

An aerial photograph of a winding asphalt road that curves through a dense, lush green forest. The road is light-colored and contrasts with the dark green foliage. The perspective is from directly above, showing the road's path as it winds through the trees. A small yellow square is visible in the top left corner of the image.

On the Path to Achieving Sustainable Goals



2023 Sustainability Report

 Kütahya-İnegöl



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Just as the roads encircle the serene beauty of Lake Bafa, we strive to embrace and elevate our industry. As a pioneering company contributing to Türkiye's economy, we are dedicated to creating sustainable value in our operational regions, driving regional development and fostering employment opportunities. By adapting to evolving global challenges, we continue to grow and strengthen our investments, powered entirely by domestic capital. With a steadfast commitment to responsible production and eco-friendly practices, our goal is to leave a healthier, more vibrant world for future generations. Along this journey, we build trust and satisfaction among our stakeholders, advancing confidently toward our sustainable growth aspirations.



Reducing Our Carbon Footprint

We aspire for the efficiency and environmental consciousness of our business processes to evoke the serenity of a journey through the lush, natural beauty stretching from Safranbolu to Bartın. At every step, we take care to preserve the fabric of nature, embedding this sensitivity into our operations as we work toward a sustainable future.

Our Aluminium Management Certification stands as a testament to our commitment to environmental responsibility and the precision of our production processes. Furthermore, with our Aluminium Recycling License, we emphasize the importance of resource efficiency, contributing to recycling and the circular economy, and making this awareness an integral part of our operations.

On our journey toward sustainability, every step we take to reduce our carbon footprint leaves behind environmentally friendly traces. We are committed to developing eco-conscious innovations and guided by our principles of responsible production, we aim to safeguard not only the environment of today but also the natural world of tomorrow for future generations.





Boosting Our Energy Efficiency

On our path to sustainability, we draw inspiration from the Lycian Way a perfect union of vibrant green forests and the azure sea, symbolizing our close connection to nature. Through our renewable energy investments, we are committed to creating a cleaner, brighter future for generations to come. Our solar energy initiatives, launched in 2023, reflect this determination and serve as a milestone in our journey. These efforts not only demonstrate our dedication to environmental stewardship but also drive greater efficiency through the responsible use of resources, ensuring that our actions today support a sustainable tomorrow.

Annual Solar Energy Yield
2,108,700 kWh



Committed to Sustainable Production

We see the harmony we've achieved in sustainable production as akin to the breathtaking balance of nature along the Kaş-Kaputaş Road, where the coastline meets the sea. Through environmentally conscious processes that reduce our carbon footprint, we produce with respect for the planet while enhancing road safety with our high-quality products. Our commitment extends beyond environmental responsibility to the well-being of our people and communities. Every wheel we create reflects these values, embodying our dedication to building a more sustainable and livable future. We continue to innovate and produce, driven by this purpose.

Annual Production Capacity
10,250,000 *wheels*



Trusting in Our Agile Workforce

Much like the trees lining the Abant Road, standing in harmony with their diverse colors and interconnected strength, we progress with a dynamic organizational structure that unites every component of our industry journey. Our motivated and agile team serves as the cornerstone of our success, with their dedication as deep-rooted as a centuries-old tree. Through transparent, open, and strong communication with our stakeholders, we have built a brand synonymous with trust and reliability. This solid foundation empowers us to maintain our leadership in the industry and drive forward toward our sustainable growth objectives.

Total Workforce

3,583

About the Report

We are pleased to present our 2023 Sustainability Report, which reflects our year-long activities and achievements. Together, let us embrace the vision of building a better future.

At CMS, sustainability is at the core of our operations. Previously published every two years, our Sustainability Report will now be shared annually starting in 2024 to provide our stakeholders with more frequent insights into our corporate governance, environmental, social, and economic performance.

This report, prepared in alignment with the GRI (Global Reporting Initiative) Standards, highlights our vision, objectives, achievements, and progress. It also details our alignment with the United Nations Sustainable Development Goals (UN SDGs).

Throughout the report, the terms “CMS” and “Company” refer collectively to the following CMS Group companies:

- CMS Jant ve Makina Sanayii A.Ş.
- CMS Jant Sanayi A.Ş.
- CMS Automotive Trading GmbH

Unless stated otherwise, all these companies are included in the scope of this report. The data provided covers the period from January 1, 2023, to December 31, 2023. To enhance understanding and allow for historical comparisons, we have also included some key metrics from previous years.

(GRI 2-1, 2-2, 2-3, 2-5)

The CMS 2023 Sustainability Report is available in both Turkish and English. While the report has not undergone independent auditing, we ensure its credibility through a robust internal review process. To refine our sustainability priorities, we conduct a prioritization analysis, which is elaborated under the section titled “Sustainability Prioritization Process and Stakeholder Engagement.”

We value feedback from our stakeholders as an essential driver for improving our performance and reporting practices. Your input contributes significantly to our continuous and sustainable growth.

For any inquiries or suggestions regarding the report, feel free to contact us at surdurulebilirlik@cms.com.tr.



About the Report

We are fully committed and ready, with all our energy, to meet the needs of today and secure a sustainable future for tomorrow.

Sustainable Development Goals

In September 2015, 193 United Nations member states committed to a shared vision for a better future. This ambitious plan aims to eliminate extreme poverty, reduce inequality and injustice, and protect our planet by 2030.

Seventeen Sustainable Development Goals (SDGs), established to ensure peace and prosperity for all, came into effect in January 2016.

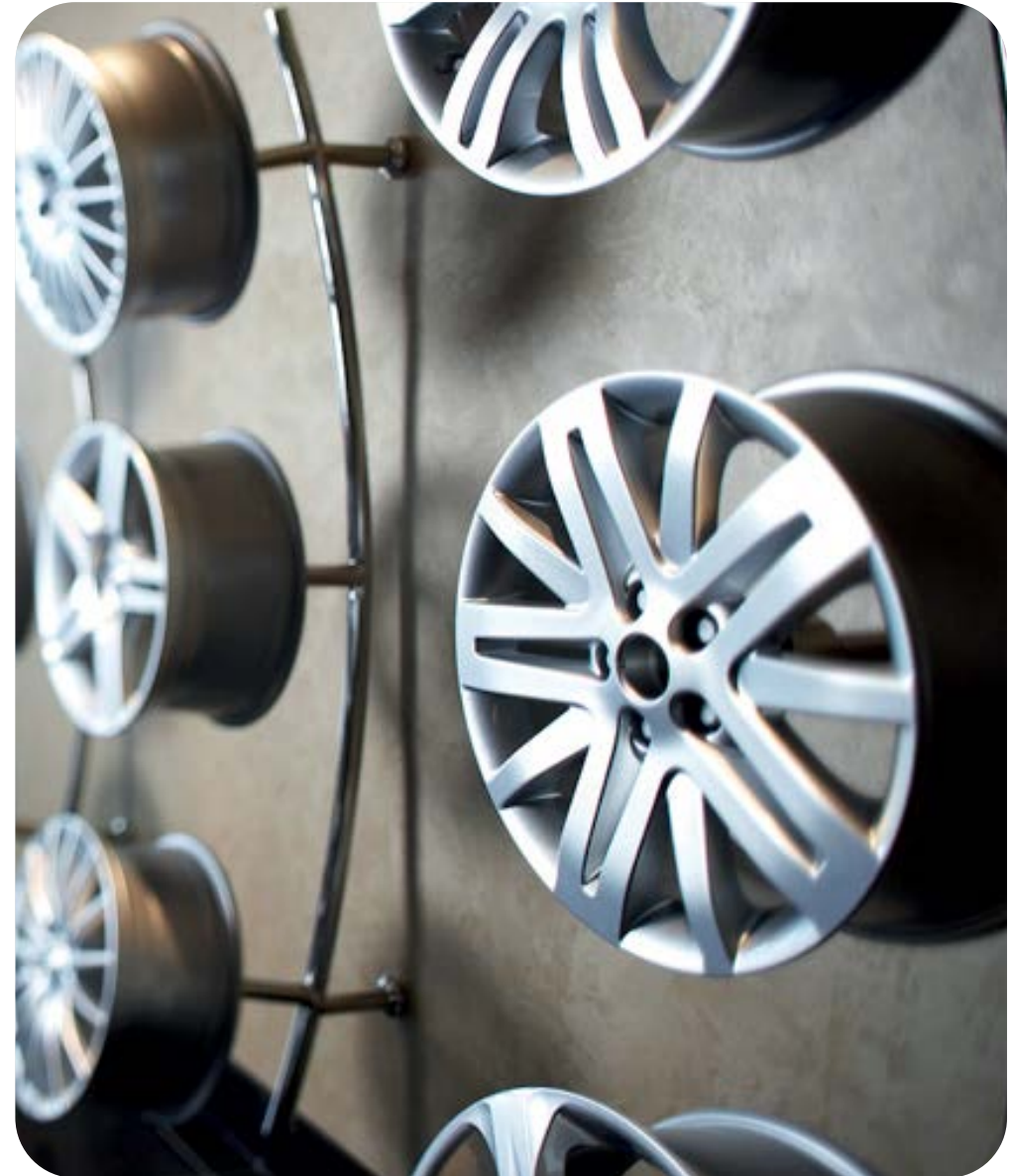
At CMS, we have identified nine SDGs that align closely with our industry operations and corporate priorities. These goals are integrated into our business processes, reinforcing our commitment to sustainable growth.

Scope

This report focuses on CMS's operations with significant environmental, social, and economic impacts. It is based on data from the 2023 fiscal year for CMS Jant Sanayi A.Ş. and CMS Jant ve Makina Sanayii A.Ş.

Our stakeholders are deeply interested in how we manage risks and opportunities across social, environmental, and economic dimensions, both today and in the future. This report offers not just data but also a narrative of our transformation journey to address global challenges and adapt to evolving needs.

We acknowledge the importance of organizational agility, resilience, and alignment with shared goals in a rapidly changing world. With a focus on transparent communication and accountable governance, we are dynamically evolving our processes to meet today's demands while preparing for tomorrow's opportunities.



Message from the President

As CMS Group, we are proud to have completed the ASI (Aluminium Stewardship Initiative) certification process in 2023, enhancing our sustainability performance across environmental impact, working conditions, supply chain management, and human rights.

We integrate social, environmental, and economic goals into our business strategy through social dialogue, taking responsibility for adapting to climate change.

Dear Stakeholders,

We are pleased to present our Sustainability Report, now published annually from 2024 onwards, prepared in compliance with GRI (The Global Reporting Initiative) Standards.

The urgency for global sustainability becomes more evident each year, as reflected by Earth Over-shoot Day. This critical date marks the point when humanity exhausts the planet's annual natural resources. In 2023, this day fell on August 1 globally, while Türkiye reached this threshold on June 22. Alarming projections show that in 2024, Türkiye's Overshoot Day will advance to June 11 highlighting the pressing need for action as our nation consumes resources more than a month ahead of the global average. The power to reverse this trend lies in our hands.

At CMS, we are committed to a sustainable business model that aligns with our core strategies, enabling us to meet present needs without compromising the ability of future generations to meet theirs. This approach is deeply embedded across our organization.

In 2023, CMS successfully completed the ASI certification process to advance sustainability across our operations. The Aluminium Stewardship Initiative (ASI) is the only comprehensive voluntary sustainability standard for the aluminium value chain, addressing environmental, social, and governance (ESG) principles and criteria.

Through robust risk management, we are strengthening the environmental, social, and economic foundations of our operations, ensuring resilience to climate change from raw materials to finished products.



Bertuğ Ösen President

We integrate social dialogue into our strategy, aligning our goals with UN Sustainable Development Goal 12: Responsible Consumption and Production, and taking responsibility for climate change adaptation.

Following COP 28, countries are expected to present updated Nationally Determined Contributions (NDCs) by 2025, with more ambitious targets addressing 60% of the emission reductions needed to limit global warming to 1.5°C, as per IPCC guidelines.

Message from the President

At CMS, we firmly believe our actions today shape the future. Guided by innovation and accountability, we strive to use resources efficiently, enhance the well-being of communities, and minimize our environmental impact.

We are undertaking ambitious projects to transition to renewable energy, with a strong focus on prioritizing investments in solar power.

CMS is accelerating its actions to align with these goals. In 2023, we obtained a recycling license, supporting the circular economy and increasing the use of secondary aluminium, which will significantly reduce emissions in the long term. We are also prioritizing renewable energy projects, particularly investments in solar energy, and integrating energy-efficient technologies into our production processes to optimize energy consumption.

At the heart of our sustainability strategy lies our people. We prioritize the health, safety, and professional development of our employees, ensuring a fair and inclusive workplace that values diversity. Beyond our operations, we actively engage in social responsibility projects to contribute to the well-being of our community.

At CMS, we firmly believe our actions today shape the future. Guided by innovation and accountability, we strive to use resources efficiently, enhance the well-being of communities, and minimize our environmental impact. Together with our employees, partners, and stakeholders, we are determined to create lasting value and advance toward our sustainability goals.

Our report provides detailed insights into our initiatives and achievements. It is a testament to our journey of building a sustainable future on the foundation of enduring values.

With kind regards,

Bertuğ Ösen
President

About CMS

With over 100 million wheels produced, CMS is on roads worldwide.

Since 1980, CMS Group has been operating in the aluminium alloy wheel sector, establishing itself as Türkiye's largest wheel manufacturer.

As an industry pioneer, CMS continues to make significant contributions to Türkiye's industrial development and economic growth. With over 100 million wheels produced, we proudly serve our customers on roads across the globe.

CMS comprises three companies: two based in Türkiye and one in Germany. Our headquarters is located in İzmir Pınarbaşı. CMS Jant Sanayi A.Ş. and CMS Jant ve Makina Sanayi A.Ş. oversee manufacturing operations, while CMS Automotive Trading GmbH in Frankfurt manages Germany's AFM sales operations.

Our products reach over 100 delivery points worldwide, including Munich, Paris, Turin, Barcelona, and Moscow. Collaborating with leading automotive brands across Türkiye and Europe, CMS provides seamless customer relationship management and after-sales support through our representatives in Germany, France, Italy, Spain, and Türkiye.

At CMS, we specialize in producing "Custom Alloy Aluminium Automotive Wheels." Our facilities manufacture wheels ranging from 10" to 22" in diameter and 4" to 10.5" in width. For our designs, we utilize advanced technologies such as CAS, CAD, CAE, FEA, and casting simulation. In mould production, we leverage CAD/CAM and CNC technologies, while our wheel manufacturing employs Low-Pressure Die Casting (LPDC) and Flow Forming methods.

Our Geographical Advantage

The close proximity of our production facilities delivers substantial advantages, particularly in sustainability. It facilitates seamless team communication, fosters rapid innovation, and optimizes logistics and procurement processes, all made possible by their well-planned locations.



Click here to watch our CMS Corporate Introduction Film.

Our Vision, Mission, and Principles

Sustainability Vision

At CMS, sustainability is at the heart of everything we do. By embedding sustainability into our business operations, we aim to ensure long-term environmental, social, and economic resilience.

Company Vision

To be one of the top two-wheel manufacturers in Europe.

Our Mission

Our mission at CMS is to generate lasting value for our customers, employees, suppliers, investors, and all stakeholders while fostering a positive impact on our social and ecological environment.

At CMS, we:

- Commit to being the fastest, most reliable solution provider for our customers.
- Prioritize our employees, recognizing them as the backbone of our success.
- Treat all stakeholders as integral partners in our shared journey.
- Firmly believe that a sustainable future depends on cultivating, nurturing, and empowering skilled and knowledgeable talent.
- Place honesty and integrity at the forefront of every interaction with customers, employees, and shareholders alike.
- Advocate for a participatory management style that values collaboration.
- Embrace modern business practices and stay at the forefront of technological advancements.
- Act with respect for laws, nature, and our social responsibilities.
- Uphold CMS as a brand built on trust and conduct ourselves accordingly.

Mudanya Road

Principles of Our Founding President

"A wheel is more than a component; it's a lifeline for safety and a symbol of elegance that should captivate at first glance."

With this philosophy, our founder, Tonguç Ösen, has emphasized the importance of our work and highlighted the following principles, which all employees are encouraged to adopt:

- CMS Group is built on trust.
- We should make every effort to ensure that our employees trust each other and have confidence in the company's management.
- All CMS employees, especially managers and supervisors, should approach one another with kindness and tolerance.
- We are a group that values sharing. We share our failures as well as our achievements.
- Be natural and approachable in customer interactions. Keep in mind that no method of communication can truly replace the value of face-to-face engagement.
- To be a good leader, you must first excel at follow-through. Always monitor and manage your work diligently.
- Love solves all problems love people wholeheartedly.
- Every person has beauty within them. Seek out and focus on their best qualities.
- The fastest runner wins the race.
- A good leader is someone who senses and understands everything happening around them.
- A virtuous person forgives those who wrong them.
- If you think you've deceived someone, you're only deceiving yourself.
- Everyone has the right to succeed but not through unethical means.



Tonguç Ösen
Founding President

Our Journey Toward Sustainable Success

Since founding our aluminium casting company in 1955, we have achieved key milestones on our path to success, one of which was the commissioning of the first phase of the Çiğli-2 facility in 2022.

**1955**

Tonguç Ösen and his partner founded Türkiye's first aluminium casting company.

1985

Production of aluminium alloy wheels began for Fiat Türkiye and Ford Türkiye.

1997

CMS GmbH was established to supply products to the European market.

2003

Our second production facility was inaugurated in İzmir Çiğli, and we achieved ISO 14001 environmental certification.

2010

Production began for premium automotive brands BMW and Audi.

2012

The CMS Jant Sanayi A.Ş. plant located in the Aegean Free Zone in Gazimir İzmir, began serial production. CMS Group published its first sustainability report.

2022

The first phase of the Çiğli-2 facility, which will ultimately achieve a capacity of 2.5 million units, was commissioned.

CMS Jant ve Makine Sanayi A.Ş. was established in İzmir.

1980

Aluminium alloy wheel production started for Renault Türkiye.

1986

Exports to European automotive factories, including Renault France and Fiat Italy, commenced.

1998

CMS Group's R&D Center was established in İzmir.

2009

Manufacturing for Mercedes-Benz was initiated.

2011

CMS Group's total aluminium alloy wheel production capacity reached 9 million units.

2018

Our Economic Performance

At CMS, we continued to enhance our financial performance in 2023, achieving a 2.15% increase in sales volume compared to 2022.

