establish long-term, mutually trusting collaborations with our suppliers; to grow and evolve together with them,

- To keep our product range at a competitive level by following emerging technologies and integrating new processes,
- To review our processes, identify approaches that enhance performance, and support teamwork to achieve company and departmental goals,
- To raise the efficiency of all our processes to an internationally competitive level through a continuous improvement approach,
- To act with a sense of social responsibility, using resources in the most effective way and showing respect for the environment.

By managing our processes through Quality Management Systems, we strive with all our strength to become a leading and exemplary organization in the forging, machining, and assembly sectors. We shape our system within the framework of global quality standards, aiming to continuously improve and develop it in line with the requirements of the industries we operate in and the expectations of our customers. The nationally and internationally recognized quality standards we hold in this regard are as follows:

Certificate Name
IATF 16949 – Automotive Quality Management System
ISO 9001 – Quality Management Systems
ISO 14001 – Environmental Management Systems
ISO 45001 – Occupational Health and Safety Management Systems
ISO 27001 – Information Security Management Systems
ISO 50001 – Energy Management Systems

We view our quality processes not merely as a means of ensuring correct business operations, but as an integral part of our company culture. Starting from product design, we pay close attention to quality control and assurance across all products and services delivered to our customers. We undergo annual external audits within the scope of our ISO 9001, ISO 14001, ISO 45001, ISO 27001, and IATF 16949 management systems certifications. In addition to these, we conduct internal audits to monitor and ensure the quality of our services through process-based evaluations, such as the Layered Process Audit (LPA) and VDA Process Audit (Verband der Automobilindustrie), which are planned annually and involve participation from all levels of our organization.

In addition, we are periodically subjected to customer audits in order to measure our compliance with established quality standards, identify potential areas for improvement, and ensure the highest level of customer satisfaction.

We emphasize the importance of adopting our quality management at every department and employee level, and we view the continuous improvement of our management system as one of our core principles. With this approach, we set strategic goals; we aim to achieve strategic growth, create value-added innovations, ensure operational excellence, and build a strong corporate structure.



# GOVERNANCE APPROACH:

## Data Protection and Management

In today's dynamic business environment, ensuring information and data security has become a critical factor not only for operational requirements but also for the sustainability and long-term success of companies. With the rapid acceleration of digitalization driven by advancing technologies, our presence in the manufacturing sector has brought both opportunities and risks. As Birinci, we are developing various strategies to assess these risks and opportunities and to ensure the sustainability of our data security.

We establish our information security management with a focus on enhancing operational efficiency and eliminating potential external threats. Beyond that, we ensure that our data-driven decision-making processes are handled transparently and securely, the confidentiality of our customers' information are safeguarded, and our competitive advantage within the industry is protected. We shape our actions according to these considerations.

We follow a roadmap to ensure data security, confidentiality, and accessibility. Our roadmap includes the following key elements and processes:

- 1. Definition of Policies and Standards
- 2. Risk Management and Assessment
- 3. Risk Management and Assessment
- 4. Training and Awareness Programs
- 5. Technical Security Measures
- 6. Incident Management and Response Procedures
- 7. Regular Audits and Compliance

To safeguard our organization's information assets, to define the necessary security management processes, and to ensure effective controls, we base our practices on the ISO/IEC 27001 Information Security Management Systems certification. In addition, we utilize the TISAX (Trusted Information Security Exchange) certification, which is specifically designed for the automotive industry. By aligning with this standard, we manage risks related to information security, prototype protection, and data confidentiality in the automotive sector, ensuring the security of our supply chain and strengthening collaborations within the industry.

As Birinci, within the framework of our Management Systems shaped around our goals of achieving high customer satisfaction and enhancing our service quality, we have established our Information Systems Management Policy. We plan and implement technological and systemic factors that affect our workflow and involve our employees according to this policy. The control and monitoring of all defined processes are carried out under the responsibility of our Information Security Team.

### Our Information Systems Management Policy

Our Policy is based on the general service quality criteria specified below;

- To create a system that works efficiently, quickly, and on time in corporate communication with internal/external customers, suppliers, and all relevant stakeholders by utilizing technological opportunities,
- To identify and meet the expectations of internal and external customers, suppliers, legal and regulatory contexts, society, and shareholders in a balanced way, to support continuous improvement, learning, and innovation, and to adopt and promote an excellence approach,
- To comply with all customer requirements and legal obligations,
- To be aware of the risks to the confidentiality, accessibility, and integrity of all information assets related to our company, customers, suppliers, and business partners, and to manage these risks,
- To create full participation and high awareness of information security throughout the company with the continuity of training and awareness activities,
- To systematically address information security, making it a continuously improving, evolving structure that does not allow the emergence of new risks,
- To adopt our Management System Policy as an integrative philosophy.

The efficiency, reliability, and quality of all services provided by our company are of primary importance. This matter is implemented and supported by all employees, including the Board of Directors and managers.

We create an Information Security business plan annually to set our goals and to budget various projects. In this context, we share the investments we made in 2023 below:

- Server virtualization
- Data Loss Prevention Software (DLP), Endpoint Detection and Response Systems (EDR), Penetration Testing
- Data classification
- Ensuring the continuity and security of the Security Operations Center (SOC) and Server Room
- Network Access Control (NAC) investments and system authentication system investments

Goal	Base Year	Target Completion Year	Target Year Intended Value	Status of Achievement in the Reporting Year
SOC Service Procurement	2022	2023	24/7 Cybersecurity Support Procurement	Completed
DLP	2023	2023	Data Loss Prevention	Completed
Web Security Service	2023	2023	Web Access Security	Completed
NAC	2023	2024	Network Access Control	Ongoing



## GOVERNANCE APPROACH: Financial Performance

In order to achieve sustainable growth and to create value for our society, we are shaping our financial strategies by adopting a flexible and proactive approach to the changing global dynamics.

Within the framework of key elements such as disciplined financial management, risk management, and resource efficiency, we aim to strengthen our economic sustainability. Additionally, while ensuring our financial success, we aim to develop a business model that is conscious of the environment and the society. The table below shows the information regarding the economic performance of our operations for the last three years:

Financial Information*	2023	2022	2021
<b>Revenue</b>	99,326,134	78,141,389	55,548,586
<b>Operating Income</b>	8,155,165.67	15,806,167.99	10,922,206.29
<b>FAVÖK (EBITDA)</b>	10,346,692.23	16,864,806.62	12,169,153.45
<b>Profit</b>	844,408.96	9,340,296.04	7,003,121.92

\*Values are presented in Euro (EUR).

As Birinci, we have an investment incentive certificate. Within this scope, we calculate corporate tax at a reduced rate. Additionally, we benefited from VAT exemptions on the purchase of machinery used within our factory under the incentive program. Detailed information regarding the economic value generated, the economic value distributed, and the retained economic value, all presented in Turkish Lira (TL), is provided in the table on the right side:

Financial Values	2023	2022	2021
<b>i. Direct Economic Value Generated (TL)</b>			
Net Sales	2,548,189,405	1,365,059,624	578,922,864
Dividend Earned from Investments Revalued with Equity Method	-	-	-
Income from Investment Activities	-	-	-
<b>Revenues</b>	<b>2,548,189,405</b>	<b>1,365,059,624</b>	<b>578,922,864</b>
<b>ii. Distributed Economic Value (TL)</b>			
Cost of Sales (Including Operating Expenses, Excluding Employee Salaries and Benefits)	1,571,593,480	786,984,318	312,426,877
Employee Salaries and Benefits	621,590,035	234,340,178	119,099,805
Financial Income/Expenses (Net) (Including Foreign Exchange Loss)	222,708,091	85,723,884	25,288,633
Tax Expenses (Payments Made to the Government)	494,850	298,518	273,015
Payments to Shareholders (Dividends)	31,111,112	19,450,000	12,513,425
<b>Expenses</b>	<b>2,447,497,568</b>	<b>1,126,796,899</b>	<b>469,601,755</b>
<b>iii. Remaining Economic Value (TL)</b>			
Revenues	2,548,189,405	1,365,059,624	578,922,864
Expenses	2,447,497,568	1,126,796,899	469,601,755
<b>Remaining Economic Value</b>	<b>100,691,838</b>	<b>238,262,724</b>	<b>109,321,109</b>



04

We Bring Life to  
the Future



# ACTIVITIES FOR SUSTAINABILITY AND RELATED APPROACHES:

## Sustainability Approach

**We believe that sustainability should be at the core of all our business processes. We aim to balance environmental, social, and governance (ESG) values, use our resources efficiently, and fulfill our responsibility to society.**

In this context, we strive to minimize our negative impact on the environment, to develop sustainable production methods, and to continuously improve these endeavors. We realize implementations such as energy efficiency, waste reduction, Ethical Policy enforcement, collaboration with associations, trade union rights, and employee engagement among others, thereby contributing positively to both our legal obligations and customer audits.

We carefully review customer requests and surveys related to sustainability topics to develop and update our sustainability strategies. Additionally, we benefit from the supplier requests made by our customers who are subject to regulations and legal requirements in Europe for sustainable development.

We are aware that the process of achieving our goals contains potential challenges and risks. In this context, effectively managing these risks and challenges is critical to enhancing the effectiveness of our sustainability strategies. For example, obtaining the energy used in our company from renewable energy sources, ensuring energy efficiency, and reducing the consumption of natural resources present financial challenges. The diversity and differences in our supplier profiles make it difficult to provide training in the field of sustainability, and the difficulties in understanding sustainability audit surveys and in the completion of the related surveys creates trouble in data collection. Moreover, it also complicates the tracking of greenhouse gas emissions from suppliers. Efforts to increase female employment also present sector-specific challenges. By taking a proactive approach to these challenges, we aim to achieve our goals and succeed in sustainable development.

The table below provides details of the targets we set for sustainable development in 2022:



Target	2022 Value	Target Year Intended Value	2023 Value	Status of Achievement in 2023
Increasing Female Employment	6.47	8	7.16	90%
Collaborative Efforts with Various Associations and Organizations to Benefit Society (Social Responsibility Projects)	13	20	17	85%

We are developing a roadmap to define our sustainability goals more clearly and to implement our efforts in this area in a more systematic way. In this context, we have established our Sustainability Committee and defined its responsibilities. The committee meets once a year to inform our Board of Directors about the activities carried out and the goals achieved throughout the year.

On our sustainability journey, we will continue to move forward by bringing our ideas and values to life through our commitment to innovation.

## Sustainability Committee

In line with our environmental, social, and economic responsibilities, we have focused on sustainability by establishing a governance structure consisting of the Sustainability Committee and the Sustainability Working Group. Through this structure, we aim for success by playing a critical role in achieving our company's sustainability goals.

Our Sustainability Committee, in direct connection with the senior management of our Company, carries out related activities together with our Committee Chair and 9 members. The Committee defines our sustainability vision, ensures the development of strategies, and monitors our sustainability performance. In addition, it aims to ensure compliance with environmental, social, and governance (ESG) criteria across all Company operations.

Our Sustainability Committee Chair has the final say in determining the actions to be taken and is also responsible for the approval of our Sustainability Report. The committee members oversee the work of our Sustainability Working Group and manage the appropriate processes.

Our Sustainability Working Group is composed of the Group Secretary and other 12 members and is led by our Group Leader who manages the processes at the operational level. The group works towards achieving the strategic goals set by our Committee, implements sustainability-related procedures, and provides the data sets required for sustainability reporting. The Group Secretary is responsible for organizing meetings and overseeing the management of related processes.



## ACTIVITIES FOR SUSTAINABILITY AND RELATED APPROACHES:

### Customer Complaint and Resolution Processes



Ensuring customer satisfaction is one of the prime concerns in every sector, including in the fields of machining and hot forging. Correctly evaluating customer needs and demands, and providing products and services that meet their expectations, form the cornerstone of achieving sustainable success. As Birinci, we integrate our complaint management system into our processes, enhancing the quality we offer. By effectively addressing complaints and requests, we aim to strengthen our customer relationships and create opportunities for continuous improvement.