CMS in Numbers: 2023

Revenue in 2022

€ **543** million

Revenue in 2023

€ **551** million

On the journey we embarked upon years ago, we have consistently created economic value for our country while advancing our corporate development with a global market perspective.

In 2023, CMS Group Companies earned recognition for their exceptional economic performance by being listed in the Istanbul Chamber of Industry's (ISO) "Türkiye's Top 500 Industrial Enterprises." CMS Jant ve Makina Sanayi A.Ş. secured the 183rd position, while CMS Jant Sanayi A.Ş. ranked 298th. Additionally, in the Fortune 500 Türkiye rankings, CMS Jant ve Makina Sanayi A.Ş. achieved the 235th position, and CMS Jant Sanayi A.Ş. ranked 335th.

CMS Group is subject to a wide range of taxes, including corporate tax, value-added tax (VAT), stamp duty, income tax, GEKAP, and others. The group fulfils all its tax obligations in strict compliance with tax regulations and approaches its tax payments with great diligence.

All tax-related matters are carefully monitored to ensure compliance with current legislation. Transactions forming the tax base are audited and reported by independent auditors. During the reporting period, no fines or sanctions were imposed due to non-compliance with legal requirements.



With the awareness of representing our country in global markets, we achieved outstanding financial and operational results in 2023. Operating in 15 countries, we expanded our presence in global markets and continued to grow. We have established robust and enduring partnerships with prestigious global brands, including BMW, Mercedes, Volkswagen Group, Lamborghini, Porsche, Ford, and many more.

On our journey to becoming Europe's largest aluminium wheel manufacturer, we continued to improve our financial performance in 2023, increasing our sales volume by 2.15% compared to 2022. CMS Group's revenue from sales reached €551 million in 2023.

CMS Group places significant emphasis on risk management, which forms a vital component of sustainability. Our risk management unit identifies potential risks and opportunities, implementing necessary precautions to ensure the company's financial stability and operational continuity.

Our Economic Performance

At CMS, we actively calculate and verify our carbon emissions. We are committed to implementing short-, medium-, and long-term projects aimed at reducing our carbon footprint.

Financial Implications of Climate Change

The EU Green Deal directive, implemented by the European Commission, aims to achieve net-zero greenhouse gas emissions by 2050, including measures to reduce carbon leakage. Carbon leakage occurs when production shifts from the EU to countries less committed to emission reductions or when EU products are replaced by more carbon-intensive imports. If this risk materializes, global emissions will not decrease, undermining the EU and its industries' efforts to meet the global climate targets of the Paris Agreement. In this context, the Carbon Border Adjustment Mechanism (CBAM) will ensure that import prices more accurately reflect their carbon content.

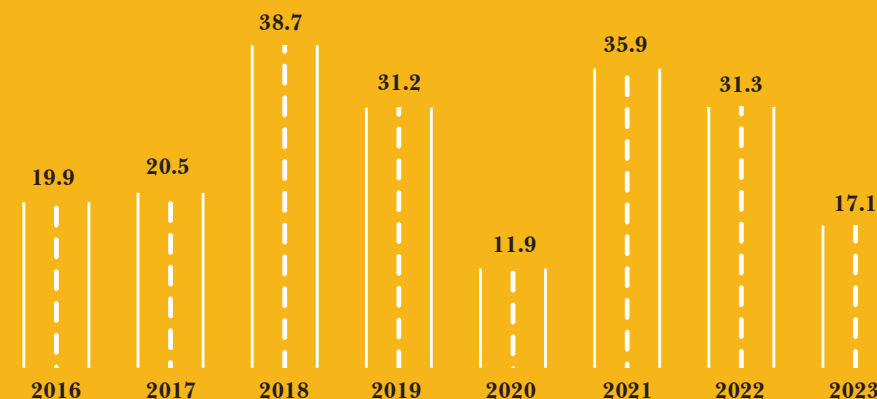
The transition phase of CBAM will begin on October 1, 2023, and continue until 2025. During this period, quarterly emissions reporting will be required. Affected businesses must prepare to comply with the new reporting and compliance requirements later this year and start assessing the medium- to long-term process and cost implications. The rules and requirements for emissions reporting under CBAM will be detailed in an

implementing regulation to be adopted by the Commission following consultation with the CBAM Committee, which consists of experts from EU member states.

Under the regulation, the EU will implement a transition period for CBAM from October 1, 2023, to December 31, 2025, during which quarterly reporting will be mandatory. Starting in 2026, the purchase of CBAM certificates will become compulsory. Additionally, the EU Emissions Trading System (ETS) will be expanded to cover the aviation and maritime sectors, while a new ETS II will include transport and heating fuels. Free allowances under the EU ETS will be phased out starting in 2026. Upon reviewing the relevant European legislation, it appears that aluminium wheels are not initially included within the scope of CBAM; however, they are likely to be covered in the future. For this reason, as CMS Group, we are proactively calculating and verifying our carbon emissions in anticipation of potential inclusion. We are also planning short-, medium-, and long-term emission reduction projects to address our carbon footprint effectively.



Our Investments Over the Years (Million Euros)



TOTAL:

€ **206.5** million

Our Economic Performance

Since the beginning of our journey, we have been dedicated to creating economic value for our country while continuing to grow with a global perspective.

Customer Distribution



CMS in Numbers



Our Production Facilities

We remain steadfast in our investments to achieve our goal of becoming one of the world's leading wheel manufacturers.

Pınarbaşı Facility



32,175 m²

Area

2,500,000 wheels/year

Capacity

Çiğli-1 Facility



31,322 m²

Area

2,500,000 wheels/year

Capacity

Çiğli-2 Facility



38,538 m²

Area

1,250,000* wheels/year

Capacity

Gaziemir Facility
(Aegean Free Zone)



103,250 m²

Area

4,000,000 wheels/year

Capacity

TOTAL:

205,285 m²

Area

10,250,000 wheels/year

Capacity

*Note: Once fully operational, the Çiğli-2 facility will reach a capacity of 2.5 million wheels per year.

Key Developments During the Reporting Period

Many countries and companies updated their net-zero carbon emission targets or took significant steps toward achieving them, marking a transformative period in global sustainability efforts.

Global Developments

Economic Fluctuations

In 2023, the global economy faced significant challenges driven by high inflation rates, supply chain disruptions, and fluctuating energy prices. Energy crises had a particularly notable impact on Europe and other regions, creating far-reaching economic consequences.

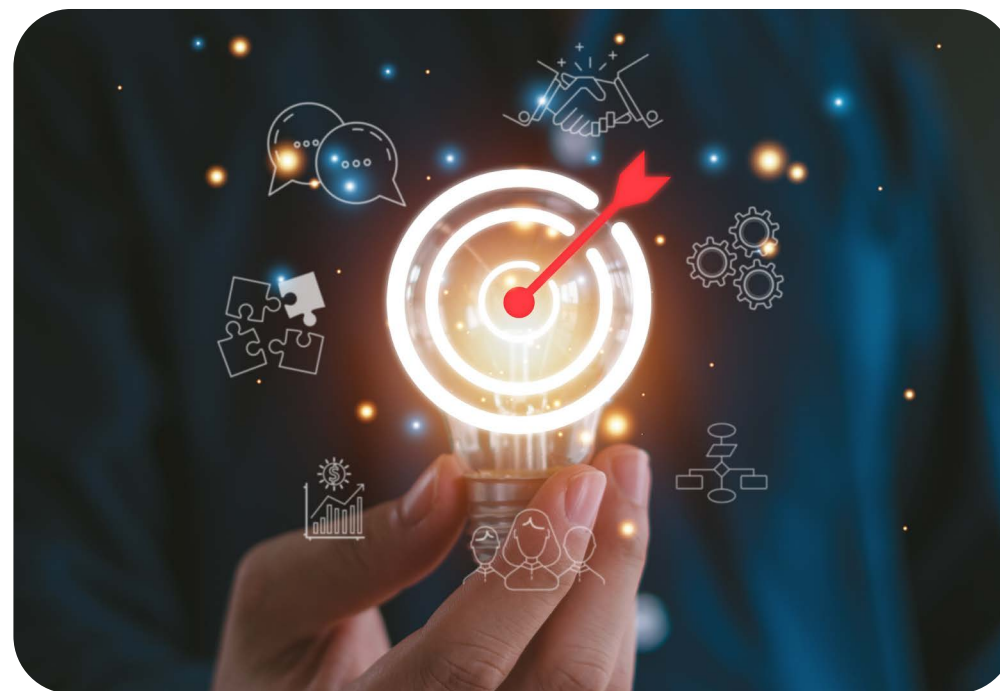
Global conflicts, most notably the Ukraine-Russia war, caused widespread changes on an international scale, affecting economic, political, energy, and humanitarian dimensions.

Climate Change and Environmental Policies

Climate change remained a critical global agenda in 2023. Extreme weather events, wildfires, and floods increased awareness worldwide, prompting many countries to introduce new environmental policies.

The 28th Conference of the Parties (COP28), held in Dubai from November 30 to December 12, 2023, addressed critical climate issues.

The negotiations began with efforts to establish a fund to support vulnerable countries facing escalating climate-related losses and damages. The conference concluded with the first international agreement to combat fossil fuels, the primary driver of climate change.



Key Outcomes from COP28

Under the theme of global stocktaking, COP28 focused on accelerating the energy transition with the following key decisions:

- Tripling global renewable energy capacity.
- Doubling energy efficiency.
- Accelerating the shift to net-zero emission energy systems by mid-century, emphasizing low- and zero-carbon fuels.
- Phasing out fossil fuels in a fair and equitable manner by 2050.
- Advancing carbon capture technologies and other emission-reduction solutions.
- Reducing non-CO₂ emissions globally.
- Promoting low- and zero-emission transportation solutions.
- Eliminating inefficient fossil fuel subsidies that do not address energy poverty or a just transition.
- Encouraging countries to submit more ambitious Nationally Determined Contributions (NDCs) aligned with long-term low-emission strategies.

Key Developments During the Reporting Period

In 2023, green financing and responsible investment became key to global climate goals.



• Net-Zero Emission Goals

Countries and companies worldwide strengthened their commitments to net-zero emissions:

The European Union accelerated its plans to achieve net-zero emissions by 2050, introducing supportive green transition legislation.

China reaffirmed its goal of carbon neutrality by 2060 and increased its renewable energy investments.

The United States prioritized infrastructure and clean energy projects, significantly advancing efforts to reduce carbon emissions.

• Renewable Energy Investments

Investments in renewable energy surged in 2023, with solar and wind energy leading the way:

Solar power capacity expanded rapidly, playing a significant role in global electricity production.

Wind energy projects grew, particularly in Europe and the U.S.

Hydrogen energy investments gained momentum, positioning hydrogen as a key player in sustainable energy systems.

• Circular Economy

The circular economy became a central pillar of sustainability strategies, with increased focus on waste reuse, recycling, and zero-waste policies:

The European Commission introduced regulations mandating waste reduction and recycling.

Companies invested in projects aimed at reducing waste and reusing resources throughout production and consumption cycles.

• Biodiversity Conservation

Efforts to protect biodiversity accelerated in 2023. The COP15 Biodiversity Conference resulted in agreements signed by over 190 countries to safeguard ecosystems, restore habitats, and protect endangered species by 2030.

• Electric Vehicles and Transportation Transformation

Electric vehicles (EVs) took center stage as governments set timelines for phasing out internal combustion engines and provided incentives for EV adoption. Key developments included:

Leading automakers like Tesla, Ford, and Volkswagen ramped up EV production.

Significant investments were announced in lithium and battery technologies.

Urban areas expanded micro-mobility options (electric scooters, bicycles) and zero-carbon public transportation projects.

• Green Financing and ESG Investments

The financial dimension of sustainability gained prominence in 2023, with green bonds, Environmental, Social, and Governance (ESG) investments, and socially responsible funding becoming priorities for investors:

Major financial institutions pledged to reduce fossil fuel financing and align with ESG standards. Companies developed strategies to meet ESG criteria, reflecting a commitment to sustainable growth.

Developments in CMS

In February 2023, we launched our Rooftop Solar Power Plant (GES) project, producing 2,108,700 kWh of green energy. This milestone marked a significant step in making our energy consumption more sustainable.

To enhance our sustainability performance across areas such as environmental impacts, working conditions, supply chain management, and human rights, CMS successfully completed its certification processes in 2023. CMS met the valid criteria under Principles 1-4 of the ASI Performance Standard V3 (2022).

Aligned with our mission to contribute to a future where energy is used efficiently, we aim to inspire other companies in the industry by sharing our successes and experiences in energy management. For example:

- In October 2023, our EEIP (Energy Efficiency Improvement Project) project proposal was approved, paving the way for an annual savings of approximately 5,000,000 kWh of natural gas energy.
- Under our Agile framework, we implemented a project to optimize our compressed air system, resulting in an expected annual savings of approximately 7,348,270 kWh of electricity.

With the activation of the Rooftop GES project in February 2023, we generated 2,108,700 kWh of green energy, further solidifying our commitment to sustainable energy practices.

As emphasized in our Quality Policy, we prioritize compliance with all applicable standards and legal requirements at every stage of our operations from raw material selection to production and service delivery. Meeting customer expectations and stakeholder requirements is at the heart of everything we do.

In line with this commitment, we invest in systems that incorporate the latest technologies while ensuring the necessary resources for continuous improvement. As a testament to our dedication to quality, CMS was

honoured with the “Chassis” Quality Award by Nissan Europe in 2023. This marks the second time we’ve received this recognition, having first earned it in 2020.

At the Export Champions Awards Ceremony organized by the Automotive Industry Exporters’ Association, CMS was once again recognized as one of the top exporters in 2023, receiving the prestigious “Golden Exporter” Award for outstanding export achievements.

Our human resources practices received global acclaim in 2023, earning CMS prestigious awards from the Brandon Hall Group and Stevie Awards. These honours underscore our ongoing commitment to excellence and innovation in human resources management.



Our Awards

At CMS, we proudly achieve recognition through awards for our success in quality, leadership, and exports.



2023	BUVAK (Dr. Behçet Uz Children's Foundation)	Donation Award
2023	Automotive Industry Exporters' Association	Champions of Export
2023	Best Business	Best Employee Training and Development Program
2023	Brandon Hall Group	Digital Talent Management Strategy
2023	Stevie® Awards for Great Employers	Best Leadership Development Program
2023	NISSAN	Chassis Award
2023	TAYSAD Success Awards	Second Largest Exporting Member
2023	KARİYER.NET	Respect for People Award
2023	TOPTALENT	Most Admired Talent Programs of the Year
2023	Employer Brand Stars	Onboarding
2023	Employer Brand Stars	Graduate Recruitment Programme
2023	Aegean Exporters' Association Award	Stars of Export - Leading Exporter in the Automotive Sector (1 st Place)
2023	Peoplise Digital HR Awards	Assessment Culture

Corporate Governance Structure and Committees

We develop solutions to identified challenges through working groups established under the leadership of our existing committees, with the contributions of our employees.

Governance

The Board of Directors is the company's highest decision-making and oversight body, tasked with responding to economic, financial, social, environmental, governance, operational, and legal risks and opportunities within the framework set by the principles of the company's Founding President, Tonguç ÖSEN. The Board is responsible for managing the company by considering legal requirements and regulations, management principles, the balance of risks and opportunities, and all other corporate interests, while determining strategic objectives accordingly.

For detailed information about the CMS Board of Directors, please visit: <https://www.cms.com.tr/en/corporate/group-companies/cms-jant-ve-makina-san-a-s>

Committees

CMS has five committees operating under the Board of Directors, along with one council dedicated to ensuring the effective execution of Occupational Health and Safety (OHS) activities. Numerous working groups, established under the leadership of these committees, address identified challenges with the input of employees from various departments.

These committees are responsible for decision-making on economic, environmental, and social impacts within CMS management. Further information about these committees is provided below:

Audit Committee

The Audit Committee develops recommendations to uncover events that lead to fraud, violations of laws and regulations, or deficiencies in internal control or similar areas. To achieve this, the Committee reviews the Company's tracking system for legal and regulatory compliance, disciplinary actions, and the outcomes of investigations and proceedings initiated by Company management on these matters. It provides recommendations to management for the necessary adjustments and actions.

The Committee also reviews crisis plans regarding management's accountability for the security and operation of the Company's computer systems. It ensures that, in the event of system failure, procedures for recording and preserving transactions are in place.



Corporate Governance Structure and Committees

At CMS, we ensure our strategic decisions are safeguarded through our committees.



(GRI 2-9, 2-10, 2-11,2-12,2-13,2-18)

Risk Management Committee

The Risk Management Committee aims to monitor risks the Company may face and develop the necessary policies for managing these risks. The Committee's duties and responsibilities in this context are as follows:

- Provides recommendations to the Board of Directors regarding the Company's risk appetite, tolerance, and strategy, considering existing and anticipated financial and macroeconomic conditions.
- Reviews the risks faced by the Company and its forward-looking risk strategy and makes recommendations to the Board of Directors.
- Examines risk assessment processes designed to support the Board's decisions.
- Reviews and approves the models, qualitative and quantitative variables used in the risk management system.
- Develops standards for the proper and timely monitoring of major or critical risks.
- Evaluates the Company's ability to identify and manage emerging risks.
- Analyzes the risks associated with strategic transactions, such as significant acquisitions or divestitures, before they are approved by the Board of Directors, and assesses their impact on the Company's risk appetite and tolerance. If necessary, obtains independent consultancy services on these matters.
- Reviews reports on breaches of risk limits and examines actions recommended in response.
- Assesses the effectiveness of internal control and risk management processes and approves disclosures related to these processes in the Company's annual report.

- Primary Aluminium Risk: The dependence of CMS's production on imported primary aluminium represents the most significant financial and strategic risk for the Company. CMS manages this risk using derivative contracts.
- Analyzes market conditions, aluminium prices, and the Company's projections and inventory status.
- Based on this analysis, determines actions for risk management, such as buying or selling contracts (Future LME) as needed.
- Climate Change Risks: The Committee oversees the effective execution of Company strategies concerning climate change risks and their significant impacts. These include current, physical, and transitional risks related to climate change, which fall within the competitive and external environmental dynamics.

Sustainability Committee

The Sustainability Committee is responsible for assessing economic, social, and environmental risks and opportunities that could impact CMS's assets and business activities. It monitors and analyzes relevant sustainability issues, defines the sustainability strategy, and executes projects to achieve its objectives. Led by the CMS CEO, the Committee reports all outcomes of its activities to CMS's senior management.