In managing customer complaints, we primarily follow the Nonconformity Management Procedure and the Nonconformities and Corrective Actions Procedure, and we carry out processes within the framework of our [Quality Policy](#). We define providing quick responses and fast solutions to our customers as our main goal. We ensure that our customers submit their complaints and requests through customer portals, email, and phone, and we meticulously review each complaint and request. Furthermore, within the framework of our Information Systems Management Policy and information security management, we protect the confidentiality of the information and data our customers possess

and do not share it with any third-party institutions, organizations, or individuals.

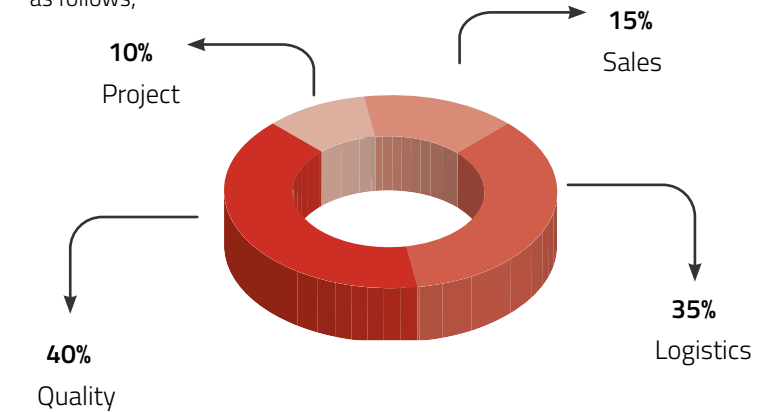
To keep the occurrence of complaints to a minimum, we implement processes such as Layered Process Audits (LPA), Unplanned Process Audits, On-the-Spot Workbench Reviews, and Rejection Evaluation Meetings in our production processes. Through these processes, we not only resolve existing matters but also take necessary measures to prevent similar situations from occurring in the future.

Just like with our customers, we give the utmost importance to the complaints and requests of our suppliers. Maintaining healthy communication and collaboration with our suppliers is crucial for ensuring the continuous operational success of our company. Effectively managing supplier complaints not only resolves current matters but also strengthens our supplier relationships and secures the continuity of our supply chain. For supplier-related complaints, we manage the entire process in coordination with our Supplier Quality Improvement (SQI) Team. Our SQI Team generates Corrective and Preventive Actions (CAPA) for the relevant supplier and ensures that all steps are followed throughout the complaint process. We implement corrective actions for complaints and monitor the effectiveness of the actions taken.

As Birinci, the operation of our customer and supplier complaint management mechanisms is supported by training our employees in all processes, from quick to permanent action steps for complaints. In the future, we plan to provide training to our suppliers on this topic as well. Additionally, we monitor customer complaint processes with real-time coordination.

As Birinci, within the scope of our customer satisfaction and complaint management, we address our goals and strategies under the key performance indicators (KPIs) during the After-Sales Services, and our Sales Department monitors these indicators. In addition, we track customer satisfaction on a weekly basis using problem-solving disciplines such as 3D and 8D response times. Based on real-time assessments, we directly visit the customer hotline for certain complaints. At the end of the year, we prepare gifts for our customers' quality departments and strengthen our communication.

In the processes of ensuring customer satisfaction, we calculate our measurements within the scope of sales operations according to weightings as follows;



In 2023, our customer satisfaction rate was **79.15%**.





# ACTIVITIES FOR SUSTAINABILITY AND RELATED APPROACHES:

## Customer Complaint and Resolution Processes

GRI 3-3; GRI 413-1; GRI 413-2

Furthermore, we share the annual customer complaint change rates for all topics over the past three years in the table below:

Years	Yearly Total Customer Complaints Change Rate (%)
2023	18%
2022	21%
2021	0

We update our KPI targets annually in order to improve our approach to customer complaints. In this context, we take the necessary actions to improve our performance in every aspect and aim to implement the required actions in line with the KPIs. In the long term, we aim to ensure the competitiveness and continuity of our KPI targets. In 2023, regarding customer satisfaction and complaint resolution processes, we set targets to increase our scores in areas such as Customer Complaint Response, Customer Return Score, and Customer Satisfaction Rate.

We position the increase and continuity of customer and supplier satisfaction at the core of our business processes.

By managing complaints effectively and with the correct methods, we not only solve problems but also create opportunities for strengthening mutual relationships. In this regard, we ensure that customer and supplier feedback is regularly monitored, data is collected for continuous improvement, and analyses are conducted. Within the scope of process improvements in 2023, we implemented various best practices, including determining the severity of complaints, quickly scanning internal and customer inventories, conducting customer visits when necessary, performing on-site tests for potential objections, ensuring fast coordination, holding daily and urgent meetings, making phone calls to enhance communication, sending/receiving samples, and conducting on-site checks.



# ACTIVITIES FOR SUSTAINABILITY AND RELATED APPROACHES:

## Sustainability in the Supply Chain

In the process of Supply Chain Sustainability, we aim to minimize risks by recognizing that supply chains can create environmental and social risks. As part of our supply chain management, we identify sustainability risks, including environmental and social impacts, and take the necessary measures. We set high standards for every operational step in our business processes and act with a sense of responsibility, ensuring that our suppliers and customers also adopt this approach. Our supply chain processes, including purchasing, planning, logistics, and quality departments, are carried out in a coordinated manner and are regularly reported to our General Manager. We work with various suppliers, including raw material and component manufacturers, service and service providers, vendors, and subcontractors.

In the future, we aim to mitigate risks and ensure flexibility by involving alternative suppliers for all procured products. Additionally, we are working on digitalization efforts to improve our supply processes.

We are sharing our supplier data for the last three years in the table below:

	2023	2022	2021
Number of Countries Where Suppliers Are Located	10	7	5
Number of Suppliers	600	496	467

In our supplier selection process, we base our criteria on the IATF 16949 Automotive Quality Management System, which was developed by the International Automotive Task Force (IATF). Additionally, when selecting suppliers, we materialize the possession of the ISO 9001 certification and the availability of the Production Part Approval Process (PPAP) file. Furthermore, we consider the suppliers' quality, delivery reliability, and cost performance in our selection process. As part of this, we first ask our suppliers to complete the Supplier Initial Evaluation Form, which directly impacts our selection process. Through this form, we ask suppliers questions related to Environmental Management System and its requirements, emission management, water management, waste management, chemical usage, renewable energy use, labor conditions, human rights, occupational health and safety (OHS), ethics, transparency, policies, and compliance, and we request them to evaluate themselves on these subjects. In addition to supplier contracts, we establish rules through the Supplier Code of Conduct that our suppliers sign, to address potential risks related to forced labor or child labor, with the aim to minimize these risks.

In supplier management, we implement the CQI-19 Sub Supplier Management Process, which has been developed by IATF. In our production processes, we use raw materials such as stainless steel, aluminum, carbon steel, and other metal alloys. In line with this, we audit all supplier companies that will provide the relevant raw materials and have special processes such as heat treatment, coating, painting, casting, and injection according to CQI questionnaires (CQI-9, CQI-11, CQI-12, CQI-23, and CQI-27) and within the sustainability criteria we have defined. We continue our supply processes with companies that pass the audit processes and are approved.





## ACTIVITIES FOR SUSTAINABILITY AND RELATED APPROACHES:

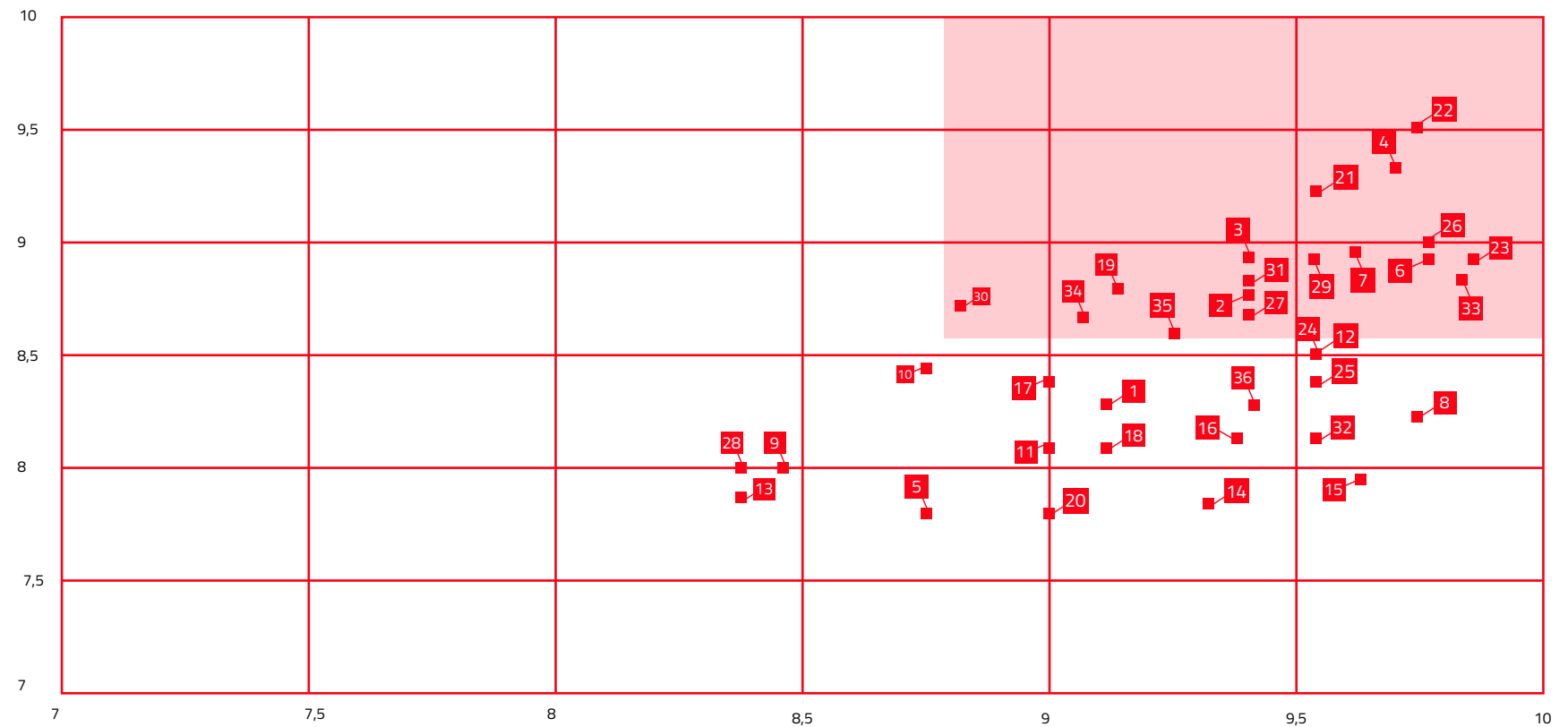
### Stakeholder Relations

As Birinci, we serve a variety of industries including automotive, agriculture, and material handling systems. To strengthen our presence in the global market and build closer commercial relationships with our customers, we made strategic office and warehouse investments—one in Germany in 2018, one in the USA in 2020, and another in Germany in 2023. With 45% of our production exported, we maintain our strong position in the industry by ranking among the top 1,000 in the TİM Exporters List and in the ISO (Istanbul Chamber of Industry) Second Top 500 List.

### Materiality Analysis

We adopt a strategic approach in managing our sustainability topics and conduct a materiality analysis focusing on the environmental, social, and governance (ESG) dimensions of sustainability. In line with GRI Standards, our materiality process included organizing a workshop with our internal stakeholders to gather their insights. Additionally, we conducted a survey targeting our external stakeholders to collect their feedback. By analyzing the results, we identified our key material topics based on their impact on corporate success and the level of importance attributed to them by stakeholders, and we created our materiality matrix accordingly.

On the matrix, the horizontal axis represents “The topic’s impact on corporate success”, while the vertical axis represents “The topic’s importance to stakeholders.” As one moves toward the upper right corner of the matrix, both the importance of the topic to stakeholders and its impact on Birinci’s success increase. The topics located in the upper right corner, within the blue rectangle, are those with high scores in both stakeholder importance and corporate success, and are classified as 1st material topics. The remaining topics in other areas of the matrix are considered 2nd material topics. The materiality matrix and the table of material topics are shown below:



#### VERY HIGH MATERIAL TOPICS

2. Corporate Governance
3. Business Ethics
4. Prevention and Auditing of Bribery and Corruption
6. Information Security Management
7. Stakeholder Relationship Management
19. Sustainable Logistics Implementations
21. Occupational Health and Safety
22. Prevention of Child Labor
23. Compliance with Employee Rights (Leave, Overtime, etc.)
25. Customer Satisfaction Management
26. Customer Privacy
27. Customer Health and Safety
29. Economic Performance
30. Working with Local Suppliers
31. Contribution to the Local Economy
33. Product Quality
34. Sustainability in Product Design
35. Use of Advanced Technology

#### HIGH MATERIAL TOPICS

1. Sustainability Management
5. Anti-Competitive Behavior
8. Risk Management
9. Integration of ESG Factors into Risk Management
10. Inclusion of ESG Factors in Procurement
11. Climate Change and Carbon Footprint Management
12. Energy Efficiency
13. Use of Renewable Energy
14. Wastewater Management
15. Use of Fewer Raw Materials (Efficiency)
16. Use of Recycled Materials
17. Use of Environmentally and Human-Friendly Materials
18. Sustainable Packaging
20. Employee Training and Development
24. Diversity and Equal Opportunity
28. Corporate Responsibility
32. R&D / Product Development / Innovation
36. Digitalization



An aerial photograph of a lush green forest. A winding asphalt road is visible, curving through the dense canopy of trees. A large, bright red geometric shape, resembling a stylized arrow or a large 'Z', is superimposed on the right side of the image. In the top right corner of this red shape, the number '05' is written in a large, white, sans-serif font. In the center of the red shape, there is a white, rounded rectangular area containing the text 'We Bring Life to Nature' in a red, sans-serif font.

05

We Bring Life to  
Nature



## FOR A BETTER ENVIRONMENT: Environmental Management

Environmental management, as one of the key components of businesses' sustainability strategies, has become a critical factor for companies to maintain their existence, especially in this era when environmental problems are increasing on a global scale and the impacts of climate change are becoming more pronounced. Environmental management involves developing sustainable solutions in areas such as the efficient use of natural resources, effective waste management, reduction of carbon emissions, water and energy conservation, and the protection of biodiversity. It is no longer just a legal requirement, but a vital element for businesses to thrive.

**As Birinci, we manage our environmental operations with the responsibility of preserving the ecosystem and creating a more resilient business model.**

We manage our environmental approach based on our Environmental Policy. In this context, we develop our strategy with an inclusive and holistic approach to achieve our sustainability goals and minimize our environmental impacts across all activities. We actively work on improving energy efficiency, protecting water resources, establishing effective waste management, and reducing our carbon footprint. Additionally, by adopting the principles of a circular economy, we encourage the efficient use of resources and promote recycling. We aim to enhance our environmental performance by complying with national and international regulatory requirements and the expectations of our relevant stakeholders, while developing innovative and sustainable solutions.

Our Environmental Policy is based on fundamental principles aimed at minimizing the negative impacts we may inflict on the environment as a result of our activities and supporting sustainable development. As part of this policy, we are committed to raising environmental awareness among all our employees and contributing to our sustainability goals by collaborating with our suppliers and business partners. In this framework, we carry out regular monitoring, reporting, and improvement activities. We ensure the safety of our employees, integrate our environmental awareness and sustainability mechanisms into our operations, and remain committed to these principles under the guidance of our policy, which you can find through [here](#).

Our environmental management implementations are carried out under the leadership of our People, Culture, and Sustainability Directorate, by our Environmental and Occupational Health and Safety (OHS) department. This department includes an Environmental and OHS Manager, Environmental Engineer, Environmental-OHS Field Controller, and Wastewater Treatment Plant Manager. The department ensures the collection of data related to energy consumption, emissions, water usage, and waste management through daily controls and/or monthly monitoring activities. Based on the subsequent analyses, necessary actions are taken. Through these controls, we continuously improve our environmental performance, detect potential negative situations and risks early, and aim to minimize environmental impact. As a result, we not only ensure compliance with regulations but also swiftly adapt necessary preventive and corrective actions into our processes to strengthen our environmental performance. Additionally, we incorporate the relevant data into our annual performance reports, allowing it to play a role in our strategic decision-making processes.

We use the tools and methods established according to ISO 14001 Environmental Management Systems to identify and assess environmental risks and opportunities. We evaluate not only the impacts arising from our production activities but also the environmental effects of our operations resulting from the needs of our employees and the areas in which they operate. In our risk assessment process, we measure environmental impacts, ensure compliance with legal regulations, and consider the effects of climate change. We also closely monitor environmental regulations published in Türkiye and Europe.

In line with ISO 14001 Environmental Management Systems, we undergo an internal audit once a year. As part of our environmental management implementations, we are also subject to audits by the Republic of Türkiye Ministry of Environment, Urbanization and Climate Change, the Kocaeli Provincial Directorate of Environment and Urbanization, and the Automotive Supplier Industry Specialized Organized Industrial Zone (TOSB). In addition, we are frequently audited throughout the year by our customers on environmental and sustainability matters.

We work toward a better environment by implementing various projects that aim to create both environmental and social value. Below, we share the initiatives we have carried out, those currently in progress, and those we have planned for the future:

- To raise awareness among our employees, to ensure that our environmental goals are embraced, and to encourage active employee participation in achieving these goals, we regularly organize training sessions on a variety of topics including **General Environmental Themes (air, water, waste management, etc.), Waste and Zero Waste Management, Chemical Substance Management, the European Agreement concerning the International Carriage of Dangerous Goods by Road (ADR), Energy Efficiency, and the ISO 14064 International Standard for GHG Emissions Inventories and Verification.**
- As a company exporting automotive spare parts to the European Union, we regularly provide the necessary declarations to our customers in line with the obligations of the Carbon Border Adjustment Mechanism (CBAM), which is a key component of the European Green Deal. In this context, **we transparently report the emission data generated at each stage of the processes for our products covered under CBAM, ensuring compliance with sustainability principles in cross-border trade.** At the same time, we place great importance on supporting and developing our suppliers in alignment with these requirements.
- We conduct reporting through **EcoVadis, a globally recognized sustainability rating platform** that evaluates companies' environmental, social, and ethical performance. Within this scope, we monitor and strive to improve our performance in key areas such as environment, ethics, labor and human rights, and sustainable supply chain practices.
- Every year, we celebrate the week of June 5th as **"Environment Week."** In 2023, we created an **environmental manifesto** that documents all of our best environmental implementations. On a voluntary basis, we encouraged our colleagues to sign and take part in this manifesto. To ensure it is commemorated, we also displayed the manifesto at the entrance of our production facility. Additionally, as part of the 2023 Environment Week activities, we organized a **Waste Sorting Activity** at the TOSB Kindergarten together with our colleagues and young students, aiming to help raise awareness among children about the importance of protecting our planet from an early age.



## FOR A BETTER ENVIRONMENT: Environmental Management

In addition to adhering to the metrics outlined in national and international laws and regulations, we also track various metrics specific to our operations. Below, we share our data from the past three years along with the related targets:

ATIKOR (total hazardous waste / raw material cutting amount) * 100 (tons/tons %)			ATIKD (amount of recycled waste / total waste) * 100 (tons/tons %)		
2023					
Nominal Range	Annual Average	Year-End Target	Nominal Range	Annual Average	Year-End Target
2,15%	1,82%	2,05%	94,6%	90%	96%
2022					
Nominal Range	Annual Average	Year-End Target	Nominal Range	Annual Average	Year-End Target
2,20%	1,77%	2,10%	80%	79%	77%
2021					
Nominal Range	Annual Average	Year-End Target	Nominal Range	Annual Average	Year-End Target
2,20%	2,95%	2,10%	70%	63%	65%

Achieving environmental sustainability is one of our company's strategic emphases. Our operational expenditures in this area include the investments and actions we undertake to minimize our environmental impacts. Below, we present the data related to our environmental operational expenses:

Environmental Expenses (TL)	2023	2022	2021
Total Environmental Operational Expenses	2.599.728	944.752	320.610

### Our Activities for the Protection of Biodiversity

The concept of biodiversity is a crucial element for the healthy functioning of ecosystems. This diversity supports the preservation of natural balance, enhances quality of life, and contributes to a sustainable future for humanity. As Birinci, we are located in the TOSB industrial zone in the Gebze district of Kocaeli, one of the major industrial and commercial hubs of Türkiye. While this region and its surroundings do not contain protected areas or regions of high biodiversity value, its proximity to the Sea of Marmara makes it significant in terms of logistics and aquatic ecosystems. Due to our closeness to the natural resources and biodiversity of the Marmara Region, we are aware of our responsibilities toward local environmental management approaches and the protection of nearby ecosystems. For this reason, we assess the environmental impacts of every step of our operations, implement preventive measures when necessary, and obtain the required permits from local authorities.

Within our facility, we take the necessary steps to protect surface waters, manage rainwater, and prevent surface pollution. Our rainwater drainage systems are regularly inspected by TOSB to prevent contamination of water resources. We have developed systems that prevent the accumulation of rainwater and ensure that potential surface pollutants do not enter natural water sources, and we regularly monitor these systems. Additionally, as part of our landscaping efforts, we carry out afforestation projects both within our factory premises and in various regions through donations. To protect underground water resources, we do not use groundwater at any point in our operations. To prevent groundwater and soil contamination, we store our waste under appropriate conditions with leak-proofing measures in place and ensure that all waste is sent to licensed disposal facilities.

Across our entire value chain, from our procurement processes to our production operations, we do not engage in any direct or indirect activities that could lead to a reduction in biological species, disrupt habitat structures, or cause abnormal ecological changes.

Additionally, throughout our production activities, and in cases where we plan new investments to expand our current capacity, we assess the environmental impacts of the proposed investment and obtain the necessary Environmental Impact Assessment (EIA) approvals from the Provincial Directorate. In this regard, we materialize avoiding operations in areas rich in biodiversity and carefully evaluate our environmental impacts. Furthermore, as part of our "Dönüşümde Birinci" project launched in 2023 with the aim of raising environmental awareness and helping protect natural habitats, we donated 80 saplings to the TEMA Foundation (The Turkish Foundation for Combating Soil Erosion, for Reforestation and the Protection of Natural Habitats) on behalf of the employees of the department that won the internal competition focused on waste segregation at source and its reintegration to the circular economy.



## FOR A BETTER ENVIRONMENT: Energy and Emissions Management

Energy and emissions management is of great importance for companies in achieving their sustainability goals. Efficient use of energy resources not only results in cost savings but also reduces negative environmental impacts and the carbon footprint. Addressing energy and emissions management systematically is critical, especially for tackling the climate crisis and fulfilling societal and environmental responsibilities. We materialize harmful emissions such as greenhouse gases and air pollutants not only within the framework of combating the climate crisis but also by considering public health and overall well-being.

As part of our Energy Management approach, we base all our processes on achieving energy savings and improving efficiency. In this context, we aim to continuously improve our processes and manage our energy management system in a way that includes all our employees. Through these strategies, we aim to achieve our sustainability goals. We offer a holistic approach that promotes energy efficiency, reduces emissions, and encompasses key environmental elements.

We define the efficient use of natural resources, reducing production costs, and enhancing our long-term environmental and economic sustainability as our main objectives. Within this scope, we have established our Energy Management System Policy to achieve and adhere to these objectives. Under this policy, we commit to materializing energy efficiency across all processes of our operations, continuously improving with emerging technologies, providing the necessary information and resources to achieve our goals and objectives, and complying with applicable legal requirements and other obligations related to energy use, consumption, and efficiency. You can access the full details of our policy [here](#).

We carry out our energy management implementations under the leadership of our Production Directorate, based on our relevant policy, and implemented by our Maintenance Department. Within the department, we involve stakeholders with various competencies from Maintenance, Occupational Health & Safety and Environment (OHS-E), Quality Assurance, Tool Shop, Support Operations, Assembly & Packaging, Forging, Machining, Human Resources, Warehouse & Internal Logistics, R&D, Sales, Procurement, Planning, and IT teams. We conduct monthly reviews of our energy systems and carry out activities focused on improving efficiency.