Corporate Governance Structure and Committees

At CMS, we prioritize the safety of our employees with our Occupational Health and Safety Board.

Occupational Health and Safety Board

In compliance with Law No. 6331 on “Occupational Health and Safety,” CMS has established an Occupational Health and Safety Board across all its facilities. The Board evaluates potential risks and measures related to occupational health and safety and determines preventive actions. Its members include employer representatives, occupational health and safety experts, workplace physicians, human resources specialists, administrative affairs officers, employee representatives, and other relevant experts based on agenda topics. The Board convenes every two months.

Authorized Economic Operator (AEO) Committee

The AEO Committee was established to ensure the sustainability of legal compliance, maintain full cooperation with the Ministry of Trade concerning customs and foreign trade practices, and manage internal and external audits for identifying, reporting, and addressing potential nonconformities. The Committee operates under the Executive Committee Chair. It meets every six months to review policies, practices, and processes related to the Authorized Economic Operator Certificate.



Energy Committee

Energy is a fundamental input in production, and the efficient use of energy and reduction of energy consumption are among CMS’s strategic objectives. The Committee’s duties and responsibilities include:

- Establishing, coordinating, and implementing Energy Management System (EnMS) activities in compliance with relevant standards and the CMS Energy Policy.
- Establishing, coordinating, and implementing Energy Management System (EnMS) activities in compliance with relevant standards and the CMS Energy Policy.
- Identifying energy-related risks and opportunities.
- Supporting the continuous improvement of energy management activities.
- Setting energy performance indicators, analyzing the achievement of targets, and implementing action plans for continuous improvement.
- Preparing detailed content for EnMS review meetings specific to each process and participating in these meetings.
- Enhancing employee awareness regarding energy issues by organizing participation in internal and external training programs related to energy under the EnMS framework.
- Promoting and ensuring the adoption and operation of the EnMS by all employees from a perspective of continuous improvement.

Our Sustainability Management

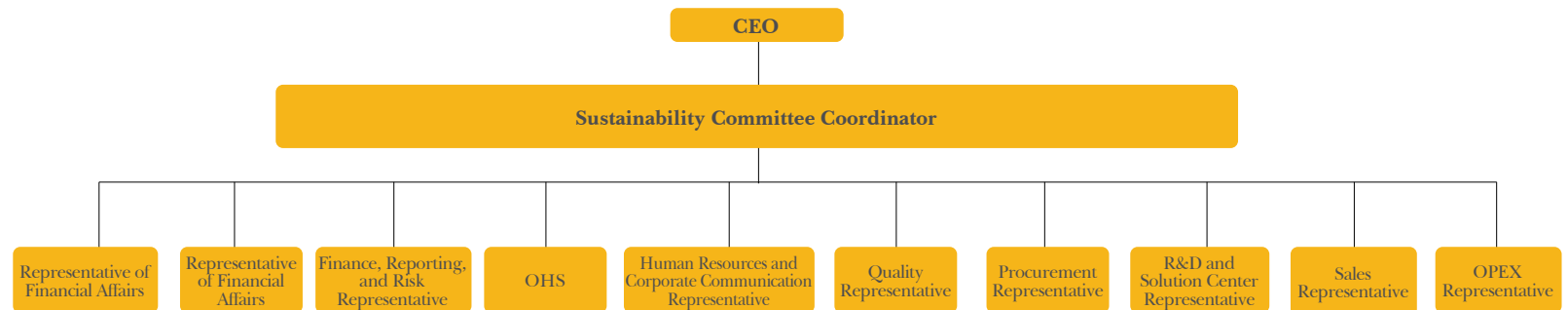
To ensure the effective management of sustainability-related processes, in 2023, we enhanced our impact by involving all departments in our sustainability efforts.



The CMS Board of Directors, as the Company's highest decision-making and oversight body, is responsible for managing economic, social, environmental, operational, and legal risks and opportunities in alignment with the principles established by our late Founding President Tonguç Ösen.

The Sustainability Committee, chaired by the CEO, includes representatives from various functions. CMS prioritizes transparency, equality, diversity, and inclusivity in all its activities. The Committee monitors the Company's priority topics and efforts aligned with the Sustainable Development Goals. By conducting a comprehensive Sustainability Workshop, the Committee raised employee awareness and integrated the entire organization into the sustainability process.

The structure of the Sustainability Committee is as follows:



Aluminium Stewardship Initiative (ASI)

The ASI defines environmental, social, and governance principles and criteria to address sustainability issues across the aluminium value chain. It is the only comprehensive voluntary sustainability standards initiative for the aluminium sector.

As the Sustainability Committee, in 2023, we completed our certification processes to enhance our sustainability performance, covering areas ranging from environmental impacts and working conditions to supply chain management and human rights.

The ASI Performance Standard Certification includes the following key areas:

- 1.3 Code of Conduct
- 2.4 Responsible Sourcing
- 2.5 Environmental and Social Impact Assessments
- 2.6 Human Rights Impact Assessment
- 3.1 Sustainability Reporting
- 3.3 Payments to Governments
- 3.4 Stakeholder Complaints, Grievances, and Information Requests

Our Sustainability Strategy

At CMS, we contribute to the global transportation system sustainably with the wheels we produce using cutting-edge technology.



Guided by the United Nations Sustainable Development Goals, we have conducted a prioritization analysis that allows us to embed our sustainability strategy into all our processes.

The necessity of efficient use of natural resources and the improvement of vehicle performance has driven the development of lighter and more fuel-efficient vehicles in today's world. This transformation continuously fosters innovation in alternative driving technologies.

Thanks to our ability to swiftly adapt to the changing needs of the world, CMS makes a sustainable contribution to the global transportation system with the wheels we produce using superior technology.

The foundation of our sustainability strategy is to provide stakeholders with transparent and real-time information about our activities, ensure full compliance with laws and regulations in all regions where we operate, and prioritize resource efficiency while minimizing our environmental impact.

Our sustainability management approach is effectively integrated into all our activities and decision-making processes, aligned with our corporate vision, mission, and the principles of our founder.

The CMS Sustainability Strategy, developed in line with our areas of impact and the Sustainable Development Goals, is based on five core elements:

• Valuing Employees

We work to create a healthier work environment for our employees, enhance their satisfaction, and contribute to increasing local employment.

• Producing Eco-Friendly Products

Through R&D efforts aimed at meeting our customers' expectations for lighter wheels, we help reduce vehicle carbon emissions, contributing to mitigating the adverse effects of global climate change.

• Contributing to Society

Creating a healthier work environment for our employees and stakeholders, while increasing our economic contribution to the Izmir region, is one of our key priorities.

• Reducing Environmental Impact

To minimize our environmental footprint throughout the product lifecycle, we measure and report water usage, aluminium recycling, waste minimization, and energy efficiency. We set targets and implement necessary improvements in these areas.

• Ensuring Quality and Integrity in Work

We perform our work ethically, on time, and with the highest quality. Within the framework of responsible supply chain management, we encourage, train, audit, and improve our business partners (subcontractors and suppliers). Through innovation and R&D activities, we contribute to sustainable development.

Our Prioritization Approach

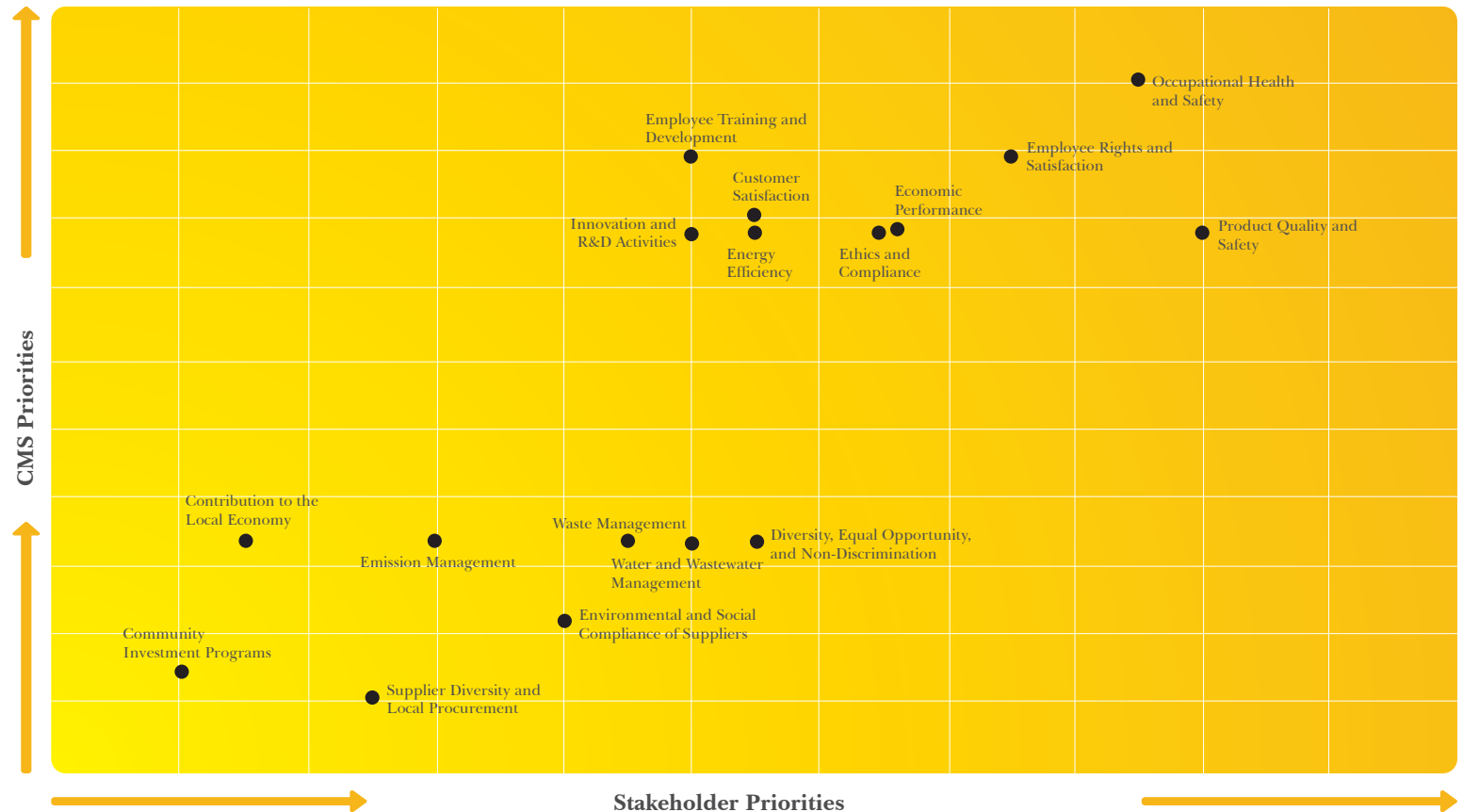
We continuously update our list of focus areas through feedback received from units that maintain ongoing interaction with each stakeholder group.



As part of our sustainability strategy, defining and regularly reviewing our priorities is a fundamental principle. Guided by the comprehensive stakeholder analysis conducted with consideration of the impacts on our business and stakeholders, we reevaluated our priority topics by adhering to the reporting principles outlined in the GRI Standards.

We shape our prioritization approach by combining stakeholder survey results with global developments, impact analyses, and our business strategy. The continuous feedback from units that interact with each stakeholder group helps us maintain an up-to-date list of topics. This process enables us to define our strategic priorities dynamically and innovatively, in line with our sustainability vision.

Prioritization Analysis



Key Focus Areas

Focus Area	Goal	Affected Stakeholders
Occupational Health and Safety	Continuously improve the system that eliminates hazards at their source and prevents work accidents and occupational diseases through the participation of all employees.	Employees, Suppliers
Employee Rights and Satisfaction	Ensure inclusive and participatory decision-making at all levels. Attract energetic, team-oriented, highly competent, and high-potential talent aligned with our corporate culture.	Employees
Product Quality and Safety	Continuously improve product and service quality by researching and implementing new technologies and quality techniques to achieve zero-defect production in our wheels. Comply with all legal requirements, standards, and customer expectations related to quality, safety, and performance, while continuously reviewing our adherence.	Customers
Economic Performance	Enhance economic growth. Pursue new investments in line with sustainability principles.	Employees, Suppliers, Customers, Investors, Society
Ethics and Compliance	Develop action plans to prevent recurring complaints reported via the ethics hotline. Embrace sustainability practices and report sustainability performance.	Employees, Suppliers, Customers, Investors, Society
Energy Efficiency	Measure and reduce energy consumption from facilities and operations. Continuously improve energy performance. Promote the use of energy-efficient products, procurement of energy services, and related design improvements.	Employees, Suppliers, Customers, Investors, Society
Water and Wastewater Management	Prevent pollution and protect the environment by separating waste at its source and reducing natural resource usage, while monitoring and controlling outcomes.	Employees, Suppliers, Customers, Investors, Society
Emission Management	Combat climate change by adhering to local regulations on greenhouse gas emissions, monitoring our emissions, seeking innovative solutions for reduction, and establishing long-term action plans for clean energy transition projects.	Employees, Suppliers, Customers, Investors, Society
Waste Management	Reduce waste at its source, recycle and reuse generated waste, and dispose of unrecyclable waste in an environmentally responsible manner through waste management plans.	Employees, Suppliers, Customers, Investors, Society
Supplier Diversity and Local Procurement	Evaluate and improve potential business partners based on criteria such as occupational health and safety performance, environmental impact management, waste management activities, compliance with legal regulations, ethics, and compliance.	Suppliers
Environmental and Social Compliance of Suppliers	Assess and improve potential business partners using criteria such as occupational health and safety performance, environmental impact management, waste management activities, compliance with legal regulations, ethics, and compliance.	Suppliers
Community Investment Programs	In addition to economic opportunities, make a name for ourselves through social and cultural initiatives.	Investors, Society
Diversity, Equal Opportunity, and Non-Discrimination	Monitor diversity, equal opportunity, non-discrimination, and abuse-related issues within our corporate risk map. Offer equal rights to all employees without discrimination based on religion, language, race, age, gender, ethnicity, sexual orientation, beliefs, marital status, social or economic background, disability, pregnancy, or military service.	Employees
Contribution to the Local Economy	Represent Türkiye in the global market and increase employment.	Suppliers, Investors, Society
Customer Satisfaction	Ensure compliance with deadlines and commitments. Enhance customer satisfaction by providing timely information, transparent communication, and effective solutions while adhering to principles of transparency, accessibility, accountability, and continuous improvement.	Customers
Employee Training and Development	Create a preferred, transparent workplace environment that values employees, monitors career development, promotes teamwork, and achieves high productivity through fair performance management. Support employees' skill and technical knowledge development through continuous improvement-focused training programs and competitive development opportunities.	Employees
Innovation and R&D Activities	Invest in research and development, including artificial intelligence. Foster economic growth through the use of highly efficient technology. Advance innovative solutions through partnerships, including collaborations with research institutions and leaders in the automotive sector. Enhance resource efficiency, implement environmentally friendly technologies and processes, and achieve sustainable development. Complete digitalization processes within the scope of "Digital Transformation."	Employees, Customers

Stakeholder Engagement

We value every piece of feedback and shape our development based on the suggestions of our stakeholders.

At CMS, maintaining strong communication and collaboration with our stakeholders at every stage of our operations is a primary goal. Our stakeholders include individuals, organizations, and communities that are affected by or contribute to our activities. Under our Stakeholder Engagement Plan, we manage our communication with stakeholders in an effective, transparent, two-way, and participatory manner, considering this plan an integral part of our corporate culture.

We value every piece of feedback and guide our development based on the recommendations of our stakeholders. By considering their perspectives, we shape our strategies, aiming to make our business processes more efficient and sustainable. We also regard providing accurate and timely information as a corporate responsibility and maintain communication through platforms tailored to each stakeholder group.

At CMS, we collaborate with numerous non-governmental organizations to share knowledge, enhancing our corporate expertise and supporting continuous improvement. These collaborations enable us to contribute to society while fulfilling our corporate responsibilities. We continue to work with our stakeholders to build a shared future.



Our Stakeholders and Communication

Methods

Customers

- Corporate Research (Annually)
- Face-to-Face / Online Meetings (Monthly)
- Customer Surveys (Annually)

Employees

- Employee Satisfaction Surveys (Annually)
- Employee Interviews
- Seniority Award Ceremonies with Employees (Annually)
- Bizbize Mobile Application
- CMSizinle
- CMSensin

Suppliers / Contractors

- Daily Workflow
- Meetings (As Needed)
- Email Communication
- Supplier Satisfaction Research (Annually)
- Supplier Portal
- Supplier Visits
- Fairs and Congresses

Community / Sponsors

- Events
- Local Sponsorships
- Media (Frequency depends on the initiative)

Our Memberships and Initiatives

- Turkish Metal Industrialists' Union (MESS)
- Turkish Metal Union
- Aegean Region Chamber of Industry (EBSO)
- Turkish Quality Association (KalDer)
- Association of Automotive Parts and Components Manufacturers (TAYSAD)
- European Wheel Manufacturers Association (EUWA)

Ethics and Compliance

CMS Companies aim to be a symbol of trust, respect all stakeholders, and act in compliance with the law under all circumstances.

As outlined in the principles of our Founding President, the late Mr. Tonguç Ösen, “The CMS Group is built on trust.” CMS Companies are committed to being a symbol of trust, treating all stakeholders with respect, and adhering to legal requirements under all conditions.

The employees and partners of CMS Companies act with awareness of their responsibilities toward society, the environment, customers, and business partners, forming the foundational principles of CMS’s business ethics.

To ensure all employees and stakeholders are informed about these principles, CMS has created a Business Ethics Handbook. This document is always accessible on the company’s website and is included as a printed booklet in the welcome package for new employees to ensure they share the same level of awareness. Current employees receive the necessary information through an online training module prepared specifically on this topic.

The CMS business ethics principles are comprised of 10 fundamental rules:

- 1- Integrity and Fair Conduct
- 2- Conflict of Interest
- 3- Accuracy of Records and Documentation
- 4- Protection of Company Assets and Resources
- 5- Relationships with Customers and Suppliers
- 6- Protection of Information
- 7- Relationships with Government Agencies, Private Organizations, NGOs, and Media
- 8- Respect in the Workplace and Work Life
- 9- Prevention of Undesirable Behaviours in the Workplace
- 10- Environmental Relations

For more details, visit: [CMS Business Policies – Ethics](#).