We materialize the procurement of products and services that promote energy efficiency and support design activities aimed at improving our energy performance. Below, we present the projects we have implemented and planned in line with this approach:

- We reduced energy consumption in induction furnaces and some workbenches by implementing energy savings. Our new workbenches are equipped with automation systems that can adjust power settings based on the product's needs.
- In the forging area, we installed a warning system that detects when the main motors of the workbenches are running idle during non-forging or non-essential times.
- We continue to install meters for systems using natural gas and are working on related improvement processes.
- We are conducting feasibility studies to reduce energy consumption in cooling towers by using corrosion-resistant, lighter, and more aerodynamic materials.
- We are working on replacing our current normalizing furnace with a more energy-efficient one. With this change, we aim to bring the normalization process in-house, reducing overall energy consumption by minimizing the need for outsourced services.
- As part of our monitoring efforts, we have started installing analyzer infrastructure to collect real-time energy data from machines. Additionally, we are continuing with the installation of the SCADA automation system.

In addition to these, as part of our 2023 implementations, we replaced two of our old compressors with variable speed drive (VSD) compressors and invested in converting all fluorescent lighting in the factory to LED lighting. Through these initiatives, we achieved savings of 380,797 kWh with the use of VSD compressors and 470,606 kWh through the LED lighting investment.

We identify the risks and opportunities related to our energy management implementations in accordance with the ISO 50001 Energy Management System standard. Every year, as part of ISO 50001, our activities and the total consumption reports we declare on the official website of the Republic of Türkiye Ministry of Environment, Urbanization and Climate Change are subject to audits carried out by authorized personnel appointed by the Ministry.

In addition to the metrics we monitor in accordance with national and international regulations, one of the key performance indicators (KPIs) we have defined specifically for our operations is the Natural Resource Consumption Rate, which constitutes one of our primary business process goals. As part of this metric, we track the ratio of total electricity consumed in our plant to the kilograms forged in our forging operations (kg/kW). As in 2022, we also achieved a ratio of 0.67 in 2023.

We share below the Risks and Opportunities we have identified as part of our energy management approach:

### RISKS

- 1-Non-compliance with legal regulations
- 2-Exposure to legal penalties
- 3-Negative impact from market dynamics of energy pricing
- 4-Lack of preventive maintenance planning
- 5-General unit downtimes
- 6-Irregular coil/induction furnace management
- 7-Inadequate training provided to employees
- 8-Geographical location

### OPPORTUNITIES

- 1-Effective management of the impacts caused by market dynamics of energy pricing
- 2-Geographical location
- 3-Reduction in the use of natural resources
- 4-Reduction of greenhouse gas emissions
- 5-Efficiency of the legal compliance monitoring system
- 6-Working with employees, subcontractors, and suppliers who are highly aware through informative training
- 7-Detailing risk management through risk-based thinking
- 8-Gaining energy-conscious new technologies by staying informed about innovations
- 9-Positive legislative changes in our sector creating new market opportunities
- 10-Instilling energy awareness in strategic suppliers
- 11-Reducing unit costs through energy savings
- 12-Developing alternative formulations through our initiatives
- 13-Increasing stakeholder satisfaction
- 14-Establishing strong relationships with relevant parties
- 15-Achieving lower failure rates through planned maintenance
- 16-Enhancing brand value, reliability, and competitiveness



# FOR A BETTER ENVIRONMENT: Energy and Emissions Management

We closely monitor our consumption and expenditures to improve our energy management. With this data, we aim not only to shape our economic strategies but also to effectively manage our energy transition. The table below provides detailed information on our energy expenditures over the past three years:

Expense Item (TL)	2023	2022	2021
Total Electricity, Natural Gas, and Other Energy Investments	69,018,736.33	60,638,587.89	12,354,153.47

We aim to ensure the proper and efficient use of energy, and through the training provided to our employees, we seek to raise awareness about energy efficiency and resource use. Below, we share the data on our electricity consumption for the past three years:

Energy Consumption	2023	2022	2021
Electricity (MWh)	25,710,805.00	21,229,851.00	19,010,488.00

Our increased electricity consumption compared to the past two years is directly related to the growth in our production capacity, improved performance, and the expansion of our factory boundaries. You can review the detailed consumption data for energy resources in **Table 1: Energy Consumption** Data located in the **Appendices** section of our report.

Just like our energy management, we structure our emissions management around strategies that deliver environmental, economic, and social benefits, supporting the construction of a sustainable future. Beyond legal requirements, we aim to realize implementations in areas such as energy efficiency and resource management by materializing environmentally friendly applications and low-carbon production processes.

We began our Corporate Carbon Footprint Calculation efforts in 2021 as part of our project with the Uludağ Exporters' Association. Due to data sets that were not yet accessible in 2021, our reporting that year included limited calculations. In 2022 and 2023, however, we updated our carbon footprint report with broader data access, additional data sources, and an expanded scope of analysis. This enabled a more detailed examination of our operational processes and improved the overall accuracy of our reporting. Below, we share Scope 1, Scope 2, and Scope 3 greenhouse gas emissions data for the past three years:

Greenhouse Gas Emissions (tons CO <sub>2</sub> e)	2023	2022	2021
Scope 1	668.57	741.44	505.80
Scope 2	11,441.31	10,275.248	8,364.61
Scope 3	96,480.73	91,147.99	38,214.94

You can review the category breakdown of our greenhouse gas emissions and the details of our unit carbon emissions in **Table 2: Greenhouse Gas Emissions** and **Table 3: Unit Emission Factors**, both located in the **Appendices** section of our report.

We measure the emissions resulting from our production activities in accordance with the Regulation on the Control of Industrial Air Pollution, through authorized laboratories appointed by the relevant Ministry every two years. Following our emissions measurement carried out in 2023, the next measurement year is planned for 2025.

Our facility has a total of eight stacks, and at each stack, we measure air pollution parameters with greenhouse gas effects, such as SO<sub>2</sub>, NO<sub>2</sub>, NO<sub>x</sub>, CO, and particulate matter resulting from the respective processes. The results of these measurements have been recorded below the limit values specified in the Regulation on the Control of Industrial Air Pollution. You can review the details of our air emission outputs in **Table 4: Air Emission Outputs**, located in the **Appendices** section of our report.





## FOR A BETTER ENVIRONMENT: Water Management

The use and management of water, one of the most vital components of the natural ecosystem, is a highly sensitive process. Areas directly related to human life, such as health, food safety, and hygiene, as well as energy and industry, have significant impacts on both society and the economy. Our water management strategy is primarily shaped around the efficient and proper use of water resources, minimizing water consumption in our operational processes, and raising awareness among our employees about water management.

In this regard, we are conducting studies to define measurement, monitoring, and reduction methods. We have installed rainwater harvesting systems on the rooftops of buildings within our facility and we use the water we collect for landscape and garden irrigation. Additionally, we have initiated efforts to enhance rainwater harvesting in response to the expansion of our factory boundaries, the construction of additional buildings, and the increase in the number of employees. Our goal is to increase our rainwater storage capacity to 240 m<sup>3</sup>.

As part of our production activities, water is heavily used particularly in the cooling towers that supply the induction furnaces, as well as in the cutting fluid (boron oil) emulsion and washing/coating units. Additionally, water consumption also occurs in non-production areas such as the cafeteria, employee use, drinking water treatment facility, cleaning, and garden irrigation. Furthermore, our drinking water treatment facility, whose construction began in the last quarter of 2022, started its purification operations in the early months of 2023. Through this initiative, we treat the water sourced from the municipal supply to make it suitable for human consumption, eliminating the health risks associated with bottled water and reducing plastic waste generation.

We follow our pollution prevention at source strategy within the steps of our water management as well. The treatment of our domestic and industrial wastewater, generated through production activities and employee water use, is carried out in our chemical and biological treatment facility with a capacity of 40 m<sup>3</sup>/day. The wastewater collected at our treatment facility is processed through various stages in compliance with legal regulations and discharged into the wastewater channel after complying to the below the limit values specified in the discharge permits of the Organized Industrial Zone (OIZ) in which we operate. At regular intervals, and without prior notice, water samples are taken by the OIZ management to monitor pollution load. Additionally, thanks to our continuous monitoring and control mechanism, we take samples monthly from the discharge point of our treatment facility and have them analyzed by an authorized laboratory. Our water consumption in 2023 increased compared to the previous year due to the growth in our production capacity, the rise in employee numbers, the expansion of our factory boundaries, and the commissioning of our drinking water treatment plant. You can review the details of our water consumption and water withdrawal values over the past three years in **Table 6: Water Consumption Amounts** and **Table 7: Water Withdrawal Amounts**, located in the **Appendices** section of our report.



## FOR A BETTER ENVIRONMENT: Waste Management

**Waste management is one of the critical areas we, as a company, embrace to reduce our environmental impact and use our resources efficiently.**

In addition to offering an environmentally friendly approach, waste management implementations also enhance operational efficiency and reduce costs in the long term. Our primary aim is to reduce waste at source, ensure proper sorting, direct it into recycling processes, and dispose of it appropriately.

**We shape all our production processes around the “Reduce, Reuse, Recycle” principle and integrate the circular economy into our strategies.**

We materialize extending product life cycles, re-evaluating natural resources, and reducing consumption. In our production activities, we prefer raw materials derived from scrap and reintegrate materials classified as waste back into the cycle. In this context, we define our circular economy goal as ensuring environmental sustainability, creating value, and becoming an environmentally friendly organization.

We carry out our waste management under the leadership of our Environment and OHS (Occupational Health and Safety) Unit. We ensure the correct sorting, collection, and transport of waste to storage areas at source, on a daily basis, and keep detailed records. This enables us to set waste reduction targets based on measurable data. The process of sending waste to recovery and disposal facilities is managed by our Environmental Engineer. Our Environment and OHS Unit regularly monitors our waste management performance and ensures the implementation of actions for improvement. In addition, to maintain the continuity and efficiency of our processes, we conduct internal audits. These audits are carried out on a daily, weekly, and monthly basis, and as part of external audits, we are subject to both announced and unannounced inspections by authorities.

In line with our Environmental Management Strategy and policy, we implement our waste management strategy by focusing on waste recovery and reuse processes that go beyond the expectations set by laws and regulations, based on the principles of the circular economy. Within this strategy, our primary goals are to reduce the amount of waste generated, to increase our recycling rate, and to promote the reuse of waste materials. In this context, we procure raw materials used in production and derived from scrap, from three different suppliers. Two of the raw materials we purchase contain 100% recycled content, while the third contains 92% recycled content.

In addition, we are carrying out efforts to improve the continuity and efficiency of our Zero Waste Management System, which we have established to ensure that the waste we generate is properly integrated into recycling and/or disposal processes using appropriate methods.

We also actualize various implementations to emphasize the importance of waste management and to make it an integral part of our corporate culture. Below, we present the projects we have implemented and those we plan to carry out in this regard:

- We manage our waste based on the first step of the waste hierarchy which is preventing waste generation, and where this is not possible, correctly segregating waste at source. In this context, we minimize hazardous waste generation by draining boron oil from oily metal shavings in specially designed waste collection bins.
- We collect non-contaminated scale waste (a material formed through oxidation during the annealing process) generated from forging operations at source and ensure its delivery to licensed recovery facilities.
- We aim to repurpose the blasting waste generated from our sandblasting process, which is classified as hazardous, by utilizing it as a raw material in other industries through the principle of industrial symbiosis. In this way, we intend to reintegrate our hazardous waste into a new manufacturing process within a different sector, in alignment with the principles of the circular economy. Accordingly, we will send our blasting waste for analysis and develop our roadmap based on the results and subsequent evaluations.
- In 2023, as part of the “**Donate, Don’t Discard**” project launched in collaboration with the Educational Volunteers Foundation of Türkiye (TEGV) and the Informatics Industry Association (TÜBİSAD), we collected a total of 256 kg of electrical and electronic waste generated in our employees’ homes. This initiative aimed both to protect the environment and to support children in receiving quality education. We aim to continue this project throughout 2024 as well.
- In 2023, we launched the “**Paperless Factory/Zero Paper**” project to raise awareness about reducing the use of paper and paper-based materials across our factory and to minimize paper-related waste generation. We leveraged the power of our digital transformation in support of this initiative.
- As part of the “**Dönüşümde Birinci**” project we initiated in 2023, we launched an interdepartmental waste competition within our factory. Based on our daily inspections, the department that most accurately separated its waste at the end of the month earned the title of “**Dönüşümde Birinci**”. In recognition, we made a sapling donation to the TEMA Foundation on behalf of the winning department’s employees. Through this project, we emphasized the importance of separation of waste at source and highlighted the protection of natural habitats with the 80 saplings we donated. We plan to continue this project in 2024 as well.