To report any behaviour in violation of ethical rules, CMS has established an Ethics Hotline. This process is managed confidentially by an independent third-party firm, which reports relevant findings to the Ethics Committee. In 2023, a total

of 118 reports were submitted through the Ethics Hotline. These reports are reviewed and evaluated by the Ethics Committee.

Ethics Committee Members:

Ethics Committee Members:

- Ethics and Compliance Officer (ECO): General Coordinator of the Executive Board
- Coordinator: Internal Audit Manager
- Member: Human Resources Coordinator

Ensuring that new members of the CMS Group are familiar with the company’s core values, principles, and codes of conduct, and that they carry out their work processes, accordingly, is of great importance to CMS. For this reason, regular training sessions on these topics are organized collectively for new employees.

Code of Conduct Training (Per Person) Training Hours

White-Collar Employees	0.5
Blue-Collar Employees	0.4

As part of our commitment to ethics, in 2023, CMS launched the Responsible Sourcing Policy. This policy ensures that business practices within the CMS Group’s supply chain comply with applicable national and international laws and regulations, focusing on sustainable responsibility and ethical rights. Our goal is to align with Sustainable Development Goal 12: Responsible Consumption and Production. The policy outlines the



principles of responsible sourcing by establishing supplier performance criteria that consider environmental and social impacts, enabling measurable and concrete improvements within the supply chain.

All suppliers are required to transparently meet the responsible sourcing requirements of this policy. Acceptance of and compliance with the terms outlined in the policy are contractual obligations for all suppliers.

Ethics Services

The Ethics Hotline is **accessible 24/7** and is operated independently by a third party.

Email: cms@etikhat.com

Phone: +90 212 371 07 70

— *Anti-Bribery and Anti-Corruption*

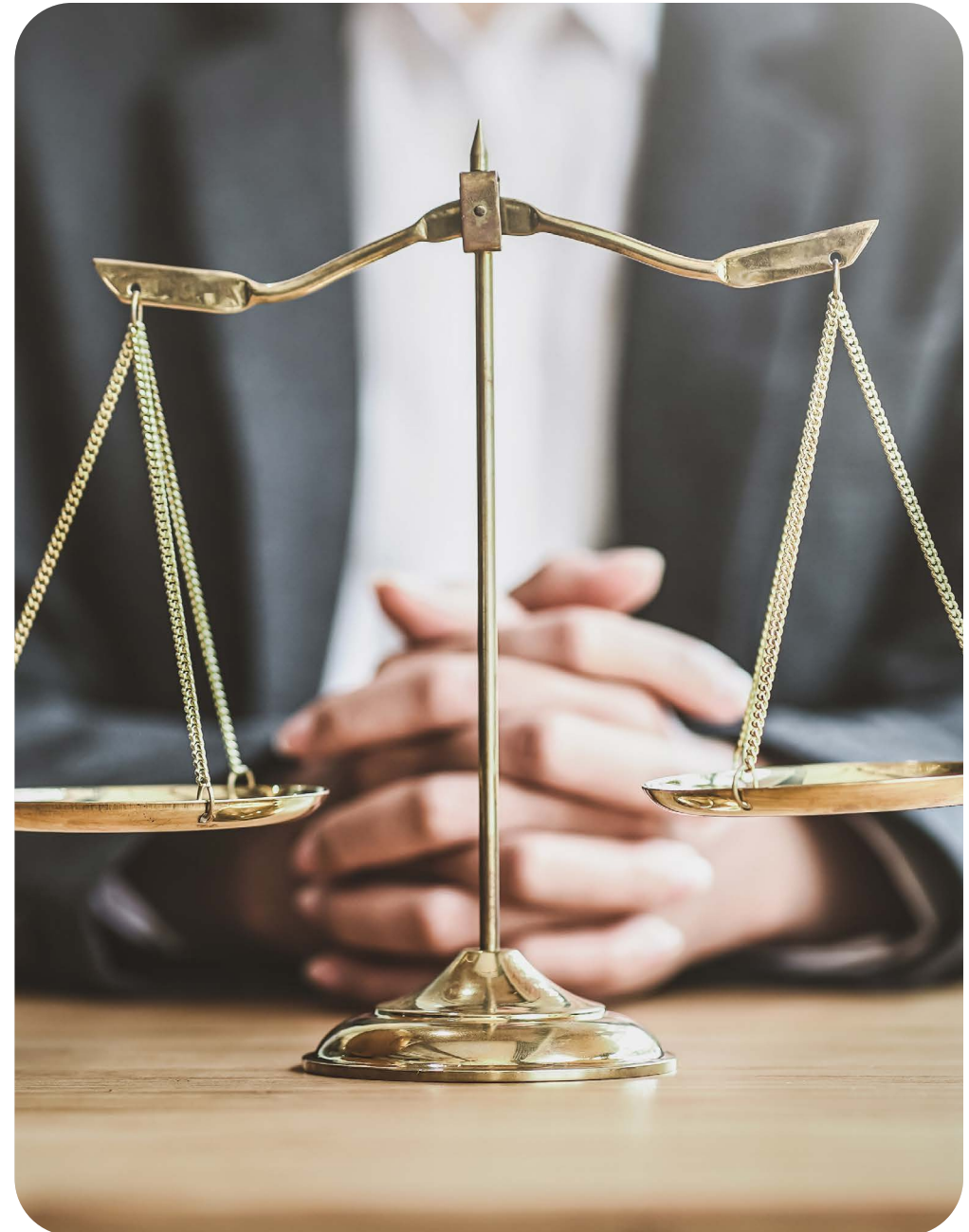
Our goal is to ensure that CMS Companies comply with anti-bribery and corruption laws and regulations, ethical and professional principles, and universal rules.

Through the Anti-Bribery and Anti-Corruption Policy, we aim to ensure that CMS Companies adhere to the anti-bribery and corruption laws and regulations in effect in all countries where they operate, as well as the ethical, professional, and universal principles outlined in CMS's Business Ethics Rules.

This Policy is considered an integral part of:

- The CMS Companies Business Ethics Rules, approved by the CMS Companies Board of Directors,
- The principles outlined in the Corporate Social Responsibility Policy,
- The Human Resources Application Principles and the Collective Labor Agreement,
- The Personnel Regulations,
- The regulations and contracts related to Procurement of Support Services and the management of External Workforce and Outsourced Employees.

To ensure that employees have sufficient knowledge and awareness on the topic, orientation programs include essential information and training updates, which are continuously provided.



Information Security Management

We periodically review all processes that could pose an information security risk and place great importance on ensuring the confidentiality of CMS Group's data.

As the CMS Group, we have maintained the continuity of the Information Security Management System (ISMS) we established in 2016 and continue to work on its continuous improvement as outlined in the ISO 27001 standard. We carefully review all processes that could create information security vulnerabilities and show high sensitivity regarding the confidentiality of CMS Group's data. Our Information Security Policy is published on our website and communicated to relevant parties and stakeholders. (<https://www.cms.com.tr/tr/kurumsal/cms-politikalari>) Based on feedback from accredited audits and recommendations for improvement, we continue to implement cybersecurity products and software incrementally to enhance our information security practices.

As a leading global supplier in the automotive wheel industry, CMS Group successfully meets its customers' specific information security requirements. In this regard, we have maintained the TISAX (Trusted Information Security Assessment Exchange) certification, obtained in 2020, ensuring both customer confidence in information security and compliance with fundamental ISO 27001, KVKK

(GRI 418-1)

(Turkish Data Protection Law), and GDPR requirements.

In 2024, we successfully completed our ISO 27001 review accreditation audit and, as of 2025, we will undergo accreditation audits aligned with the ISO 27001:2022 revision to maintain our certification and continue advancing our information security policy.

Our efforts to protect sensitive data extend beyond CMS's internal operations. We ensure that our consultants and suppliers meet fundamental information security requirements. Potential business partners are meticulously assessed for information security compliance through supplier evaluation forms and surveys. Additionally, all suppliers and consultants sign Non-Disclosure Agreements (NDAs) to outline their information security obligations.

Using firewall capabilities, we ensure that consultants connecting to the CMS network via VPN meet our predefined security requirements. Devices failing to meet these requirements are not granted access to the CMS network. During the reporting period, no complaints regarding data breaches or loss of customer information were received.

We place significant emphasis on raising awareness of information security, a cornerstone of our ISMS. To minimize the risk of breaches, we use confidentiality classification labels in both physical and virtual environments. Our Data Loss Prevention (DLP) software performs sensitive data analysis on information and documents shared internally and externally, helping prevent potential security incidents. To maintain high levels of awareness, all new employees receive comprehensive information security training. Current employees are required to complete an ISO 27001 Information Security Training module at least once annually via our online training system. To ensure that departmental ISMS asset inventories and risk analysis documents remain up-to-date and processes are effectively managed, we designate Data Security Officers within each department. These volunteers receive ISO 27001 Internal Auditor Training, enabling them to act as internal information security auditors within their respective departments.

In today's world, all smart devices and computers are connected to the internet, making them integral to operational processes. Mobile company phones, frequently used by our personnel, play a critical role in business workflows. Ensuring the security of every internet-connected device is an essential requirement of our Information Security Management System, implemented without negatively affecting operational processes.



Risk Management and Business Continuity

Our risk analysis procedures are based on a risk-based approach and are an integral part of all our management systems.



(GRI 2-25)

Through effective corporate risk management practices, we ensure the early detection of risks that could jeopardize our company, value chain, development, continuity, and ability to achieve corporate objectives. We also guarantee the effective implementation of measures to mitigate these risks.

The Risk Management Committee reviews the risks faced by our company and develops forward-looking risk strategies, providing recommendations to the Board of Directors. We categorize risks into five main groups: operational, financial, reputational, strategic, and market risks and manage them by integrating early detection and action planning into our business processes.

Risk analysis procedures have been designed with a risk-based approach across all our management systems.

By systematically monitoring and updating product and process risk analyses in line with our risk management methodology, we take necessary actions to minimize the impact and likelihood of risks when required.

The Risk Management Committee, which includes managers from finance, financial affairs, sales, supply chain, and IT departments of CMS Group companies, meets monthly. Our corporate risk management approach evaluates not only the financial and operational impacts

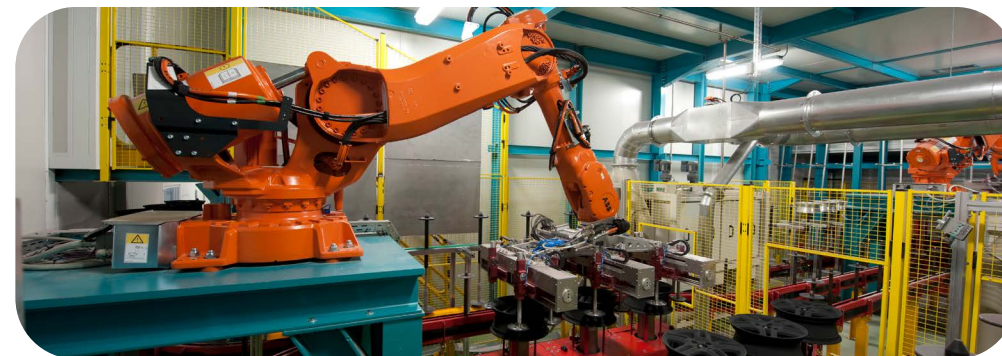
of risks but also their environmental, compliance, and societal effects. Key topics on our corporate risk map include occupational health and safety, environmental issues, climate change, employee rights, diversity and equal opportunity, and fraud prevention. The Committee utilizes software to measure and monitor financial risks through sensitivity analyses, spanning the aluminium procurement and sales process to customer pricing. Given the dependency of CMS's production on aluminium as a raw material, this represents a significant financial and strategic impact for the company.

To address the risks of cyberattacks and information security, we implement measures across all levels of our IT and operational processes and develop strategic cybersecurity partnerships. We conduct information security awareness training and perform regular evaluations and controls. In addition to our information security framework, we update risk analyses to include TISAX requirements, further enhancing our preparedness.

For occupational health and safety, we prepare risk analysis reports and use a proactive approach to manage planned actions and corrective activities digitally via specialized software. Our occupational safety experts and workplace physicians conduct continuous field inspections to closely monitor all potential risks.

R&D and Innovation

We continuously contribute to R&D efforts through advanced analysis and testing methods, as well as computer-based simulation technologies.



(2023) R&D Center Employees

134 Employees

Expenditures

TL 142.3 million

R&D activities play a crucial role in enhancing our company's competitive edge and maintaining its leadership in the industry. They are essential for developing innovative and high-performance wheels, enabling us to deliver lighter, more durable, and safer products that meet customer expectations. Additionally, R&D facilitates the optimization of production processes, cost reduction, and efficiency improvements.

Technological advancements and material innovations make significant contributions to achieving environmental sustainability goals. Production techniques are being developed using recyclable materials and less energy, adopting an environmentally friendly manufacturing process while ensuring compliance with legal regulations.

R&D also allows us to foresee industry trends and customer needs, enabling long-term strategic planning and the evaluation of new market opportunities. In this context, R&D at our company is regarded as an indispensable element for technological superiority, customer satisfaction, and sustainability.

In 2023, our R&D Department, employing 134 personnel, contributed significantly to differentiating CMS in the competitive landscape and preparing it for the future.

Established in 2009 with a team of 66 personnel, the CMS R&D Center now operates with approximately 134 specialized staff members across two campuses. These include 3 PhDs, 6 PhD candidates, 22 master's degree holders, 18 master's students, 51 bachelor's degree holders, and 13 associate degree holders. While the two R&D Centers focus on different areas of expertise, they share a common purpose: creating superior competitive products and ideas in the industry, improving energy and resource efficiency, fostering continuous development, and introducing new production methods.

Wheel innovations are critically important due to the rapid advancements in the automotive sector and the increasing demands of consumers.

Producing lighter, more durable, and environmentally friendly wheels enhances vehicle performance while reducing fuel consumption and emissions. For these reasons, investments in advanced technologies and material innovations in wheel manufacturing are imperative. Our company utilizes various public funding programs to implement these innovations. However, a significant portion of the projects is financed primarily through equity, reflecting our commitment and dedication to innovation processes. Public funding helps alleviate the financial burden of projects, while equity investments ensure their swift and efficient completion.

We continuously contribute to R&D efforts that play a critical role in product development and durability testing processes, utilizing advanced analysis and testing methods as well as computer-based simulation technologies.

R&D and Innovation

We aim to contribute to sustainability through projects under the TÜBİTAK 1832–1833 Industrial Green Transformation initiatives.



Water Cooling in Aluminium Alloy Wheel Casting: An Innovative Step Toward Green Energy

Environmental sustainability has become a critical area requiring the reassessment and optimization of industrial processes. In energy-intensive production methods like aluminium alloy wheel casting, innovative approaches are essential for reducing environmental impact. Transitioning from air-cooled systems to water-cooled systems in casting molds stands out as a significant innovation that supports green energy use and enhances energy efficiency.

The shift from air cooling to water cooling in aluminium alloy wheel casting represents a vital step toward achieving environmental sustainability and green energy goals. This innovative approach not only improves energy efficiency but also enhances production quality and reduces environmental impact. By balancing industrial efficiency with environmental responsibility, the water-cooling system serves as a pioneering solution for future green energy initiatives. Such innovations contribute to making industrial processes more sustainable and environmentally friendly, paving the way for a cleaner world for future generations.

(GRI 3-3)

Optimization of Heat Treatment Process

The effects of heat treatment parameters on the mechanical properties of the Al7Si0.3Mg casting alloy, used in wheel production, were examined using design of experiments (DOE) methods. Our study addressed cost reduction demands in wheel manufacturing by investigating potential improvements in the heat treatment process and focusing on two key elements that influence the microstructure. The objective was to statistically analyze the impact of selected parameters on wheel strength using full factorial experimental designs and to identify the optimal ranges for these elements and process durations.

As a result of our optimization efforts, the varying effects of critical elements on the material properties of the wheels were observed. A more environmentally friendly process was developed by selecting parameters that minimized energy consumption. Wheels produced with this new process achieved results equivalent to those subjected to standard T6 heat treatment. The project aimed to reduce energy consumption in alignment with sustainability goals while simultaneously lowering production costs. Plans are underway to expand these successful laboratory-scale outcomes.

This project has developed an innovative heat treatment process that aligns with sustainability principles, achieving energy savings while maintaining product performance. In the future, the integration of this process into industrial production will help minimize environmental impacts

and promote the widespread adoption of manufacturing methods that preserve both economic and ecological balance.

Short-Term Strategies (1–3 Years)

Our primary short-term strategic goals include quickly addressing the design needs of domestic and international customers for ongoing automotive projects, completing wheel design processes in accordance with project timelines, and efficiently launching projects with high productivity. To achieve these objectives, we continuously support product development processes with R&D activities, new analysis and testing methods, and computer-assisted simulation applications. Among the goals of vehicle manufacturers to reduce emissions is the use of materials obtained through recycling in production. In this context, there is a growing demand to increase the proportion of secondary aluminium recycled from scrap for use in aluminium alloy wheels, with a target of reaching 70% recycled aluminium in molten metal. To meet this demand, we are focusing intensely on improving metal quality within our R&D project. Our initial aim is to maintain current quality standards and ensure that 70% of wheel production uses secondary aluminium, as required. Over the medium term, we aim to transition to 100% secondary aluminium in production.

Additionally, we aim to implement projects contributing to sustainability under the TÜBİTAK 1832–1833 Industrial Green Transformation Projects framework.

R&D and Innovation

Our target is to achieve 70% secondary aluminium usage in wheel production.

Medium-Term Strategies

To meet the increasing demand for 18-inch and larger wheel models in recent years, we are developing and validating simulations of real-world tests in virtual environments. Furthermore, the prominence of aerodynamic features in new vehicles indicates a growing expectation and demand for aerodynamic or capped wheel designs in the coming years. Therefore, our medium-term strategies include:

- Enhancing knowledge and expertise in the development of aerodynamic wheel designs.
- Researching and developing not only the designs of capped wheel models but also new production and assembly methods to make them viable for use in our operations.

The rise of activities focusing on electric vehicles among major manufacturers is also changing the expectations and designs for aluminium alloy wheels.

Design criteria are moving toward more closed structures to improve aerodynamics, while striving to achieve the lightest possible geometry without compromising product performance. To meet these requirements, our strategy emphasizes the use of design optimization, advanced designer activities, and numerical methods such as finite element analysis.

Long-Term Strategies

Most wheel manufacturers currently use the low-pressure die casting (LPDC) method. However, the increasing limitations of LPDC in meeting the changing design and size expectations for new wheel models have highlighted the need for intensive process development efforts. This situation is pushing the industry to seek and develop alternatives to LPDC. In line with this trend, one of our long-term objectives is to develop alternative production methods to LPDC that can address these challenges. To achieve this goal, we aim to pursue potential international R&D partnerships.

The automotive industry's "Zero Carbon Emission" goal has led to increasing demands for suppliers to reduce their carbon emissions, a factor now scrutinized even in sales proposal documents. Producing aluminium alloy wheels requires significant energy due to processes like melting aluminium ingots, casting into moulds, and applying heat treatment to enhance mechanical properties. To balance high energy consumption with reduced carbon emissions, our company is investing in green energy initiatives. We plan to source energy from renewable resources and gradually work to reduce energy losses. These strategic initiatives, spanning short-, medium-, and long-term goals, reflect our commitment to innovation, sustainability, and meeting evolving industry demands while maintaining operational excellence.

Summary of Planned Initiatives

- Improvement of Mechanical and Metallurgical Properties of A356 Alloy Using Rare Earth Elements (2021–2024)
- Development of Aerodynamic Wheel Designs (2021–2027)
- Examination of Degassing Systems and Development of Appropriate Flux and Process Parameters for A356 Alloy (2022–2025)
- Investigation of the Reusability of Secondary Aluminium (2021–2025)
- Identification and Mitigation of Oxide Problems Negatively Affecting the Mechanical Properties of A356 Alloy (2021–2025)
- Development of Virtual ZWARP Testing for Enhanced Applicability (2021–2025)
- Encouragement of R&D Personnel to Pursue Master's and Doctoral Studies (2021–2025)



R&D and Innovation

Developing aerodynamic and capped wheel production methods is among our strategic priorities.

- Creation of National and International Scientific Publications, Articles, and Papers (2021–2025)
- Development of Intellectual Property Rights Under Patents, Utility Models, and Design Registrations (2021–2025)
- Development of Intellectual Property Rights Under Patents, Utility Models, and Design Registrations (2021–2025)
- Alloy Development Using the CALPHAD Methodology (2022–2025)
- Investigation of the Usability of Particle-Reinforced Aluminium Matrix Composites (2021–2027)
- Development of University-Industry Collaborations for Joint Projects (2021–2027)
- Research and Investigation of Innovative Casting Technologies as Alternatives to Low-Pressure Die Casting (LPDC) (2021–2028)
- Development of Capped Wheel Designs (2021–2027)
- Design and Simulation of Wheels for Electric Vehicles (2021–2027)
- Development of Knowledge, Simulation, and Design Applications for 18-Inch and Larger Wheel Production (2021–2027)
- Research on Paint and Coating Applications (2023–2025)
- Studies on Mix Furnaces Operating with Hydrogen and Natural Gas (2023–2030)
- Identification of Alternative Production Methods to LPDC (2023–2030)
- Utilization of Visual Processing for Sample and Wheel Inspection (2023–2030)
- Production of Innovative Wheels for Electric Mini Vehicles (2023–2030)
- Establishment of an Innovation Systematic (2023–2025)
- Submission of Applications for Internationally Funded Projects (2023–2030)

(GRI 3-3)



Number of Students Pursuing Higher Education Degrees



Number of Articles, Papers, and Posters Published



Total Publications (2013–2023):



R&D and Innovation

We aim to develop alternative production methods to LPDC and conduct internationally collaborative R&D activities.

Academic Publications List

- 42nd National Operational Research and Industrial Engineering Congress – “Reducing Production Time Using Lean Six Sigma in a Company Producing Wheel Molds”
- 1st Bilsel International Ahlat Scientific Research Congress – “Using Nozzle Cooling Instead of Perforated Cooling in Aluminium Wheel Production”
- 1st Bilsel International Ahlat Scientific Research Congress – “Effect of Feeder Gasket Section Design on Elongation in Aluminium Alloy Wheel Production”
- 1st Bilsel International Sumela Scientific Research Congress – “Effect of Gasket Section Design on Material Elongation Values”
- 1st Bilsel International Sumela Scientific Research Congress – “Using High Thermal Conductivity Materials in the Inner Flange Region of Mold Components for Aluminium Wheel Production”
- Alus’11 11th International Aluminium Symposium – “Designing Expansion-Tolerant Molds by Calculating Thermal Expansion in Molds”
- 9th International Congress on Engineering and Technology Management – “Preventing Cracking Issues in Ceramic Sprues Used in Aluminium Alloy Wheel Production”
- 9th International Congress on Engineering and Technology Management – “Innovative Mold Clamping Design Applications for Aluminium Alloy Wheel Molds”
- Eurodyn 2023, XII International Conference on Structural Dynamics – “The Experimental Free Vibration Analysis of an Aluminium K-Feldspar Metal Matrix Composite Plate”
- 11th International Congress of Academic Research – “Effect of Nb, Ti, and B Element Ratios on Grain Size in A356 Castings and Optimization Using Multiple Regression”
- 17th International Scientific Research Congress – “Investigating the Effects of Degassing Time and Rotor Rotation Speed on Outlet Metal Temperature in A356 Alloy”
- 5th Icheas International Health, Engineering, and Applied Sciences Congress – “Applicability of Flow Forming Technology in the Inner Flange of Aluminium Alloy Passenger Vehicle Wheels”
- 5th Icheas International Health, Engineering, and Applied Sciences Congress – “Effect of Flow-Forming Technology on Porosity in Aluminium Alloy Passenger Vehicle Wheels”
- 17th International Scientific Research Congress – “Examining Under-Paint Corrosion Progression in A356-T6 Aluminium Alloy Plates”
- 17th International Scientific Research Congress – “Impact of Multi-Ball Peening Process on the Surface Properties of A356-T6 Aluminium Alloy”
- 4th International Scientific Studies Congress (AICMES) – “Effect of Pad Printing Plate Depth and Repetition Count on Print Quality in A356 Parts”
- 4th International Scientific Studies Congress (AICMES) – “Reuse of Secondary Aluminium Raw Materials and Their Mechanical Properties in Aluminium Alloy Production”
- Alus’11 11th International Aluminium Symposium – “Application of Flow Forming Technology at Different Reduction Ratios in Aluminium Alloy Passenger Vehicle Wheels”
- Alus’11 11th International Aluminium Symposium – “Optimization of Nb, Ti, and B Element Ratios on Tensile Test Results of A356 Alloy Using Full Factorial Design of Experiments”
- Alus’11 11th International Aluminium Symposium – “Intermetallic Effect on Mechanical and Microstructural Properties of A356 Alloy Using Different Aluminium Master Alloys”
- Alus’11 11th International Aluminium Symposium – “Effect of Different Test Pressures on RPT Test Samples”
- 10th International Congress on Engineering and Technology Management – “Effects of Metal and Mold Temperatures on Hot Tearing Index in A356 Alloy”
- 10th Mediterranean Summit International Applied Sciences Congress – “Examining the Effect of Tire Sidewall Thickness on Wheel Strength”
- 10th Mediterranean Summit International Applied Sciences Congress – “Effect of Hard Anodizing on the Corrosion Resistance of A356-T6 Alloy”
- International Engineering Symposium (IES) ’23 – “Optimization of a Lathe Wheel Clamping Jaw Using Finite Element Analysis”
- 6th International Congress on Engineering Sciences and Multidisciplinary Approaches – “Modelling Pre-Deformation Testing with Finite Element Method”
- 2nd International Congress on Engineering and Natural Sciences – “Effect of Mold and Casting Temperatures on Hot Tearing in A356 Alloy”
- 10th Aegean Summit International Applied Sciences Congress – “Impact of Wheel Style Surface on Vehicle Aerodynamics and Fuel Consumption”
- 10th Aegean Summit International Applied Sciences Congress – “Optimization of Gripper Elements in Automated Robot Unit Cells”

Industry 4.0

At CMS, our investments in Industry 4.0 transformation aim to make our production processes more efficient, secure, and modern.

Industry 4.0 and Digital Transformation

Industry 4.0 is a philosophy focused on reshaping manufacturing and industrial processes through digital technologies, making them more effective, efficient, and secure. Its primary objectives include making hardware and software less costly, more compact, energy-efficient, and safer. A key component of Industry 4.0, the Internet of Things (IoT), enables industrial devices and machines to communicate and exchange data over the internet, facilitating dynamic and traceable processes.

Industry 4.0 Applications

As CMS Group, we are integrating Industry 4.0 principles into our production processes, bringing significant transformations across our four factories. This transformation involves replacing manual production lines with automated robotic systems. Starting with our Machining Unit, this shift aims to increase production efficiency and minimize human error.

Fully Automated and Semi-Automated Production Systems

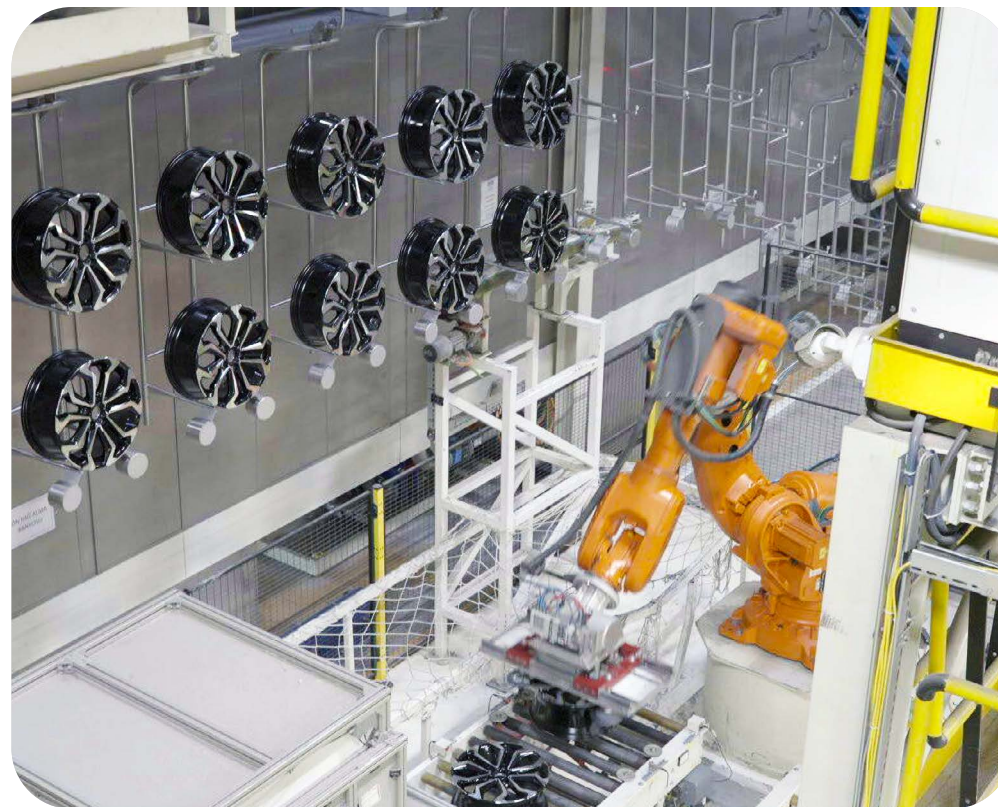
Our focus is on transforming manual production lines into fully automated robotic production lines in our factories. This transformation reduces human intervention in production processes, ensuring higher efficiency and minimizing errors. These systems, first implemented in our Machining Unit, are designed to meet modern production standards.

Additionally, we are implementing automation projects on manual machines and workstations, converting them into semi-automated systems. This transition reduces human influence, enhancing both quality and efficiency. Automation ensures that our production processes become more consistent and efficient.

Data Collection and Smart Systems

As part of our automation systems, we continuously monitor information such as process parameters, measurement values, and machine data during production. Various projects are being carried out to collect and analyze this data. Our goal is to enable data exchange between systems and establish feedback mechanisms that allow systems to self-optimize. This data-driven approach will enable us to continuously improve our production processes.

At CMS, our investments in Industry 4.0 transformation are focused on making our production processes more efficient, safer, and modern. By implementing fully automated and semi-automated systems, we aim to enhance productivity, reduce human errors, and create smarter production processes. This transformation will strengthen our competitive edge and help us adapt to future industrial advancements more effectively.



Industry 4.0

“We are continuing to expand flow-form cell investments across our facilities.”



Our Digital Transformation Projects

Foundry Central Monitoring Project

With the Foundry Central Monitoring Project, we aim to standardize the casting process, ensure the traceability of real-time and historical data, enable the monitoring of locally managed machines through a remote and centralized structure, minimize errors caused by human intervention, and improve the process based on these findings. By expanding the projects, we have designed specifically for individual factories to our other facilities, we are working to standardize these systems across the entire group.

Machining Robotic Cell Automation

In our factories, we are transforming manual machining production lines into fully automated robotic production lines, isolating them from human involvement. With fully automated production lines, we aim to increase production efficiency, modernize manufacturing, and completely eliminate human error. Using industrial cameras, our systems identify wheel models and automatically load them onto machining centers via robots. Furthermore, the system performs 100% measurement, ensuring a process flow independent of human factors.

Machining Flow-Form Robotic Cell Automation

Flow-form is a technology and method used in wheel production. In this process, the outer circumference of the wheel is shaped using a cold forging technique, while the

inner part is formed through hot forging. This combination enhances the wheel's durability while maintaining its lightweight characteristics.

The advantages of the flow-form technique in wheel production include:

- **Lightweight and Durability:** Wheels produced using flow-form technology are both strong and lightweight, which improves vehicle performance and contributes to fuel efficiency.
- **Smooth Surface Quality:** The flow-form process ensures a highly smooth outer surface for the wheel. This improves the aesthetic appearance of the wheel and enhances the quality of applied paint or coatings.
- **Material Efficiency:** The flow-form method enables the production of stronger and more robust wheels using less material, contributing positively to production costs and environmental impact.
- **Flexible Design Capability:** This method supports the production of various wheel designs. Wheels of different sizes and shapes can be easily manufactured, allowing manufacturers to better meet market demands.

Flow-form technology offers innovation and advancement in the wheel industry, providing various benefits to both manufacturers and consumers. We are continuing to expand the implementation of flow-form cell investments across our facilities.

Product Quality and Safety

In alignment with our strategies, we place a strong emphasis on product safety, environmental conditions, employee safety, and energy efficiency.

Guided by the principles and strategies we have established; we ensure compliance with legal and standard requirements at every step of our operations. We also strive to meet customer demands and the expectations of relevant stakeholders.

To enhance customer satisfaction, we work collaboratively to better understand our customers' expectations throughout our processes and provide the most suitable solutions.

In alignment with our strategies, we place a strong emphasis on product safety, environmental conditions, employee safety, and energy efficiency.

Quality System Certifications

IATF 16949 Automotive Quality Management System

ISO 9001 Quality Management System

ISO 27001 Information Security Management System

TISAX Automotive Information Security Management

ISO 14001 Environmental Management System

ISO 45001 Occupational Health and Safety Management System

ISO 10002 Customer Satisfaction Management System

ISO 50001 Energy Management System

ASI (Aluminium Stewardship Initiative) Performance Standards

As emphasized in the principles set forth by our Founding President, Tonguç Ösen, we strive to continuously enhance customer satisfaction with our competent teams who fully understand the importance of customer relationships. By monitoring the alignment between our customers and CMS teams, we work to improve the effectiveness of our management systems.

Since 2012, our ISO 10002 certification, which ensures external evaluation of customer satisfaction and complaint management for continuous improvement,



has been maintained across all our production facilities. This certification, along with other management systems, enables us to establish effective communication with customers, identify the necessary methods for solutions, and sustain customer satisfaction. Suggestions, opinions, notifications, and complaints about our wheels and services from customers and end-users are systematically assessed and resolved. Achieving zero defects and enhancing customer satisfaction are among our top quality objectives.

All our goals are defined in alignment with our extensive quality experience, recognizing the critical role of wheels on vehicles and the challenging conditions of wheel manufacturing. Key product and service categories are evaluated to improve their health and safety impacts.

During the reporting year, no non-compliance cases related to the health and safety impacts of our products and services were identified. No product recalls occurred. All other reported complaints were resolved by our team.

Our guiding principle, "A wheel is more than a component; it's a lifeline for safety,"

underscores our commitment to integrating product safety standards and customer expectations into our business practices.

By ensuring the continuity of our certifications, CMS maintains product safety awareness at every step of the design and production stages, with full compliance with the legal regulations of the markets where the wheels will be used. This approach reflects the understanding that wheels are a vital safety and regulatory component.

During the design phase, the testing process begins with simulation applications and continues with internal and external tests on the final product to meet customer specification expectations. Our highly skilled quality and laboratory teams ensure product safety through sample collection and testing/inspection based on control plans, all within the framework of a total quality approach.

We adopt a holistic approach to sustainable wheel design, considering the entire lifecycle of the product.

For more details, you can access our quality policy at <https://www.cms.com.tr/en/corporate/our-policies#section-quality>

Our Supply Chain

We continuously monitor and strive to improve the sustainability performance of our extensive supply network.



638 suppliers in the Raw Materials and Indirect Materials purchasing category

67%

318 suppliers in the Investment and Services purchasing category

33%

A total of 956 different supplier companies are actively engaged with CMS.

We regard corporate ethics and sustainability principles as the cornerstones of our business, actively working to ensure these values are embraced throughout our supply chain. This shared sense of responsibility with our business partners strengthens our efforts to minimize environmental and social impacts. For this reason, we aim to create a more sustainable and ethical business model by prioritizing trust-based, long-term business relationships.

Our supply chain organization is composed of three main processes: planning, logistics, and procurement. We manage an integrated procurement operation for CMS Jant San. A.S. and CMS Jant ve Mak. San. A.S. CMS Procurement is a dynamic organization with four procurement offices in different locations and a staff of 23. It provides services in direct, indirect, and investment purchases.