- For effective waste management, we instill the importance of separation of waste at source in our employees and organize comprehensive waste management training. In 2023, we provided a **total of 491 person-hours** of training on general environmental topics, waste management, water, and energy efficiency to 1,048 employees. Additionally, based on departmental needs, we conducted waste management training for 386 employees through department-specific meetings or Toolbox sessions.
- With our established and certified Zero Waste Management System, we not only separate the waste generated in our production processes but also in areas such as offices and the cafeteria, ensuring that waste is sent to recycling facilities. In our cafeteria, we share the biodegradable waste with the animals on our company premises.

In our waste management risk and opportunity assessments, we use the risk evaluation tools and methods defined in line with our ISO 14001 Environmental Management System. We manage our risk assessment process by considering factors such as potential environmental harm, legal compliance, impact on climate change, and high disposal costs. To manage the identified risks, we define preventive actions and select the appropriate disposal and recycling methods for each type of waste in compliance with regulations. In this regard, we made an investment of 71,475.79 TL for the purchase of equipment (waste bins), absorbent kits, and waste analysis to ensure the effectiveness of our waste management system.

**In 2023, our total waste amounted to 8,332.49 tons, and 95% of this waste consisted of non-hazardous waste.** All of our hazardous waste is sent to licensed facilities via the Ministry of Environment, Urbanization, and Climate Change’s Mobile Waste Tracking System (MOTAT) for use as raw material for energy production. Additionally, we only carry out the disposal of medical waste.

The increase in our amount of waste in 2023 was due to the growth in our production capacity and performance, the expansion of our factory boundaries, and the variability related to maintenance, repair, and subcontractor activities carried out during the year. You can find the detailed breakdown of our waste components for the past three years in the Annex section of our report under **Table 5: Waste Components**.



06

We Bring Life to  
Employees



## FOR EQUALITY, EDUCATION, AND A SAFE FUTURE:

### Human Resources Management

Employees are the most important resource of our company. As Birinci, we are aware of the critical importance of a skilled and diverse workforce. We utilize our core competencies for the benefit of society, striving to provide lasting services through our resources and impact. In this regard, we are committed to providing our employees with a fair, safe, and healthy working environment. We establish channels to protect the human rights and fundamental freedoms of our employees, ensure equal opportunities, protect personal privacy, and facilitate the free and safe communication of ideas. We work diligently to provide a secure and healthy work environment.

We materialize the development of our colleagues' performance through the human resources implementations we are creating. As part of occupational health and safety, we focus on protecting our employees and achieving our goals within the scope of our Human Resources Management. Our aim is to become the number one preferred company in our industry with highly motivated teams and to achieve efficient business results in collaboration with our employees.

#### Our Perspective on Gender Equality and Understanding of Diversity

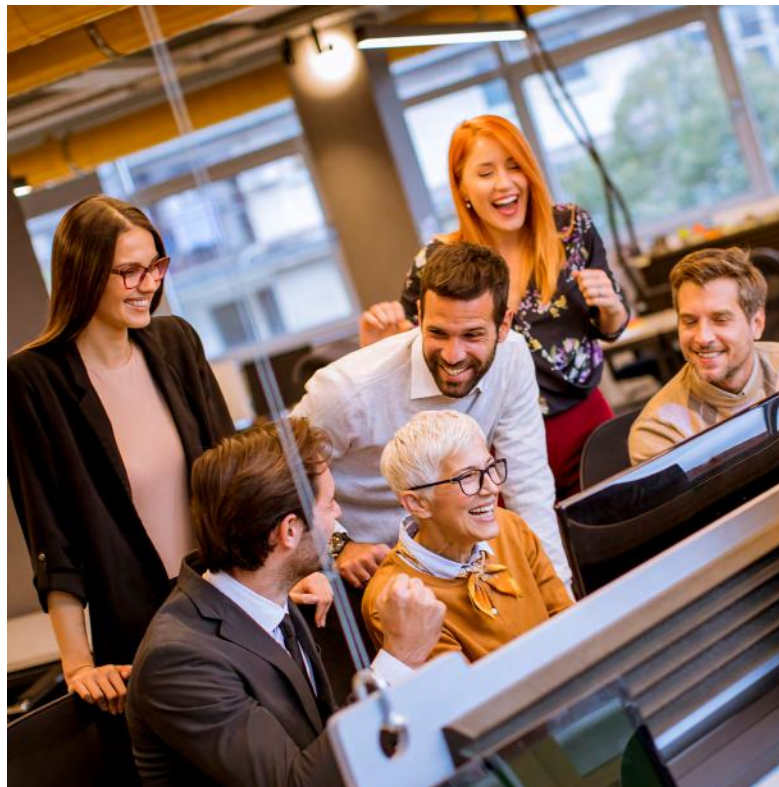
In the fight against gender inequality, we are constantly working to encourage women's participation in the workforce, strengthen decision-making mechanisms, and ensure equal access to opportunities and resources. In this regard, we implement an equality policy from recruitment to retirement at Birinci. We do not discriminate based on factors unrelated to work capacity, such as ethnicity, skin color, age, religious beliefs, nationality, ancestry, marital status, gender, sexual orientation, gender identity, military service, or political beliefs, and we insist on equal opportunity by conducting our recruitment processes through an open selection system. We provide equal opportunities to all our employees and ensure gender equality in all our activities. In this context, through our Ethical Principles Policy, we aim to provide our employees with a work environment that is equal, fair, and free from discrimination.

We are sharing the performance indicators for our employees, broken down by gender, for the last three years in the tables below:

Number of Employees by Year*	2023	2022	2021
Women	78	61	49
Men	899	763	629

\*Includes subcontractors.

Performance Indicators for Employees	2023		2021		2020	
	Women	Men	Women	Men	Women	Men
Total (By Gender) Number of Employees	65	886	50	752	38	623
Total Number of Employees	951		802		661	
Number of Employees by Length of Service						
0-5 Years	50	497	37	390	33	256
5-10 Years	13	237	11	212	3	217
10 Years and above	2	152	2	150	2	150
Number of Employees by Age						
50 Years and above	1	45	1	43	0	35
30-50 Years	49	611	30	511	25	470
30 Years and below	15	230	19	198	13	118





## FOR EQUALITY, EDUCATION, AND A SAFE FUTURE:

### Employee Rights

We place great importance on paying fair wages to our employees and structure our compensation policies around treating our employees equally, staying competitive, and encouraging the work done. We materialize human rights topics such as forced labor, freedom of association, equal pay, discrimination, child labor, and other related topics.

**Our compensation principles are based on the “equal pay for everyone” rule, regardless of gender, age, language, or race.**

We design our compensation and benefits strategies around the principles of fairness, competitiveness, and rewarding high performance, as well as considering industry standards, Birinci implementations, and national and global macroeconomic indicators. We expect all our partners and employees to meet the standards set by this policy.

For detailed information, you can access our Human Resources Policy [here](#).

We materialize the mental and physical health of our employees by promoting work-life balance. We provide various benefits that enrich our employees' experiences outside of work. We support the legal rights of our female employees in their professional lives, ensuring access to legal breastfeeding leave and paid maternity leave for all job titles. In addition, we offer supplementary benefits such as private health insurance, meal and transportation assistance, remote work opportunities, and distribute various gift cards to our employees. We support all unionized employees in benefiting from their union rights.





## FOR EQUALITY, EDUCATION, AND A SAFE FUTURE:

### Employee Feedback Mechanism

In line with the strategy we have defined, our greatest strength in achieving our goals is our human resources.

From this perspective, it is important for our employees to be highly fulfilled. With this in mind, we aim to create a work environment filled with enthusiastic, positive, and daring employees. We materialize providing the best employee experience and giving importance to the ideas of our employees. In this context, we have an employee feedback and suggestion system. As part of this suggestion system, we support projects of our employees that increase their productivity.

We conduct a survey on employee engagement and satisfaction. Below, we share the results of the surveys conducted in 2021 and 2023:

Employee Satisfaction Survey Results	2023	2021
Survey Participation Rate (%)	60	76
Employee Satisfaction Score	70/100	4.13/5

Additionally, our employees can provide feedback about working conditions and complaints either anonymously or by name, through company phones, letters, or via the email address [etik@birinci.com](mailto:etik@birinci.com).

#### Employees' Volunteering Projects:

Under the umbrella of corporate social responsibility, we encourage our employees to voluntarily participate in various social responsibility projects. we share the details of these volunteering projects:

#### LÖSEV- LÖSEV Dükkân ve KAÇUV- Umut Cafe:

Through our partnerships, we provide opportunities for our employees to contribute as voluntary donors.



#### 45th İstanbul Marathon for Cerebral Palsy:

Our volunteer employees took part in the 45th İstanbul Marathon to support Cerebral Palsy.



#### Animal Shelter for Strays:

Our volunteer employees build shelters from waste pallets and place them in areas with a high concentration of stray animals, and provide food for the animals at these shelters. In doing so, we not only protect stray animals from harsh weather conditions but also promote the recycling of waste materials.



#### TOSB Tournament:

It is a tournament organized with the voluntary participation of our employees, aimed at boosting motivation and providing an opportunity for socialization.

#### Zero Waste Competitions – Recycling Competition 2022-2023:

It is a corporate social responsibility event where departments/units compete within the company, resulting in contributions to nature and sapling donations made in the name of the winning departments.



# FOR EQUALITY, EDUCATION, AND A SAFE FUTURE:

## Employee Skill Development

Our primary goal is to lead change and transformation with systems that support employees who are open to development and innovation. In this regard, we support both the individual and professional development of our employees. By focusing on hiring the most qualified people for job descriptions and tasks, we are able to bring together a diverse and exceptional range of talents.

Contributing to the region and the community in which we operate is one of the most fundamental components of our sustainable growth strategy. Within the framework of a value-creating growth model, we support local employment and the national economy by implementing a responsible corporate structure approach. Except for jobs requiring special skills, we always consider local human resources when hiring, with the aim of raising the living standards in the region. Additionally, we materialize offering career opportunities in the production field to young people and providing employment to young talents.

With a people-centered management approach, we provide comprehensive opportunities for promotion and career development. We implement a performance evaluation system based on objective criteria and goals. We conduct performance evaluations for our white-collar employees twice a year, at mid-year and year-end.

We believe that investment in human capital makes a positive difference in the value created. Through our systematic employee training programs, we activate the power to change the world. Based on the requests of multi-skilled employees and managers, we create annual training needs plans and track employee training. We provide training to our employees on various topics such as the environment, ethical principles, combating bribery and corruption, and occupational health and safety (OHS), while also conducting awareness-raising activities.

We are sharing the data of our training expenditures for the last three years in the table below:

Training Expenditures Data (TL)	2023	2022	2021
Total Amount for Training Expenditures	3,481,500	802,000	355,000

We are sharing the indicators of the training we provided to our employees in 2023, in the table below:

2023 Training Data	
Number of Employees Attending the Training	976
Average Training Hours Provided per Employee	18.33
Total Training Hours (Employee * Hours)	14,177.32



# FOR EQUALITY, EDUCATION, AND A SAFE FUTURE:

## Occupational Health and Safety

The health and safety of our employees is one of the key areas of focus for our company. We operate within the framework of our Environment and Occupational Health and Safety (OHS) Policy, which we have established to comply with all legal and corporate working conditions related to occupational health and safety, and to provide our employees with a healthy working environment. This policy, which defines our OHS principles, is binding for all our business processes and our business partners concerning our employees. In order to fulfill the commitments outlined in our policy, we adhere to legal regulations and ISO management system requirements. In this context, all of our facilities are certified under the ISO 45001 Occupational Health and Safety Management Systems. As part of the management system, we conduct internal audits and update relevant procedures, instructions, and forms as necessary. Additionally, we regularly audit all our facilities and employees under the OHS framework. This approach contributes to maintaining the highest standards of safety and health in our operations.