With a broad supplier network, CMS adopts local sourcing practices wherever possible to enhance the economic contribution of its activities to the national economy. In 2023, 89% of our 956 suppliers were local firms, and 225 new suppliers were added to our network. CMS actively works to ensure its supply chain aligns with corporate ethics and sustainability principles, favouring long-term business agreements. Our shared procurement structure prioritizes suppliers offering high-tech, energy-efficient products and services. We continuously monitor and strive to improve the sustainability performance of our extensive supply network.

We conduct supplier risk assessments for all our suppliers, incorporating all legal and environmental risks into this process. We expect our suppliers to demonstrate full compliance with legal regulations aimed at protecting the environment, human rights, health, and safety conditions. For this purpose, we review their certifications. In our 2023 evaluations, no suppliers were identified in the critical category due to environmental or social impacts. Similarly, no new suppliers requiring environmental or social audits were detected.

Business Ethics and Compliance

The foundation of CMS Group's relationships with its business partners is built on an ethical approach rooted in the principles of honesty, transparency, and accountability. Throughout its history, CMS Group has consistently maintained a strong reputation for corporate governance, adherence to core values, compliance with ethical standards, and fair conduct.

In this context, the CMS Group Ethics Committee has developed a comprehensive "Business Ethics" addressing topics such as compliance with human rights, laws, and operational principles; occupational health and safety; environmental protection; prevention of discrimination; avoidance of conflicts of interest; principles of prudence; product and service quality and continuous improvement; fair competition; community activities and social responsibility; anti-corruption; stakeholder principles; communication of corporate information; information confidentiality; and protection of personal data. This Business Ethics, published on the corporate website, consolidates CMS Group's Working Principles and Ethical Rules and defines the behaviours that CMS Group's business partners are obligated to adhere to.

Our Supply Chain

We are developing communication methods to monitor our suppliers' environmental performance, efforts to reduce their carbon footprint, and energy efficiency.

The responsibility to comply with these rules and ensure their implementation lies with all CMS Group employees.

The Business Ethics serves as a handbook that defines CMS Group's working principles, ethical rules, and the rights and responsibilities of its employees, business partners, and all stakeholders. It is based on local and international laws, standards, and widely accepted best practices.

Communication with Business Partners

We consider any individual, organization, or community impacted by our communication activities or contributing to the realization of our operations and achievement of our goals as our stakeholders. In this context, properly classifying our stakeholders and determining the communication method and frequency based on this classification are among the most critical factors for conveying our sustainability approach across the entire value chain.

We maintain communication with our business partners on sustainability topics through our sustainability reports and corporate website. Additionally, we ensure interaction on topics relevant to specific stakeholder groups through a wide range of platforms, including various events, evaluation meetings, published newsletters, social media channels, internal and external reports, informational briefings, and the Supplier Portals.

Supplier Selection Criteria

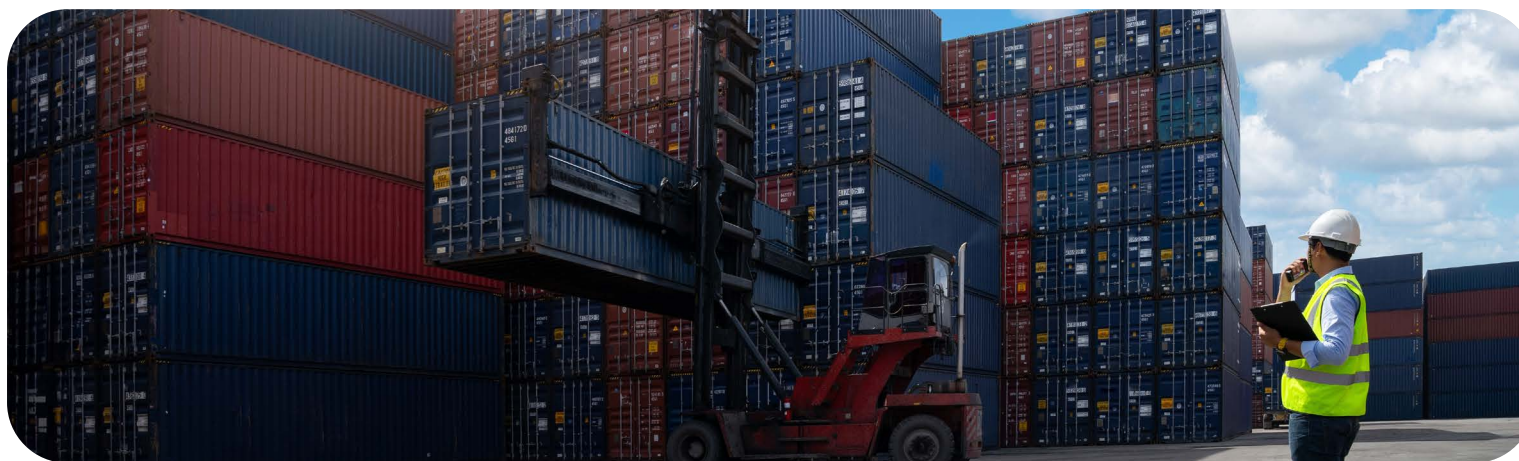
Supplier management plays a critical role not only in meeting operational requirements but also in achieving our long-term sustainability goals. Selecting the right suppliers is a cornerstone of our sustainability strategy, enabling efficient resource use, reducing environmental impacts, and fulfilling social responsibilities.

At CMS, our supplier selection process is guided by the CMS Business Partner Handbook and aligned with our sustainability objectives.

We are committed to establishing long-term partnerships with suppliers that adhere to principles of social responsibility, exhibit efficiency in resource management, and employ environmentally friendly production processes. To this end, we are developing communication methods to monitor our suppliers' environmental performance, efforts to reduce their carbon footprint, and energy efficiency practices.

The CMS Business Partner Handbook outlines the workflows necessary to ensure that our suppliers align with sustainability-focused working principles and to minimize the environmental impact of our business processes. Meeting these criteria and adhering to our sustainability principles are prerequisites for long-term collaboration with CMS.

Through this approach, we aim to ensure both environmental and social sustainability in our supply chain while fostering mutual trust and creating sustainable value in our business processes.



Our Supply Chain

While ensuring both environmental and social sustainability in our supply chain, we aim to create sustainable value based on mutual trust in our business processes.



When selecting business partners, we use a comprehensive set of sustainability criteria that encompasses environmental, social, and economic dimensions. Possession of certifications such as IATF 16949, ISO 14001, ISO 9001, ISO 45001, and ISO 27001 is fundamental. These certifications not only signify compliance

with quality, environmental management, and safety standards but also align with our sustainability objectives by addressing environmental and social responsibilities.

Suppliers providing materials for original equipment wheel production in the automotive sector are required to hold

ISO 9001 certification and are expected to align their processes with the IATF 16949 quality system over time. To enhance environmental awareness, we prioritize suppliers who hold ISO 14001 Environmental Management System and ISO 45001 Occupational Health and Safety Management System certifications. These certifications demonstrate the steps taken by our business partners to minimize their environmental impact.

During the selection process, we carefully evaluate our business partners' environmental performance, waste management practices, energy efficiency, and emphasis on sustainability strategies. We encourage our suppliers to align with our environmental sustainability goals and contribute to environmentally friendly production processes.

CMS collaborates with 638 suppliers for raw materials and indirect materials and 318 suppliers in the investment and service procurement categories. Among these, 99 suppliers hold ISO 14001 certification, 52 suppliers hold ISO 45001 certification, and 48 suppliers possess both certifications. Ensuring that these suppliers align with our sustainability goals and fulfil their environmental responsibilities is a top priority for us.

Environmental awareness, flexibility, customer support, and financial sustainability are also important criteria in our supplier selection process. We prioritize long-term collaborations with business partners based on their technological capabilities, environmentally friendly practices, and potential to contribute to sustainability.

All these processes align with CMS's strategy to build environmentally conscious, sustainable, and long-term partnerships. This ensures compliance with high-quality standards while fulfilling our environmental responsibilities and contributing to a sustainable future.

At CMS, we evaluate not only the products and services provided by our suppliers but also their production processes to determine their competence. Our measurement and evaluation system includes methods for monitoring supplier performance and identifying opportunities for improvement. Additionally, we assess how our business partners manage customer relationships and achieve customer satisfaction through their customer management systems.

We place great importance on ensuring that the products and services supplied through our supply chain comply with environmental protection standards. By doing so, we fulfill our environmental responsibilities while striving for sustainable collaborations.

Our Supply Chain

We encourage the suppliers we collaborate with to contribute to environmentally friendly production processes.

Supplier Development Program

The performance of suppliers selected in accordance with the rules defined in the CMS Business Partner Handbook is evaluated quarterly, four times a year. Suppliers are categorized into A, B, C, and D levels based on their performance. Collaboration with D-level suppliers is terminated, while B and C-level suppliers are included in the Supplier Development Program to support them in reaching A-level. Within the program, the reasons preventing suppliers from reaching A-level are analyzed, and solutions are proposed. The outcomes of these actions are monitored monthly. If the necessary improvements are not achieved, the program may be extended for up to six months. Suppliers failing to show progress will have their contracts terminated.

Supplier Selection Criteria

We consider the following criteria when selecting suppliers:

- References and experience,
- Flexibility and support capacity,
- Quality assurance,
- Financial structure,
- Licenses and authorization documents,
- Technological competence,
- Environmental sensitivity,
- Ownership structure and other industry-specific factors.



Supplier Audits

Supplier audits are a critical process conducted under CMS's Responsible Sourcing Policy. This policy encompasses legal compliance, human rights, environmental responsibility, occupational health and safety, and business integrity. The audits are performed to assess how well suppliers align with CMS's ethical principles.

We regularly audit our suppliers in areas such as environmental impacts, working conditions, human rights, and workplace safety. For any non-compliance identified during audits, improvement plans are created and implemented.

If unethical practices such as child labor, forced labor, bribery, or corruption are identified, CMS will terminate its collaboration with the supplier. This approach reflects CMS's commitment to ethical and sustainable supply chain management. Through our Responsible Sourcing Policy, we aim to establish a fair and sustainable supply chain by fulfilling our environmental and societal responsibilities.

Our Logistics Operations

At CMS, our primary goals are to minimize the environmental impact of our logistics activities, contribute to a sustainable future, and enhance operational efficiency.



We conduct our logistics processes with a commitment to sustainability, digitalization, and high-quality standards. By prioritizing quality and environmental standards throughout our supply chain, we focus on optimizing operational efficiency. Our logistics team adheres to the requirements of IATF 16949, ensuring that supplier selection is guided by fundamental quality expectations.

To be considered “eligible,” suppliers must hold an ISO 9001 Quality Management System certificate and maintain a transparent flow of information through real-time data sharing. For international transport providers, compliance with EU emission standards is mandatory. In inter-facility transportation, we require the use of vehicles that meet emission standards and are no more than five years old.

Reducing Carbon Footprint through Sea and Rail Transport

We prioritize sea transportation as a preferred method due to its environmental sensitivity and cost efficiency. In suitable cases, we replace road transport with rail and intermodal transportation, achieving a significant reduction in carbon emissions since 2022.

Short-Distance Transport Using Electric Vehicles

Our goal is to optimize distribution processes in Germany by adopting electric vehicles by the end of 2024. This initiative aims to not only reduce logistics costs but also significantly lower our carbon footprint. Additionally, we actively encourage our suppliers to adopt electric vehicles for short-distance deliveries.

Efficient Human Resource Utilization to Minimize Carbon Footprint

To minimize travel distances and reduce carbon emissions, we employ local personnel for overseas warehouse inventories instead of dispatching teams from Türkiye. Furthermore, by consolidating multiple inventory checks into single trips, we effectively lower both operational costs and environmental impacts.

Supplier Performance Management and Commitment to Sustainability

We continuously monitor the performance of our suppliers and evaluate them based on specific Key Performance Indicators (KPIs). During weekly meetings, we review transport providers' performance and take necessary corrective actions.

For recurring issues, we implement 8D corrective measures and enforce appropriate penalties. This approach has enabled us to achieve our 98% delivery performance target while significantly reducing the environmental footprint of our logistics operations.

To ensure end-to-end tracking of logistics processes and contribute to our sustainability objectives, we utilize ATLAS, a robust digital platform. Through ATLAS, all stakeholders ranging from transport providers and customs agents to warehouses and customers can seamlessly monitor bookings, loading operations, location tracking, unloading schedules, and actual delivery data in real time. Starting in 2024, we began pilot projects integrating cost management functionalities such as invoicing, tracking, and analysis into the system. This digital initiative enhances operational transparency while reducing resource consumption and carbon emissions.

At CMS, we execute shipments in strict adherence to customer expectations, contractual terms, and sustainability principles. With our unwavering dedication to customer satisfaction and environmentally sustainable logistics processes, we are proud to report that no incidents of defective, erroneous, or regulatory non-compliant shipments occurred during this reporting period.

Human Resources Approach and Practices

We integrate concepts such as continuous improvement, personal leadership, passion, customer focus, respect, and trust into all our processes, making them an integral part of our success.

Human Resources and Sustainability

At CMS Group, we acknowledge that human capital is pivotal to achieving the objectives of our sustainability strategy. Our Human Resources policy is built upon key priorities: employee well-being and health, equality and inclusivity, talent development, employee engagement, and transparency in communication. Diversity and inclusivity within our workforce are fundamental pillars of our sustainability philosophy, aiming to establish a work environment where every individual enjoys equal opportunities.

Our Human Resources policy not only supports the growth of our existing employees but also seeks to attract candidates who align with our goals for a sustainable future. Guided by this vision, we continually enhance our Human Resources practices, contributing value to both our organization and the community. For more details, you can access our Human Resources policy [here](#).

In response to emerging trends, technological advancements, and evolving economic conditions, we manage our Human Resources policies with a flexible and strategic approach. We place emphasis on talent management, technology integration, and strategic partnerships, adapting our practices to address these priorities effectively. The economic challenges and global developments since 2020 have necessitated a re-evaluation and redesign of our Human Resources strategies to align with new realities.

The values underpinning our corporate culture embraced and internalized by our employees are the cornerstone of our success. These values, which include continuous improvement, personal leadership, passion, customer focus, respect, and trust, are integrated into all our processes. By upholding these principles, we strive to ensure the sustainability of our organization and enhance the efficiency of our business processes.



Digital transformation plays a critical role in our business processes. Following the global shift post-2020, we transitioned our operations to digital platforms, significantly boosting efficiency. Employee engagement has been paramount throughout this transformation, with a strong focus on incorporating feedback from employees. This commitment to continuous improvement ensures that we stay agile and responsive in a rapidly changing world.

Flexible and Hybrid Working Models

In 2023, we maintained our efforts to embrace Agile Transformation as part of our long-term strategies, further enhancing our work practices. While our employees in factories adhere to legal working hours, those under flexible and hybrid working models submit weekly or monthly work schedules to Human Resources and their managers. These employees adopt work arrangements tailored to their plans in alignment with company guidelines.

Human Rights Impact Assessment

Guided by our commitment to respect for human rights, we initiated a Human Rights Impact Assessment to evaluate the scope and impact of our operations and services on human rights. This process involves identifying human rights dimensions and risk groups, prioritizing them, and developing action plans accordingly. These plans are monitored throughout the year and, when necessary, are reinforced by corrective actions.

As CMS Group, we continue to implement strategies that ensure equal opportunities for all employees while fostering their professional growth and unlocking their potential.

Human Resources Approach and Practices

At CMS, we continue to implement strategies that provide equal opportunities for our employees, enabling them to develop their talents and skills.

We view equal opportunities and social justice as integral parts of our business processes, aiming to enhance employee satisfaction and make more sustainable contributions to society.

Employee Rights and Satisfaction

CMS operates with a people-first philosophy, valuing employees at the core of its human resources processes. From recruitment to performance management, employee development to compensation policies, we adopt sustainable, integrated, and modern systems. Rooted in the principle of social sustainability, CMS is committed to providing all employees with a fair, equitable, and inclusive work environment.

Diversity, Equal Opportunity, and Inclusion

At CMS, we implement practices that uphold human rights, promote employee participation, support their development, and prioritize occupational health and safety. Preventing workplace discrimination, increasing the employment of women, and ensuring equal opportunities are focal points of our human resources agenda. Women now hold 28% of middle and senior management positions, and we are actively working to increase this percentage. Promotions and compensation processes are conducted without any gender discrimination, ensuring equitable treatment for all employees.



CMS guarantees equal rights for all employees, regardless of religion, language, race, age, gender, ethnicity, sexual orientation, belief, marital status, social or economic background, disability, pregnancy, or military service. In 2023, all female employees who completed their maternity leave returned to work, with no cases of resignation post-leave. Additionally, 181 male employees utilized a total of 872 days of paternity leave during the year. CMS also offers social support for female employees by partially covering childbirth costs at private hospitals, even in cases where maternity coverage is not included in health insurance.

This inclusive and sustainable approach underscores CMS's unwavering commitment to gender equality, employee welfare, and long-term social responsibility. We view equal opportunity and social justice as integral to our operations, striving to enhance employee satisfaction while contributing meaningfully to a more sustainable and equitable society.

Compensation and Benefits Management

At CMS, we adopt a compensation and benefits management approach that prioritizes the financial and emotional well-being of our employees, thereby supporting our broader social sustainability goals. Currently, 81% of our workforce is covered under collective bargaining agreements and enjoys extensive benefits packages. This approach reflects a commitment to social justice and enhancing the quality of life for our employees.

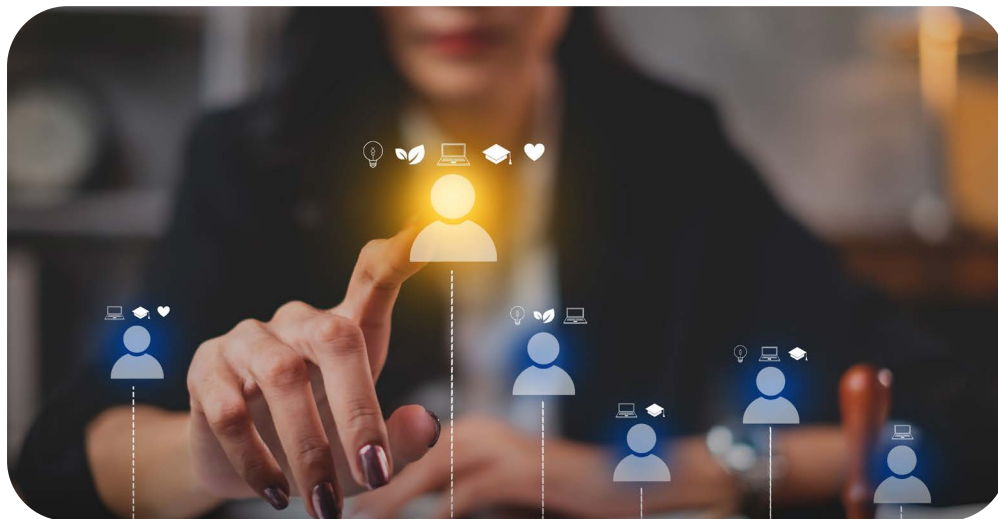
Human Resources Approach and Practices

At CMS, we are committed to strengthening social sustainability, employee satisfaction, and rights through the practices we uphold.