In order to go beyond national regulations and obligations, we continuously monitor the latest developments in the industry. In this regard, we closely follow both legal regulations and industrial innovations, assessing their impact on the activities of our organization. We regularly subject each operational process to OHS risk assessments, allowing us to identify potential risks early. Based on a continuous improvement approach, we proactively manage these risks and work to minimize them. We provide appropriate personal protective equipment to all employees and prepare emergency plans. We keep records of near misses and accidents, and during site tours, we identify necessary corrective actions for any non-conformities detected, collaborating with the relevant departments to implement solutions. Some of our OHS data is stored on a shared server, while other data is recorded in our Business Intelligence Reporting Program (BIRP) system. We track the actions to be taken to prevent the recurrence of the accident and store the accident information in the BIRP system. Additionally, accredited external firms perform periodic checks of work equipment and conduct occupational hygiene measurements.

We are presenting our OHS performance indicators for the last three years in the table below:

OHS Performance Indicators	2023	2022	2021
Incident Frequency Rate	19.52	20.22	14.14
Severity Rate (Total Lost Days)	0.488	0.536	0.512

Our OHS unit operates under the Directorate of People, Culture, and Sustainability (PCS) and consists of a team of Class A experts, a full-time workplace physician, full-time other healthcare personnel, and OHS field controllers. The OHS unit prepares weekly reports and presents the relevant reports during meetings with the PCS Director. Additionally, during the monthly OHS committee meetings, all relevant department managers are informed and reports are provided regarding workplace accidents and OHS matters. We regularly update our field managers on OHS developments, ensuring they have up-to-date and accurate information at every stage. We materialize raising awareness and providing training on OHS to all our employees, contractors, customers, and suppliers. In this context, we provide OHS and job orientation training to our employees within the timeframes stipulated by regulations. We share our performance indicators related to training over the last three years in the table below:

Occupational Health and Safety (OHS) Training	2023			2022			2021		
	Men	Women	TOTAL	Men	Women	TOTAL	Men	Women	TOTAL
Number of Employees Attending OHS Training	396	56	452	704	25	729	3013	23	3036
Total OHS Training Hours Provided	2056	400	2456	7082	218	7300	2706	276	2982

With all these implementations, we are committed to ensuring the safety of our employees and reaching the highest standards in OHS. These processes not only ensure our compliance with regulations but also enable us to strengthen the safety culture in the workplace, allowing us to establish a long-term safety management system.

OHS Projects Implemented

1. Accident-Free Days:

As Birinci, we launched the "Accident-Free Days" Project to reduce the number of accidents, which creates inter-departmental competition. Under this project, we award the department that reduces workplace accidents the most in the previous month with a flag to be displayed in their department. At the end of the calendar year, a lucky draw is held among the employees of the department with the most flags, and one person wins a surprise prize.

2. Platform Application:

To prevent our employees from experiencing ergonomic strain while placing materials into safe boxes at workstations, we commissioned special platforms that move up and down and rotate at a certain angle to make it easier to reach the safe boxes. We are continuing efforts to expand the use of these platforms across all our facilities.

3. Appiz:

We have added a module to the Appiz application, which is a Mobile Business Intelligence and Reporting Program, allowing all our personnel on-site to report near-miss incidents in real-time.



## Contributions to Society Social Responsibility Projects

**We are aware that sustainability is an important and material topic for both our present and future.**

As Birinci, we are carrying out projects aimed at contributing to both society and the environment, by collaborating with our stakeholders, to leave a sustainable world for the future from ecological, economic, and social perspectives.

### Donate, Don't Discard Campaign:

As part of our "Donate, Don't Discard" campaign that we launched in 2023, we collaborated with the Informatics Industry Association (TÜBİSAD), and were able to create significant awareness in society with the campaign. Thanks to the dedicated efforts of our teams, we donated 234,256 kilograms of electronic waste collected in the first quarter of the year to the Education Volunteers Foundation of Türkiye (TEGV), contributing to providing quality education to children of school age.

Electronic waste, when properly recycled, is an important resource that benefits both society and the environment. With this in mind, through the "Donate, Don't Discard" campaign, we aim to recycle such waste, thereby creating a more sustainable environment. Through this collaboration, we not only add environmental value but also set an example for social responsibility, contributing to quality education.



### Interview Process Panel and Simulations:

In the "Interview Process Panel and Simulations" program organized in collaboration with TOSB and the ISO Foundation, we hosted the foundation's scholarship recipients at our company and conducted a plant tour. As part of the event, our HR team and our PCS Director participated in the interview simulation as panelists.



### Istanbul Marathon - Cerebral Palsy Türkiye (TSÇV):

On November 5, 2023, during the 45th Istanbul Marathon, we took steps to support children with disabilities by contributing to providing them with physical and psychological assistance.



### Earthquake Relief Efforts:

We made a donation to AFAD on behalf of the speakers who participated in the seminar we organized during Earthquake Week. Additionally, we prepared care packages for women who were staying at the Gebze Teachers' House.

We launched a toy and stationery donation campaign to meet the needs of children affected by the earthquake. With the participation of our employees, we collected toys and stationery products and sent them to an elementary school in Adıyaman.

We prepared and distributed emergency kits containing essential materials that may be needed in case of an emergency to share with all our colleagues.





## Contributions to Society Social Responsibility Projects

### KAHEV and AÇEV Collaboration:

To raise awareness of respect for healthcare workers, we made a donation to AÇEV and KAHEV on behalf of our workplace medical practitioners on Medicine Day.

### I Am Also for Employment:

In June 2023, we participated in the employment fair organized to support the participation of graduates from Hatice Bayraktar Technical and Industrial Vocational High School in the workforce.



### Paperless Plant:

As part of our efforts to increase sustainability activities and to contribute to the environment and future generations, one of our key goals in 2023 is to reduce paper consumption. To achieve this goal, we created the "Zero Paper Team" within our Paperless Plant project. Through this project, we aim to identify units, departments, and processes with high paper consumption, to take action, and to reduce paper use by 30% in 2023 by leveraging digitalization efforts.

Based on the analyses, the department that reduced paper consumption the most by changing consumption habits through individual and departmental improvement efforts was the **Finance and Accounting Department**.



### Environmental Awareness Activities:

To raise children's environmental awareness, we met with the students of TOSB Kindergarten during Environment Week. We organized awareness games for the students about waste management.

On the other hand, we prepared an "Environmental Day Manifesto" with our employees. All of our employees signed the manifesto we prepared.



### Dönüşümde BİRİNCİ & Zero Accident Days:

With the slogan "Zero Accident Goal", we are organizing inter-departmental competitions within our company as part of our "Zero Accident Days" and "Dönüşümde Birinci" projects. In the recycling competition, we make a sapling donation to the TEMA Foundation on behalf of the most successful team each month. Additionally, in the inter-departmental competition we conduct with the "Zero Accident" motto, we make a donation to the TEGV (Education Volunteers Foundation of Türkiye) for the departments with the lowest accident rate each month.



### March 8th International Women's Day Meetings:

In 2023, as part of Women's Day, we collaborated with Kadınların Elinden, LÖSEV, and KAÇUV. We made a donation on behalf of the women employees within our company.

During our company picnic, we hosted the Kadınların Elinden Association. We provided an opportunity for female producers to sell their products and raise donations. At the end of the picnic, we gifted all our employees an emergency kit (earthquake kit).



07



We Bring Life to  
Ideas



INNOVATIVE PROJECTS:  
Innovation and Digitalization Strategy

As Birinci, since our establishment, we have embraced a culture that values creative and unique ideas. For our company, innovation forms a fundamental organizational culture that is sustainable, measurable, manageable, and enhances our competitive strength. With this approach, we aim to continuously and systematically establish and develop innovation.

We consider innovation as an integral part of our daily lives, entering all of our business processes without being confined to job descriptions. We provide creative solutions for real consumer needs. In this regard, we approach life, the environment, and products from the consumer’s perspective, aiming to add an innovative viewpoint to every stage of our product development processes, from design to implementation.

We manage our R&D activities with a growth strategy focused on innovation and sustainability within a centralized structure. At our R&D center, established in December 2017 at our plant campus, we conduct our work with a team of 42 experienced professionals, including engineers, designers, materials scientists, production technology experts, and environmental solution specialists. As of 2023, we also have an intellectual property expert in-house. Under the DS6 – R&D Center Management, we define our processes and continue our activities in accordance with these processes.

By closely following developments in the industry, we aim to produce innovative, technological, and sustainability-focused solutions and to establish flexible production processes that meet customer demands. Our strategic approach is to increase the role of digitalization in forging and machining processes to maximize the efficiency of our production and the quality we deliver. At the same time, we are working on new materials and lightweight manufacturing technologies to enhance our competitive strength in the industry. **As a result of the original ideas we have implemented and the advanced solutions we have contributed to the sector, we strengthened our success by once again being included in the R&D 250 list in 2023, following our inclusion in 2022.**

In 2023, we completed 6 R&D projects and continue our work with 11 ongoing projects. Among these ongoing projects are initiatives that contribute to sustainability goals, including the development of electric mobility vehicles. Furthermore, we are not only supporting existing projects but also making investments to support new initiatives in line with our mission to “Bring Life to Ideas”. In this context, our R&D expenditures for the past three years are presented below:

Share of Revenue Allocated to R&D Activities (TL)	2023	2022	2021
	26,039,026.65	18,185,520.37	8,583,476.00

In addition, although we had set our target for 2023 to increase the “Share of Original Products in Revenue from R&D Activities” to 3%, we are pleased to share that we exceeded this goal by achieving 3.95% by the end of the year.

At Birinci, we materialize filing globally recognized patent applications to protect the intellectual property rights of our R&D projects. We view patent applications as a means to safeguard our innovative ideas, enhance our competitive strength in the industry, and create new business opportunities. Since 2021, we have obtained 3 registered patents in Türkiye and 2 in the United States. In 2023, we continued to develop our projects but did not file any new patent applications.

We address technological and environmental challenges in the industry and carry out our operations with an innovative perspective. In this context, we are working on recovering waste heat generated during the forging production processes and reintegrating it into the system. In addition to our operational processes, we also engage in activities to diversify our products and services. We organize Innovation Roadmap workshops related to these products and services, and we shape our roadmap using various analysis methods (Boston Matrix, PESTLE Analysis, SWOT, etc.).





## INNOVATIVE PROJECTS:

### Innovation and Digitalization Strategy

#### Innovation Workshops

Since 2017, we have been organizing workshops under the name "Innovation Meetings" to evaluate and implement the ideas and suggestions of our employees. Through these annual workshops, we aim to encourage all our employees, individually or in teams, to develop innovative projects that contribute to strategic goals and business outcomes.

The main goals of our Innovation Meetings are as follows:

- To create an environment within the company that encourages innovation and supports creative thinking,
- To present successful examples that provide innovative and creative differentiation in products, processes, and services,
- To lay the groundwork for innovative thinking at every stage of a project, from the idea phase to achieving tangible results,
- To reward individuals and teams who develop innovative and creative projects that contribute to strategic goals and business outcomes, ensuring the sustainability of innovation.

With these efforts, we are taking persistent steps not only towards creating sustainable and innovative solutions for today but also for the future.

#### Digitalization

In the era of digital transformation, our way of life, work habits, and routines are rapidly changing. As a company, we are taking advantage of the opportunities brought by these changes, combining digital competencies with the driving force of innovation to offer solutions that can quickly respond to the new challenges our customers may face. We view digitalization as a critical factor in achieving sustainable growth and gaining a competitive advantage, and we materialize it strategically.

#### Digitalization Strategy at Birinci

Digital Transformation Strategy at Birinci is composed of the following components with the aim of adapting to Industry 4.0 and leading digitalization processes:

##### ● Preparation for Industry 4.0:

We materialize infrastructure and process investments to adapt to digital transformation and ensure readiness for Industry 4.0 standards.

##### ● Strategic Alignment:

By ensuring the proper implementation and integration of the digital transformation strategy across all our business units, we strengthen operational efficiency and enhance alignment between our business units.

##### ● Indicators and Monitoring:

We have implemented an indicator system that allows us to measure the current state of Industry 4.0 applications and integrate these data into strategic processes based on the Balanced Scorecard.

##### ● Investment and Development:

We aim to increase investments in digital infrastructure and technology across various areas under Industry 4.0, develop innovative solutions, and continue advancing in our digital transformation journey.

With these strategies, we aim to deeply integrate digitalization into our company culture and strengthen our leadership position in digital transformation by providing faster, more efficient, and innovative solutions to our customers.



## Appendix

### Environmental Performance Indicators

Table 1: Energy Consumption Data

Energy Consumption	Unit	2023	2022	2021
Natural Gas	Sm <sup>3</sup>	55,211.37	65,890.99	59,556.76
Coal	Ton	0.00	0.00	0.00
Propane	Ton	24.48	22.73	14.31
<b>Stationery Combustion (Generator, Boiler, etc.)</b>		<b>762.00</b>	<b>550.00</b>	<b>400.00</b>
Gasoline	lt	0,00	0,00	0,00
Diesel	lt	762.00	550.00	400.00
<b>Mobile Combustion (Vehicles)</b>		<b>144,355.10</b>	<b>106,858.24</b>	<b>89,781.36</b>
Gasoline Vehicles*	lt	37,081.11	29,309.70	18,356.61
Diesel Vehicles	lt	107,273.99	77,548.55	71,424.75
<b>Total Electricity Consumed</b>	<b>kWh</b>	<b>25,710.81</b>	<b>21,229.85</b>	<b>19,010.49</b>
Electricity Consumed from the Grid	kWh	25,710.81	21,229.85	19,010.49
Renewable Energy Supply	kWh	0,00	0,00	0,00
Renewable Energy Generation	kWh	0,00	0,00	0,00

\*In 2022, gasoline vehicles and hybrid (gasoline + electric) vehicles were included together.

Table 2: Greenhouse Gas Emissions

Greenhouse Gas Emissions (tons CO <sub>2</sub> e)	2023	2022	2021
Scope 1 / Category 1	668.57	741.44	505.80
Scope 2 / Category 2	11,441.31	10,275.248	8,364.61
<b>Total (Scope 1+ Scope 2)</b>	<b>12,109.88</b>	<b>11,016.688</b>	<b>8,870.41</b>
Scope 3	96,480.73	91,147.99	38,214.94
Category 3	8,228.16	2,949.99	4,350.00
Category 4	86,794.19	87,814.94	33,825.88
Category 5	429.95	383.055	39.06
Category 6*	1,028.43	-	-
<b>Total</b>	<b>108,590.61</b>	<b>102,164.68</b>	<b>47,085.35</b>

\* Category 6 emissions (fugitive emissions) were included within Category 2 in 2022 and were not calculated in 2021 due to the unavailability of data.

Table 3: Unit Emission Elements

Unit Emission Element	2023	2022	2021
Unit Emission per Total Production (tons)*	6,6546	7,04	3,32
Unit Emission per Total Production (units)	0.0076	0.0078	0.0035
Unit Emission per Employee Count	114,186	127,39	71,23
Unit Emission per Surface Area (m <sup>2</sup> )	2,62	2,47	1,14

\*The forging production quantity, including scrap, has been taken into account.





Appendix

Table 5: Waste Components

Waste Information	2023			2022			2021		
	Waste Generated	Non-disposed Waste	Waste Sent for Disposal	Waste Generated	Non-disposed Waste	Waste Sent for Disposal	Waste Generated	Non-disposed Waste	Waste Sent for Disposal
Waste Components	Tons	Tons	Tons	Tons	Tons	Tons	Tons	Tons	Tons
Wood Packaging	126.01	126.01		120.43	120.43		106.97	106.97	
Mixed Packaging (Paper, plastic, glass, metal)	102.67	102.67		121.59	121.59		107.26	107.26	
Scale	66.97	66.97		70.56	70.56		33.35	33.35	
Iron Scrap	7,591.97	7,591.97		5,133.74	5,133.74		4,028.78	4,028.78	
Aluminum Scrap	12.50	12.50		0.00	0.00		0.00	0.00	
Electronic Waste	0.29	0.29		0.70	0.70		1.05	1.05	
Battery, Accumulator	0.03	0.03		0.04	0.04		0.03	0.03	
Abrasive Waste	152.98	152.98		130.10	130.10		101.37	101.37	
Aluminum Chips	1.21	1.21		943.74	943.74		2,102.00	2,102.00	
Contaminated Packaging	1.66	1.66		0.63	0.63		2.23	2.23	
Pressurized Contaminated Packaging (Aerosol Can)	0.06	0.06		0.35	0.35		0.25	0.25	
Contaminated Waste	34.53	34.53		50.12	50.12		70.74	70.74	
Boron Oil	218.34	218.34		198.72	198.72		112.57	112.57	
Sludge	12.20	12.20		18.09	18.09		19.01	19.01	
Hydraulic Oil	5.26	5.26		5.72	5.72		0.69	0.69	
Medical Waste	0.01		0.01	0.01		0.01	0.02		0.02
Cartridge	0.13	0.13		0.07	0.07		0.04	0.04	
Fluorescents	0.00	0.00		0.06	0.06		0.00	0.00	
Treatment Sludge	5.67	5.67		6.21	6.21		2.00	2.00	
Chemical Waste	0.01	0.01		0.00	0.00		0.00	0.00	
Other	0.01	0.01		3.15	3.15		0.95	0.95	
TOTAL WASTE	8,332.49	8,332.48	0.01	6,804.03	6,804.03	0.01	6,689.32	6,689.29	0.02

Table 4: Air Emission Discharges

Air Emissions (kg)	2023	2022*	2021
NO <sub>x</sub>	0.053	-	0.0463
NO	0.033	-	0.0256
SO <sub>x</sub>	0.000	-	0.000
CO	0.041	-	0.034
Dust	0.0219	-	0.347

\* In accordance with the Industrial Air Pollution Control Regulation, measurements are conducted once every two years. Therefore, no measurements were made in 2022. Additionally, the measurements were carried out by an accredited laboratory company assigned by the Ministry of Environment, Urbanization, and Climate Change.



Appendix

Table 6: Water Consumption Amounts

Consumption Amount (m³/month)			
Months	2023	2022	2021
January	3.942	2.500	2.713
February	3.469	2.637	1.912
March	2.927	2.854	2.160
April	2.618	2.930	2,173
May	3.660	3.823	2.505
June	4.202	3.469	2.566
July	3.954	2.428	2.352
August	5.693	4.025	2.735
September	4.554	3.314	3.315
October	6.223	3.175	2.482
November	6.095	3.581	3.055
December	4.061	3.514	2.673
Total	51.398	38.250	30.641

Table 7: Water Withdrawal Amounts

Water Withdrawal Amount	2023	2022*	2021
Water Withdrawn from the Grid (m³)	51.398	38.250	30.641



## Appendix

### Social Performance Indicators

Trainings Provided to Employees Based on Focus Areas			2023
Ethics Training	Number of Employees Attending the Training		18
	Total Training Hours Provided		18
OHS Training	Number of Employees Attending the Training		452
	Total Training Hours Provided		2456
Anti-Bribery and Anti-Corruption Training	Number of Employees Attending the Training		58
	Total Training Hours Provided		58
Environmental Training	Number of Employees Attending the Training		491
	Total Training Hours Provided		436

OHS Performance Indicators	2023	2022	2021
Number of Accidents	219	191	112
Number of Work-Related Fatalities	0	0	0
Number of Occupational Diseases	2	0	0
Number of Lost Days Due to Accidents	1504	1425	1140
Accident Frequency Rate	19.52	20.22	14.14
Accident Severity Rate	0.488	0.536	0.512

Permanent Employees	2023		2022		2021	
	Women	Men	Women	Men	Women	Men
Total Number of Employees by Gender	65	872	50	741	38	609
Total Number of Employees	937		791		647	

Subcontracted Employees	2023		2022		2021	
	Women	Men	Women	Men	Women	Men
Total Number of Employees by Gender	13	26	11	22	11	20
Total Number of Employees	39		33		31	

All Employees	2023		2022		2021	
	Women	Men	Women	Men	Women	Men
Total Number of Employees by Gender	78	898	61	763	49	629
Total Number of Employees	976		824		678	

Employees by Type of Employment Contract	2023		2022		2021	
	Women	Men	Women	Men	Women	Men
Number of Employees Covered by Collective Bargaining Agreement	16	693	11	596	7	494
Number of Unionized Employees	16	693	11	596	7	494

Employees with Disabilities	2023		2022		2021	
	Women	Men	Women	Men	Women	Men
Number of Employees with Disabilities by Gender	4	20	4	15	2	15
Total	24		19		17	



## GRI Content Index

Statement of Services	As part of the Content Index – Essentials Service, GRI has reviewed that the content index is presented in accordance with the reporting requirements of the GRI Standards, and that the information listed in the index is clearly disclosed and accessible to stakeholders. The service was conducted based on the Turkish version of the report.
Statement of Use	Birinci Otomotiv has reported in accordance with the GRI Standards for the period from January 1, 2023, to December 31, 2023.
GRI 1 Used	GRI 1: Foundation 2021

GRI Standard	Disclosure*	Page numbers, explanations and/or URLs
<b>General disclosures</b>		
<b>GRI 2: General Disclosures 2021</b>	2-1 Organizational details	About the Report, p.3 About Us, p.7 History, p.8 Contact, p.54
	2-2 Entities included in the organization's sustainability reporting	About the Report, p.3
	2-3 Reporting period, frequency and contact point	About the Report, p.3
	2-4 Restatements of information	About the Report, p.3
	2-5 External assurance	No external audit has been conducted for the report.
	2-6 Activities, value chain and other business relationships	About Us, p.7 Sustainability in the Supply Chain, p.25 Stakeholder Relations, p.26
	2-7 Employees	Human Resources Management, p.35
	2-8 Workers who are not employees	Human Resources Management, p.35
	2-9 Governance structure and composition	Management Structure, p.16
	2-10 Nomination and selection of the highest governance body	Message from the Chairperson of the Board of Directors, p.5 Management Structure, p.16
	2-11 Chair of the highest governance body	Management Structure, p.16
	2-12 Role of the highest governance body in overseeing the management of impacts	Message from the Chairperson of the Board of Directors, p.5 Management Structure, p.16
	2-13 Delegation of responsibility for managing impacts	Message from the Chairperson of the Board of Directors, p.5 Management Structure, p.16 Sustainability Committee, p.22

GRI Standard	Disclosure*	Page numbers, explanations and/or URLs
<b>General disclosures</b>		
<b>GRI 2: General Disclosures 2021</b>	2-14 Role of the highest governance body in sustainability reporting	Sustainability Committee, p.22
	2-15 Conflicts of interest	Ethics Values and Governance, p.17
	2-16 Communication of critical concerns	Customer Complaint and Resolution Processes, p.23 Employee Feedback Mechanism, p.37
	2-17 Collective knowledge of the highest governance body	Message from the Chairperson of the Board of Directors, p.5 History, p.8 Management Structure, p.16
	2-18 Evaluation of the performance of the highest governance body	Employee Skill Development, p.38
	2-19 Remuneration policies	Employee Rights, p.36
	2-20 Process to determine remuneration	Employee Rights, p.36
	2-21 Annual total compensation ratio	Employee Rights, p.36
	2-22 Statement on sustainable development strategy	Message from the Chairperson of the Board of Directors, p.5
	2-23 Policy commitments	Sustainability Approach, p.22 Sustainability in the Supply Chain, p.25 Employee Rights, p.36
	2-24 Embedding policy commitments	Sürdürülebilirlik Yaklaşımımız, s.22 Tedarik Zincirinde Sürdürülebilirlik, s.25 Çalışan Hakları, s.36
	2-25 Processes to remediate negative impacts	Customer Complaint and Resolution Processes, p.23
	2-26 Mechanisms for seeking advice and raising concerns	Employee Feedback Mechanism, p.37
	2-27 Compliance with laws and regulations	Ethics Values and Governance, p.17 Sustainability Approach, p.22
	2-28 Membership associations	Stakeholder Relations, p.26
	2-29 Approach to stakeholder engagement	Stakeholder Relations, p.26
	2-30 Collective bargaining agreements	Human Resources Management, p.35

\*Birinci Otomotiv has not excluded any information required by the disclosure requirements in its reporting.