Collective Bargaining Agreements and Benefits

Through collective bargaining agreements, wage increases for our employees exceed market rates. Additionally, employees are provided with various forms of financial support, including holiday bonuses, heating allowances, marriage, childbirth, bereavement, and military service assistance.

These benefits are regularly updated in line with market conditions to ensure financial stability and peace of mind for our employees. Furthermore, at the start of each academic year, educational allowances are provided for employees' school-age children. In 2023 alone, the children of 1,366 employees benefited from these allowances.



(GRI 2-30, 3-3, 401-1, 401-2, 401-3, 405-1, 405-2)

Social Leave

We place great importance on supporting our employees during significant life events. In addition to legally mandated annual leave, our employees are entitled to paid social leave, which includes leave for marriage, childbirth, and bereavement. In 2023, circumcision leave was introduced, granting two days of paid leave for employees marking their children's circumcision ceremonies. Male employees are granted five days of paternity leave for the birth of a child, while employees getting married receive seven days of marriage leave. Employees mourning the loss of a first-degree relative are entitled to four days of bereavement leave, and three days of paid leave are provided for the loss of in-laws such as a mother-in-law or father-in-law.

Health Insurance

Eighty-one percent of our employees benefit from supplementary health insurance, while 19% are covered by private health insurance plans. These insurance options not only extend to employees but also provide coverage for their families, ensuring easier access to healthcare services. By offering robust healthcare support, CMS enhances employee satisfaction and contributes to sustainable social welfare.

Employee Development and Savings Program

Our Savings Program fosters employee engagement and development by supporting personal growth while enabling additional income opportunities. Revised in 2023 with input from our agile teams, the

program has been optimized to enhance employees' professional development and financial well-being. Feedback from employees highlights the program's effectiveness and sustainability.

Recognition and Appreciation

Employees recognized as Employee of the Month are celebrated with dinners and award ceremonies hosted by senior management. These events honor individual achievements while fostering a sense of collaboration and community. Such initiatives not only strengthen interpersonal relationships within the company but also reinforce CMS's culture of inclusivity, fairness, and mutual support.

As CMS, we continue to enhance social sustainability through our practices that prioritize employee satisfaction and rights.

Employment

CMS embraces the richness of diversity within its domestic and international subsidiaries, with a workforce comprising individuals from various languages, religions, and ethnic backgrounds. Viewing diversity and inclusion as integral to our operations, we evaluate candidates solely based on their talents, skills, and performance, without regard to culture, age, gender, or disability. This inclusive approach is pivotal to building a sustainable workforce and upholding social justice.

Human Resources Approach and Practices

By continuing to promote diversity and inclusion, we aim to provide all our employees with a safe, equitable, and sustainable working environment.

Fair and Equal Opportunities

We are committed to ensuring fair and equal opportunities for all employees and candidates. CMS has established a recruitment process that prevents discrimination, promotes equality, and strictly adheres to ethical standards. Working conditions and employment figures are managed and monitored in full compliance with applicable laws. This ensures a fair, secure, and supportive working environment for all our employees.

In line with our principles of equality and ethical compliance, no incidents of discrimination were reported or identified during the reporting period. This underscores the success of our robust ethical policies and their effective implementation across the company. CMS remains dedicated to strengthening diversity and inclusion, providing all employees with a safe, equitable, and sustainable working environment.

Through our ongoing commitment to these principles, we contribute to the long-term satisfaction and success of our workforce while supporting broader social responsibility goals.

(GRI 3-3, 401-1, 401-2, 401-3, 405-1, 405-2)

Workplace Accidents

At CMS, prioritizing the safety and health of our employees is a core commitment. Through our accident prevention training programs and Occupational Health and Safety (OHS) Management System practices, we have achieved a significant reduction in workplace accidents over the years. Nonetheless, our ultimate goal remains unwavering: **zero workplace accidents**.

Our continuous improvement approach in OHS not only ensures safe working conditions for our employees, enhancing their individual well-being, but also contributes to achieving our social sustainability goals. By actively involving our employees in safety initiatives, we strengthen our workplace safety culture and reaffirm our dedication to social responsibility.

Social Security - Retirement Plan

Aligned with our social sustainability vision, CMS actively supports employees in building financial security for the future and provides a system that continues to benefit them even after leaving the company.

For white-collar employees who have completed one year of service, we offer a **company-contributed private pension plan**, further enhancing their financial security. This initiative enables employees to grow their personal savings and benefit from CMS's contributions to the retirement system if they choose to leave the company.

With this system, we aim to safeguard both the current and long-term financial well-being of our employees, contributing to the creation of a sustainable and resilient workforce.

Recognizing Long-Serving Employees

At CMS, we deeply value the dedication and contributions of our long-serving employees. To honour their commitment, we present service awards to employees who have completed 10, 15, 20, 25, 30, or more years with the company. These awards, in the form of plaques, symbolize our respect for their loyalty and the

significant impact they have had on our success. This recognition program highlights our appreciation of employee contributions and reflects our commitment to fostering a culture of respect and gratitude.

CMS DigiTalent Management Software: HR Portal and CMS Academy

At CMS, digital transformation is at the forefront of our human resources strategy. By leveraging modern technologies, we aim to enhance employee development and streamline HR processes. Developed in collaboration with our IT department, the CMS DigiTalent platform integrates all human resources activities under one roof, including the **HR Portal and CMS Academy**.



Human Resources Approach and Practices

While supporting the development of our employees, we also enhance the efficiency and transparency of processes, reinforcing our approach to social sustainability.



This platform facilitates comprehensive management of HR processes, from recruitment to training requests (behavioural, professional, technical, and language skills). It also simplifies training approval workflows, budget planning, tracking annual training schedules, and documenting completed training. Moreover, the system supports performance management, enabling the monitoring of employee development and evaluations in a seamless, transparent manner. By promoting digital solutions, we not only support the development of



our employees but also enhance efficiency and accountability across all HR processes, reinforcing our dedication to social sustainability.

Strengthening Our Communication Network

In today's rapidly evolving technological landscape, effective communication is more critical than ever. As a company with facilities across various locations, the speed and efficiency of communication are paramount. To address this, we have continuously enhanced and diversified our communication channels, embracing the possibilities offered by digitalization.

Our intranet mobile application, Bizbize, and digital boards launched during the pandemic remain essential tools in our communication ecosystem. In 2023, we responded to 2,102 notifications received through Bizbize, ensuring ongoing communication. Additionally, 40 surveys were conducted, gathering 40,755 responses that were digitally reported. Personalized messages were sent to 8,982 employees, ensuring that every team member felt engaged and informed.



Recognizing that face-to-face communication is irreplaceable, we took a step further in 2023 by introducing the CMSensin project.

CMSensin

The CMSensin project was launched to create a direct and approachable communication channel for all employees. Through this initiative, employees voluntarily campaigned to become Communication Ambassadors and were selected through employee voting. These ambassadors, representing both blue-collar and white-collar staff, are available for employees to reach out with their questions, suggestions, or concerns.

The CMSensin project team conducts monthly meetings to review feedback and requests gathered by the Communication Ambassadors. These issues are then shared with the relevant departments for resolution. This structured approach allows us to respond to employee feedback more swiftly and ensure efficient resolutions.

Employee Training and Development

Through our online recruitment process, we minimize environmental impacts by reducing physical meetings and travel.



(GRI 404-1, 404-2)

Recruitment, Placement, and Orientation

Recruitment

Our recruitment processes fully capitalize on the advantages offered by digitalization. Candidate interviews and evaluation stages are conducted fairly and transparently through online platforms, enabling us to reach more candidates faster than ever. Managerial candidates, both internal and external, are evaluated through assessment centers. This approach not only enhances our recruitment process but also aligns with our sustainability goals. By adopting a paperless and eco-friendly talent acquisition strategy, we contribute to resource conservation, carbon footprint reduction, and sustainable production practices. The online recruitment process helps us minimize physical meetings and travel, further reducing our environmental impact.

Guided by our commitment to diversity and inclusion, we ensure equitable treatment for all candidates during the recruitment process. Candidates are assessed based on their qualifications, regardless of gender, age, disability, race, ethnicity, religion, or belief. Our CMSerüven and Strong Future programs integrate students and recent graduates into the workforce, equipping them with valuable experience in the dynamic automotive industry. We provide these young talents with training opportunities and mentorship programs.

Additionally, employees with disabilities are placed in roles suited to their abilities, while our local employment policies contribute to socio-economic development.

Our fully digital onboarding and orientation process is constantly refined to provide candidates and new employees with detailed guidance. Satisfaction levels of new hires are evaluated throughout their onboarding journey, and their feedback is collected. Automated online surveys are sent at key milestones during recruitment, orientation, the 15th day, the 2nd month, and the 6th month. These surveys provide valuable insights: recruitment and orientation surveys evaluate the overall process, the 15-day survey focuses on administrative needs and equipment, the 2-month survey assesses interdepartmental relationships, and the 6-month survey measures the adaptation of new hires who have fully assumed their roles. This feedback-driven approach ensures we support candidates and new employees at every stage, addressing any concerns and fostering a smooth transition.

By leveraging digitalization and adhering to principles of sustainability, diversity, and inclusion, we manage our recruitment processes fairly and effectively for all.

Employee Training and Development

In today's world, where intellectual capital is gaining importance, we continuously shape our business processes to expand it, at all times.

CMS Academy

As the Talent Management department, we simultaneously conduct training and development activities across all CMS Group locations, ensuring equal opportunities for all employees. In line with legal requirements, customer expectations, and the objective of empowering employees in their career journeys, we implement various training programs designed to enhance operational efficiency and individual growth.

We view each employee as an essential part of our team and prioritize their success as integral to the company's achievements. With a focus on supporting employee development in technical and behavioural domains, we shape our processes to expand intellectual capital, which is increasingly critical in today's business landscape.

Our training and development procedures are strategically aligned with the company's plans and policies. These include planning and monitoring training activities to meet

customer demands, comply with quality management systems, and enhance the effectiveness of business operations.

The annual increase in employee satisfaction, as indicated by our Employee Satisfaction Survey results, reflects the success of our diverse initiatives and contributes significantly to team motivation.

A culture of continuous learning has become an integral part of our corporate identity. Employees are encouraged to participate in training programs aligned with their job roles and personal interests, which are integrated into their OKR (Objective Key Result) goals. To support learning, an online platform offers a variety of training courses and resources in different formats.



Internal Trainer Program

We continually refine our programs, and this year we revisited the Internal Trainer Program. Following a successful application, selection, and evaluation process, the program launched on November 24, Teachers' Day, with the participation of selected trainers and managers. Fifteen employees began their training, and upon program completion in 2024, these trainers will serve as internal instructors.

Group Leadership Development Program

The career progression of our blue-collar employees is a significant priority. Each year, we implement the Group Leadership Development Program. The recruitment team manages the selection process, while the training team develops content to support employee growth. This program serves as a stepping stone for entry-level management roles, enabling participants to advance in their careers. In 2023, 33 employees participated in the program.



Quality Management System Training

Enhancing employee competence in Quality Management Systems critical for our industry is a top priority. Throughout the year, we conduct face-to-face and online training sessions, including basic information, internal auditor, and awareness training for all relevant systems.

Customer Expectation-Oriented Training

Meeting customer expectations is a top priority for employees at all levels and departments. Training requests are shaped with these expectations in mind during budget planning. We also address changing needs promptly, equipping employees with necessary qualifications.

Employee Training and Development

Throughout the year, we conduct fundamental training sessions for all Quality Management Systems.

Foreign Language Training

Given the international nature of our customer portfolio and modern business demands, foreign language training has become increasingly important. Employees dedicate time outside of work to improve their language skills, which are monitored through progress reports.

Technical and Behavioural Competency Training

Competency tracking is conducted in technical and behavioural categories. Gap analyses are performed using defined competency sets for job roles, and training plans are created accordingly. Progress is monitored post-training to ensure employees meet the required competency levels.

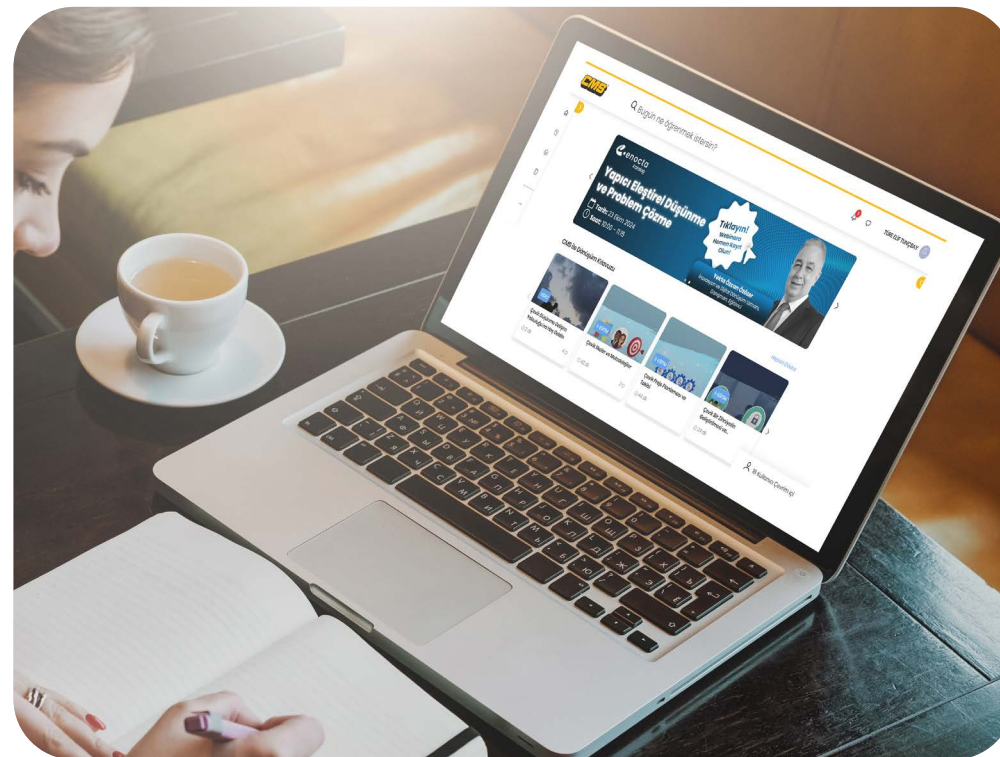
OKR Process

We transitioned from traditional Performance Management to the OKR (Objective Key Result) process, focusing on adaptability and goal alignment.

Key Benefits of OKRs:

- Prioritizing company objectives and focusing on them.
- Ensuring transparency and clarity across teams and departments.
- Embedding the company's vision and mission through OKRs.

By breaking objectives into smaller, manageable goals, employees can achieve their targets more effectively, enhancing job satisfaction and motivation.



Training Type

	Blue Collar (Hours)	White Collar (Hours)
OHS Trainings (Online)	0.25	0.94
Environmental Trainings (Online)	0.18	0.42
OHS Trainings (Classroom)	3.59	7.61
Environmental Trainings (Classroom)	0.23	0.73
	Blue Collar (Hours)	White Collar (Hours)
Total (Online)	1.45	3.62
Total (Classroom)	14.21	45.66

Employee Training and Development

We are proud to have received the Bronze Award in the “Talent Management Strategy Development” category at the 2023 Human Capital Management Excellence Awards.

Our Awards

- We were honoured with the Gold Award in the “Evaluation Culture” category at the Peoplise Digital Human Resources Awards.
- At the Employer Brand Stars Awards, a global and objective employer brand recognition program, we proudly received the Gold Award in the “Onboarding” category, celebrating effective recruitment and orientation practices in 2023. Additionally, we were awarded the Silver Award in the “Graduate Recruitment Programme” category, recognizing programs that help organizations achieve their strategic goals by hiring recent graduates.
- At the 2023 Brandon Hall Group Human Capital Management Excellence Awards, we were thrilled to win the Bronze Award in the “Talent Management Strategy Development” category for our outstanding initiatives.
- We take pride in announcing that we won the Bronze Award in the “Best Leadership Development Program” category at the 2023 Stevie® Awards, where more than 1,000 companies from various industries and cultures worldwide participated.
- For another year, we were honoured with the prestigious “Respect for People Award” in 2023, presented by Kariyer.net, one of Türkiye’s most prestigious accolades.
- We were delighted to be recognized as finalists in the “Excellence in Recruitment and Retention” category at the HR Brilliance Awards, organized by BOC Global Events & Training Group in London, offering training and event services to corporate companies across a wide geography from Europe to Africa.

- At the Global Business Excellence Awards, hosted by Awards Intelligence with an independent and expert jury panel, we proudly won awards in the “Best Business Transformation” category. Similarly, at the Best Business Awards, we were honoured with the “Best Training & Development Program” award.
- In the TOP 100 Talent Program 2023, determined by thousands of professionals and students, we are proud to announce that our Strong Future program was once again ranked 1st in the “Automotive (Sub-industry)” category.



Occupational Health and Safety

In line with our Occupational Health and Safety (OHS) Policy, we remain steadfast in providing a safe and healthy working environment across all our facilities.

Occupational health and safety have always been a top priority at CMS, and this year, it has once again taken center stage as one of our foremost commitments.

You can access our Occupational Health and Safety Policy via our website: <https://www.cms.com.tr/en/corporate/our-policies#section-occupational-safety>

Acting in compliance with national and international laws, directives, and agreements, we are committed to maintaining safe and healthy working conditions in all our facilities. Guided by our Occupational Health and Safety Policy, we ensure a comprehensive and effective approach to workplace safety.