## GRI Content Index

GRI Standard	Disclosure*	Page numbers, explanations and/or URLs
<b>General disclosures</b>		
<b>GRI 3: Material Topics 2021</b>	3-1 Process to determine material topics	Materiality Analysis, p. 26
	3-2 List of material topics	Materiality Analysis, p. 26
<b>Economic Performance</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Materiality Analysis, p. 26 Financial Performance, p.20 Human Resources Management, p.35, Employee Rights, p.36
<b>GRI 201: Economic performance 2016</b>	201-1 Direct economic value generated and distributed	Financial Performance, p.20
	201-3 Defined benefit plan obligations and other retirement plans	Human Resources Management, p.35 Employee Rights, p.36
<b>Contribution to the Local Economy</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Vision, Mission, and Values, p.9 Social Responsibility Projects, p.40
<b>GRI 203: Indirect Economic Impacts 2016</b>	203-1 Infrastructure investments and services supported	Social Responsibility Projects, p.40
	203-2 Significant indirect economic impacts	Vision, Mission, and Values, p.9 Social Responsibility Projects, p.4
<b>Working with Local Suppliers</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Sustainability in the Supply Chain, p.25
<b>GRI 204: Procurement Practices 2016</b>	204-1 Proportion of spending on local suppliers	Sustainability in the Supply Chain, p.25
<b>Prevention and Auditing of Bribery and Corruption</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Ethics Values and Governance, p.17 Risk Management, p.17 Employee Skill Development, p.38
<b>GRI 205: Anti-corruption 2016</b>	205-1 Operations assessed for risks related to corruption	Ethics Values and Governance, p.17 Risk Management, p.17
	205-2 Communication and training about anti-corruption policies and procedures	Ethics Values and Governance, p.17 Employee Skill Development, p.38

GRI Standard	Disclosure*	Page numbers, explanations and/or URLs
<b>General disclosures</b>		
<b>Anti-competitive Behavior</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Ethics Values and Governance, p.17
<b>GRI 206: Anti-competitive Behavior 2016</b>	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Ethics Values and Governance, p.17
<b>Use of Fewer Raw Materials (Efficiency)</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Sustainability in the Supply Chain, p.25 Environmental Management, p.28 Waste Management, p.33
<b>GRI 301: Materials 2016</b>	301-1 Materials used by weight or volume	Sustainability in the Supply Chain, p.25 Environmental Management, p.28
	301-2 Recycled input materials used	Environmental Management, p.28 Waste Management, p.33
	301-3 Reclaimed products and their packaging materials	Environmental Management, p.28 Waste Management, p.33
<b>Energy Efficiency</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Energy and Emissions Management, p.30
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organization	Energy and Emissions Management, p.30
	302-2 Energy consumption outside of the organization	Energy and Emissions Management, p.30
	302-3 Energy intensity	Energy and Emissions Management, p.30
	302-4 Reduction of energy consumption	Energy and Emissions Management, p.30
<b>Wastewater Management</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Water Management, p.32
<b>GRI 303: Water and Effluents 2018</b>	303-1 Interactions with water as a shared resource	Water Management, p.32
	303-2 Management of water discharge-related impacts	Water Management, p.32
	303-3 Water withdrawal	Water Management, p.32
	303-4 Water discharge	Water Management, p.32



## GRI Content Index

GRI Standard	Disclosure*	Page numbers, explanations and/or URLs
General disclosures		
Climate Change and Carbon Footprint Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	Energy and Emissions Management, p.30
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Energy and Emissions Management, p.30
	305-2 Energy indirect (Scope 2) GHG emissions	Energy and Emissions Management, p.30
	305-3 Other indirect (Scope 3) GHG emissions	Energy and Emissions Management, p.30
	305-4 GHG emissions intensity	Energy and Emissions Management, p.30
	305-5 Reduction of GHG emissions	Energy and Emissions Management, p.30
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Energy and Emissions Management, p.30
Inclusion of ESG Factors in Procurement		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability in the Supply Chain, p.25
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Sustainability in the Supply Chain, p.25
Compliance with Employee Rights (Leave, Overtime, etc.)		
GRI 3: Material Topics 2021	3-3 Management of material topics	Employee Rights, p.36
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Employee Skill Development, p.38
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Rights, p.36
	401-3 Parental leave	Employee Rights, p.36

GRI Standard	Disclosure*	Page numbers, explanations and/or URLs
General disclosures		
Occupational Health and Safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	Employee Rights, p.36 Occupational Health and Safety, p.39
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety, p.39
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety, p.39
	403-3 Occupational health services	Occupational Health and Safety, p.39
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety, p.39
	403-5 Worker training on occupational health and safety	Occupational Health and Safety, p.39
	403-6 Promotion of worker health	Employee Rights, p.36 Occupational Health and Safety, p.39
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety, p.39
	403-9 Work-related injuries	Occupational Health and Safety, p.39
	403-10 Work-related ill health	Occupational Health and Safety, p.39
Employee Training and Development		
GRI 3: Material Topics 2021	3-3 Management of material topics	Employee Skill Development, p.38
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Employee Skill Development, p.38
	404-2 Programs for upgrading employee skills and transition assistance programs	Employee Skill Development, p.38
	404-3 Percentage of employees receiving regular performance and career development reviews	Employee Skill Development, p.38



## GRI Content Index

GRI Standard	Disclosure*	Page numbers, explanations and/or URLs
<b>General disclosures</b>		
<b>Diversity and Equal Opportunity</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Management Structure, p.16 Human Resources Management, p.35 Employee Rights, p.36
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees 405-2 Ratio of basic salary and remuneration of women to men	Management Structure, p.16 Human Resources Management, p.35 Human Resources Management, p.35 Employee Rights, p.36
<b>Prevention of Child Labor</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Risk Management, p.17 Sustainability in the Supply Chain, p.25 Employee Rights, p.36
<b>GRI 408: Child Labor 2016</b>	408-1 Operations and suppliers at significant risk for incidents of child labor	Risk Management, p.17 Sustainability in the Supply Chain, p.25 Employee Rights, p.36
<b>Customer Health and Safety</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Occupational Health and Safety, p.39
<b>GRI 416: Customer Health and Safety 2016</b>	416-1 Assessment of the health and safety impacts of product and service categories	Occupational Health and Safety, p.39
<b>Customer Privacy</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Data Protection and Management, p.19 Customer Complaint and Resolution Processes, p.23
<b>GRI 418: Customer Privacy 2016</b>	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Protection and Management, p.19 Customer Complaint and Resolution Processes, p.23
<b>Sustainability Management</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Sustainability Approach, p.22
<b>Birinci Otomotiv's Own Disclosure of Material Topics</b>	As Birinci Otomotiv, we materialize taking necessary actions on environmental and social issues	Sustainability Approach, p.22

GRI Standard	Disclosure*	Page numbers, explanations and/or URLs
<b>General disclosures</b>		
<b>Corporate Governance</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Management Structure, p.16
<b>Birinci Otomotiv's Own Disclosure of Material Topics</b>	As Birinci Otomotiv, we materialize sustainability in our corporate governance approach.	Management Structure, p.16
<b>Business Ethics</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Ethics Values and Governance, p.17
<b>Birinci Otomotiv's Own Disclosure of Material Topics</b>	As Birinci Otomotiv, we emphasize treating our employees equally and fairly.	Ethics Values and Governance, p.17
<b>Information Security Management</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Data Protection and Management, p.19
<b>Birinci Otomotiv's Own Disclosure of Material Topics</b>	As Birinci Otomotiv, we emphasize preventing data loss and safeguarding the company's reputation.	Data Protection and Management, p.19
<b>Stakeholder Relationship Management</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Stakeholder Relations, p.26
<b>Birinci Otomotiv's Own Disclosure of Material Topics</b>	As Birinci Otomotiv, we emphasize ethical values in stakeholder communication.	Stakeholder Relations, p.26
<b>Risk Management</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Risk Management, p.17
<b>Birinci Otomotiv's Own Disclosure of Material Topics</b>	As Birinci Otomotiv, we focus on risk management to sustain our success.	Risk Management, p.17
<b>Integration of ESG Factors into Risk Management</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Risk Management, p.17
<b>Birinci Otomotiv's Own Disclosure of Material Topics</b>	As Birinci Otomotiv, we integrate environmental, social, and governance factors into our risk management.	Risk Management, p.17



## GRI Content Index

GRI Standard	Disclosure*	Page numbers, explanations and/or URLs
<b>General disclosures</b>		
<b>Use of Renewable Energy</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Energy and Emissions Management, p.30
<b>Birinci Otomotiv's Own Disclosure of Material Topics</b>	As Birinci Otomotiv, we are committed to combating the climate crisis.	Energy and Emissions Management, p.30
<b>Use of Recycled Materials</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Waste Management, p.33
<b>Birinci Otomotiv's Own Disclosure of Material Topics</b>	As Birinci Otomotiv, we emphasize resource efficiency and the circular economy.	Waste Management, p.33
<b>Use of Environmentally and Human-Friendly Materials</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Öncelikli konunun yönetimi	Waste Management, p.33
<b>Birinci Otomotiv's Own Disclosure of Material Topics</b>	As Birinci Otomotiv, we materialize human health and select the materials we use accordingly.	Waste Management, p.33
<b>Sustainable Packaging</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Waste Management, p.33
<b>Birinci Otomotiv's Own Disclosure of Material Topics</b>	As Birinci Otomotiv, we aim to use recyclable packaging.	Waste Management, p.33
<b>Sustainable Logistics Implementations</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Sustainability in the Supply Chain, p.25
<b>Birinci Otomotiv's Own Disclosure of Material Topics</b>	As Birinci Otomotiv, we are optimizing our logistics processes for efficiency.	Sustainability in the Supply Chain, p.25
<b>Customer Satisfaction Management</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Customer Complaint and Resolution Processes, p.23
<b>Birinci Otomotiv's Own Disclosure of Material Topics</b>	As Birinci Otomotiv, we continue our customer satisfaction-focused activities.	Customer Complaint and Resolution Processes, p.23

GRI Standard	Disclosure*	Page numbers, explanations and/or URLs
<b>General disclosures</b>		
<b>Corporate Responsibility</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Social Responsibility Projects, p.40
<b>Birinci Otomotiv's Own Disclosure of Material Topics</b>	As Birinci Otomotiv, we engage in corporate social responsibility activities.	Social Responsibility Projects, p.40
<b>R&amp;D / Product Development / Innovation</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Innovation and Digitalization Strategy, p.43
<b>Birinci Otomotiv's Own Disclosure of Material Topics</b>	As Birinci Otomotiv, we conduct research and development activities.	Innovation and Digitalization Strategy, p.43
<b>Product Quality</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Quality Management, p.18
<b>Birinci Otomotiv's Own Disclosure of Material Topics</b>	As Birinci Otomotiv, we demonstrate an effective quality management approach.	Quality Management, p.18
<b>Sustainability in Product Design</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Innovation and Digitalization Strategy, p.43
<b>Birinci Otomotiv's Own Disclosure of Material Topics</b>	As Birinci Otomotiv, we carry out efforts towards sustainable product design.	Innovation and Digitalization Strategy, p.43
<b>Use of Advanced Technology</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Innovation and Digitalization Strategy, p.43
<b>Birinci Otomotiv's Own Disclosure of Material Topics</b>	As Birinci Otomotiv, we place importance on the use of advanced technology in production.	Innovation and Digitalization Strategy, p.43
<b>Digitalization</b>		
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Innovation and Digitalization Strategy, p.43
<b>Birinci Otomotiv's Own Disclosure of Material Topics</b>	As Birinci Otomotiv, we emphasize the digitalization of our processes..	Innovation and Digitalization Strategy, p.43



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