Our primary focus within our facilities is to foster a culture of safety that starts with the individual and extends to their surroundings, ensuring heightened awareness at all levels. We implement intensive and systematic efforts to strengthen a proactive understanding of occupational health and safety, involving

the active participation of employees at every level. These efforts are supported by the necessary investments to maintain and improve safety. Furthermore, we view all stakeholders within our factory boundaries, including subcontractors, as integral members of the CMS Family.

At CMS, the foundation of our OHS structure lies in the unwavering commitment of top management. This dedication serves as the cornerstone of all our activities and management systems. Through our Occupational Health and Safety Policy, this commitment is communicated to all stakeholders, reinforcing a shared responsibility. Areas requiring improvement are identified through regular internal and external audits. The findings of these audits guide the review of our management system. Corrective actions are promptly initiated and closely monitored in accordance with the principle of continuous improvement, ensuring the sustained enhancement of our occupational health and safety practices.

(GRI 3-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9)



Occupational Health and Safety

At CMS, we carefully design training programs to elevate our employees' occupational health and safety competencies to the highest standard.



Occupational Health and Safety Management System and Risk Assessments

Our risk assessment activities are conducted step by step and on a location-based framework in collaboration with a dedicated risk team. This team comprises a safety specialist, workplace physician, employee representative, maintenance representative, and relevant department managers. Risks identified during these analyses are digitally documented, scored, and prioritized, enabling the dynamic tracking of corrective actions. For each identified risk, we adhere to the hierarchy of control measures,

(GRI 3-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9)

implementing steps in the following order: elimination, substitution, engineering controls, administrative controls, and the provision of personal protective equipment (PPE). After taking these measures, we ensure that risks are reduced to an “acceptable” level and share the results with all employees, including comprehensive briefings for newly hired personnel.

Our Occupational Health and Safety (OHS) Management System, guided by a risk-based thinking approach, enables proactive identification of risks and ensures that preventive measures are integrated into processes from the outset.

Employees can report hazardous situations, ideas, or suggestions through digital platforms such as Kaizen, Kalben, or the CMS Biz Bize application. Notifications from these platforms are incorporated into risk analyses by OHS specialists, reviewed collaboratively with area managers, and appropriate measures and actions are promptly decided.

Additionally, monthly environmental and occupational health and safety performance reports are shared with all employees, supporting ongoing awareness and proactive improvement efforts.

Occupational Health and Safety Training

At CMS, we carefully design and implement OHS training programs to elevate our employees' awareness and competencies regarding workplace health and safety to the highest level. These programs are planned annually based on assessed needs and executed consistently throughout the year to foster a continuously improving safety culture.

Our OHS training aims not only to provide employees with theoretical knowledge but also to empower them to apply this knowledge in daily work settings. To reinforce our safety culture and encourage active employee participation, we deliver training in the following areas:

Risk Analysis and Assessment: Equipping employees with the ability to identify, assess, and mitigate risks effectively.

General Occupational Health and Safety: Educating all employees on the foundational principles of OHS.

Accident Investigation and Root Cause Analysis: Developing skills to analyze past incidents and prevent recurrences by addressing root causes.

Emergency and Fire Safety: Preparing employees for emergencies and ensuring correct intervention procedures.

Chemical Management: Enhancing awareness of chemical handling safety to minimize risks.

Personal Protective Equipment (PPE): Promoting proper PPE usage to maximize protection.

Ergonomics: Improving workplace ergonomics for healthier, more productive work environments.

While these trainings are primarily conducted by in-house experts, external specialists are engaged as needed to provide additional insights and broaden perspectives.

Occupational Health and Safety

We integrate a strong safety culture into every aspect of our work and actively encourage its adoption across all levels.

Shift-Start Meetings: Embedding Safety from the Beginning

To instil daily awareness about occupational health and safety, we hold shift-start meetings at the beginning of every shift, attended by all employees. These meetings serve as a crucial platform for addressing OHS priorities and fostering open communication with employees.

The primary agenda in every meeting is occupational safety a testament to CMS's commitment to prioritizing employee well-being. These gatherings provide updates on

current safety topics, issue reminders, and outline preventive measures, keeping the culture of safe working practices alive and robust. By reiterating the message, "Our employees are our priority," we emphasize our collective responsibility for maintaining a safe and healthy working environment.

At CMS, our foremost priority across all facilities is fostering a safety consciousness that begins with individual employees and extends throughout the workplace and beyond. This approach aims to create an environment where employees prioritize their safety and that of their peers.

To strengthen this culture, we conduct frequent training programs, awareness campaigns, on-site practical exercises, and various initiatives aimed at enhancing safety awareness. These efforts ensure that the safety culture is seamlessly integrated into every aspect of operations, encouraging active participation from every employee in minimizing potential risks.

To sustain this culture, we carry out comprehensive and systematic efforts involving employees at all levels, including management. Feedback mechanisms allow employees to actively share their views and suggestions, which are evaluated and addressed through necessary investments in tools and resources. By doing so, we continuously enhance awareness and embed a deep-rooted safety culture within CMS.

Emergency Drills and Training

The identification and management of all potential emergencies that may occur during workplace activities are governed by Emergency Plans, meticulously prepared for each facility. These plans outline how to respond to various emergencies, including intervention methods, and are regularly updated to ensure readiness for the most effective response. Our Emergency Plans, developed under the frameworks of Occupational Health and Safety (OHS) and Environmental Management Systems, are implemented across all areas where production and service activities occur. These plans encompass systematic response strategies, including prevention, protection, search and rescue, and first aid measures, tailored to the specific needs of each facility. Continuous evaluation and improvement are integral to these processes.

The plans include comprehensive preventive and mitigating measures for situations such as fires, earthquakes, floods, leaks or spills, pressurized container leaks or explosions, sabotage, liquid metal spills or splashes, natural gas leaks, epidemics (infectious diseases), poisonings, and other environmental emergencies. These plans are designed to ensure the fastest and most effective response to potential risks.



Occupational Health and Safety

Daily meetings are conducted to heighten awareness among employees about occupational health and safety practices.

Annual emergency drills and training sessions are conducted regularly to raise awareness, enhance preparedness, and enable our employees to respond effectively in emergency situations. These drills

and training programs are reviewed and updated annually to reflect the latest best practices, ensuring workplace safety and reinforcing employees' knowledge and practical skills.

Occupational Health and Safety Information System

We have digitized our Occupational Health and Safety (OHS) processes across all locations to establish a system-based monitoring mechanism. This transition enhances the efficiency and traceability of our safety efforts.

Our Digital OHS System facilitates the tracking and management of various processes, including such as risk assessments, nonconformity tracking and corrective actions (DÖF), field inspections, meeting management, emergency and drill coordination, environmental measurements, periodic maintenance monitoring, chemical process management, mandatory OHS training, and ergonomic analyses.

24/7 Infirmiry Service

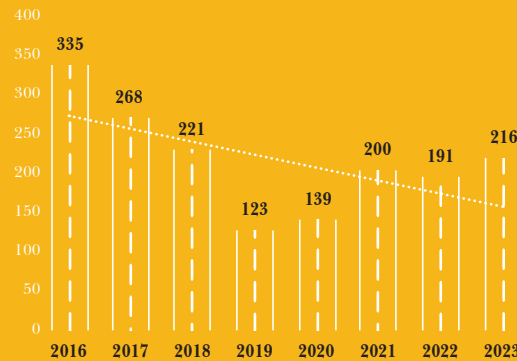
To provide immediate medical assistance in case of accidents, our facilities are equipped with 24/7 infirmiry services. This ensures that any emergency receives prompt attention, safeguarding the health and safety of our employees at all times.



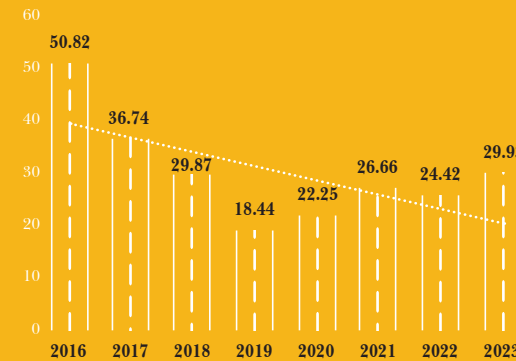
Occupational Health and Safety

We continuously refine and enhance our annual drills and training sessions to ensure optimal workplace safety during emergencies.

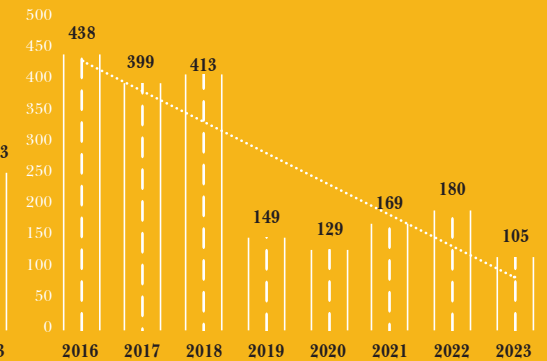
Lost Time Injury Count



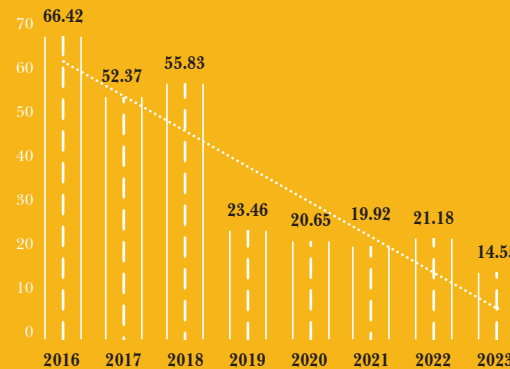
Lost Time Injury Frequency Rate



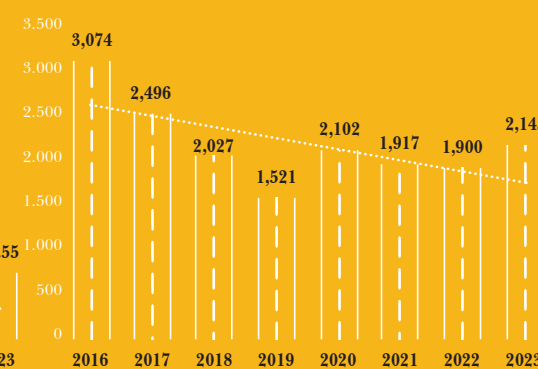
Number of First Aid Cases



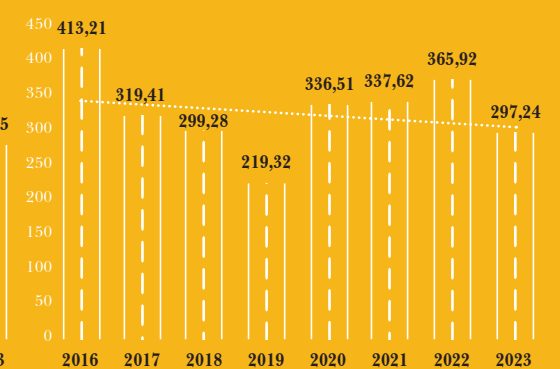
First Aid Case Frequency



Accident Lost Days



Accident Severity Rate



Our Contributions to Society

We proudly communicate all our social responsibility initiatives under the banner of CMSizinle through every internal and external channel.

From the very beginning, we have operated with a deep understanding that the foundation of our growth and success lies in “people.” Guided by this belief, one of our core corporate social responsibility principles is to foster the development not only of our employees but also of society at large. We strive to make a meaningful impact across various fields, including education, health, the environment, and culture and the arts.

Beyond creating economic value through employment opportunities in our region, we actively engage in projects designed to enhance the social well-being of our community. As of 2023, we have unified all our social responsibility projects under the CMSizinle initiative. This program serves as the focal point for communicating and organizing our efforts to contribute to society, both within and outside the company.

With CMSizinle, our mission is to provide opportunities for employees who are eager to participate in social responsibility projects but struggle to find time in their daily lives.

At the same time, we aim to connect other employees with disadvantaged groups, instilling a sense of social responsibility and raising awareness. By fostering empathy and human connection, we empower our workforce to make a tangible difference.

In addition to our ongoing sponsorships and social aid efforts with universities, associations, and foundations, CMSizinle has also paved the way for new collaborations with non-governmental organizations, further expanding the reach and impact of our social responsibility mission.



Social Responsibility Projects We Undertook in 2023

Education:

We collaborated with the TEGV Gümüşpala Learning Unit in our region to initiate a long-term project aimed at making a meaningful impact. In the first phase of this initiative, our dedicated employee volunteers worked to beautify the learning unit's garden, creating a more enjoyable and engaging activity space for children. This effort not only provided a greener and cleaner environment for the children but also set the stage for the second phase of our project.

In the second phase, with the support of our Recruitment Team, we focused on benefiting TEGV Volunteers. On December 5, World Volunteer Day, we conducted training sessions and mock interviews for

TEGV Volunteers who were still pursuing their studies or had recently graduated and were in search of employment. These sessions aimed to equip them with insights and skills for navigating recruitment processes effectively. Furthermore, our running team played a vital role by participating in races throughout 2023 to raise awareness and expand the reach of donation campaigns for TEGV.

Additionally, in the realm of education, we served as the main sponsor for the IEEE DEU PELS Formula Racing Team, the first Formula Student Team from Dokuz Eylül University in İzmir. Through this sponsorship, we supported the development of local university students in areas closely related to our industry, fostering their growth and innovation in the field.

Our Contributions to Society

As emphasized in our social responsibility policy, we view creating value for the society we live in as one of our core responsibilities.



Health:

In the realm of health, we continue our support to the Patient Children's Homes Association, aiming to provide accommodation for more children and their families who travel to our region from other cities for medical treatment. Through annual donations made on behalf of the CMS Group, we help alleviate the challenges faced by these families. In 2023, we expanded this effort by offering our volunteer employees the opportunity to contribute individually, setting up the association's stands in our cafeterias.

(GRI 3-3)



Building on our collaboration with LÖSEV (The Foundation for Children with Leukemia), which began the previous year, we furthered our efforts in 2023 through stand activities and the Wish Tree Project. This heartwarming initiative allowed us to bring the New Year's wishes of children battling leukaemia to life, fostering hope and joy during the holiday season.

Other Initiatives:

In our commitment to social responsibility, we strive to go beyond education and healthcare by forging partnerships with diverse NGOs to reach various disadvantaged groups. In 2023, we collaborated with the Street Soup Kitchen Association to support individuals living on the streets, worked with the IZBB PAKO Street Animals Social Life Campus to improve living conditions for shelter animals, and partnered with the Foundation for the Support of Women's Work to empower women earning livelihoods through their craftsmanship.

Furthermore, we consistently contribute to cultural and athletic growth in our community by sponsoring the KSK Sports Club and the Izmir State Symphony Orchestra, showcasing our dedication to fostering culture, arts, and sports.

As outlined in our social responsibility policy, creating value for the society we are part of remains one of our core obligations.

This commitment became even more pronounced in February 2023, following the catastrophic Kahramanmaraş earthquake that affected 11 provinces. In response, we established a crisis desk and mobilized efforts in collaboration with NGOs, national, and local authorities. With the invaluable support of our employees, we delivered essential aid to the disaster-stricken regions, including medical supplies, shelter, food, heating equipment, and clothing, aiming to provide relief and help heal the wounds of those affected.



Our Contributions to Society

Throughout the year, we organize motivational activities to share meaningful moments with our employees and participate in diverse events beyond work.

Motivational Activities

When our employees are happy, so are we!

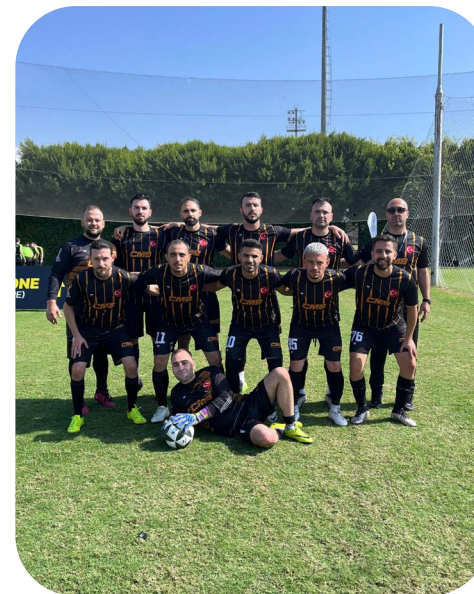
We recognize that true success is not solely the result of hard work; employee motivation is a key pillar of our achievements. With this understanding, we organize a variety of motivational activities throughout the year to connect with our employees, foster camaraderie, and create moments of joy beyond the workplace.

Our running, football, and basketball teams actively participate in tournaments, bringing energy and team spirit to every event. Additionally, we host in-house ping-pong and backgammon tournaments, welcoming participation from all employees and encouraging friendly competition. To include families in the celebration, we

offer opportunities for our employees and their loved ones to attend KSK Volleyball matches and Izmir State Symphony Orchestra performances. Continuing a beloved tradition, we host an April 23 National Sovereignty and Children's Day Art Competition, where children of our employees showcase their creativity. This joyful event brings families together for a day of shared pride and celebration.

Each month, we honour outstanding contributions by recognizing the "Employee of the Month," sharing their success with the entire team. At the end of the year, we host department-specific dinners, providing an opportunity for colleagues to strengthen bonds and celebrate their collective accomplishments.

We also take great pride in recognizing loyalty and dedication through our "Seniority Awards" ceremony. This year, we celebrated employees who have been with CMS for 10, 15, 20, 25, 30, and even 35 years, expressing our gratitude for their invaluable contributions to the company's success.



Our Contributions to Society

With the introduction of the “Special Days Calendar” in 2023, we aim to enhance our employees’ awareness by spotlighting significant days and weeks.



(GRI 3-3)

PZT	SAL	ÇAR	PER	CUM	CMT	PZR
				1	2	3
4	5	6 Dünya Stres Farkındalık Günü	7	8	9	10 Atatürk'ü Anma Günü
11	12	13	14 Dünya Sinema Günü	15	16	17
18	19	20 Dünya Çocuk Hakları Günü	21	22	23	24 Öğretmenler Günü
25 Kadına Yönelik Şiddete Karşı Uluslararası Mücadele Günü	26	27	28	29	30	

2024 Kasım Özel Gün Takvimi

CMS

Diverse Initiatives: Special Days Calendar

In 2023, we introduced the “Special Days Calendar” to highlight significant days and weeks, aiming to draw our employees’ attention to topics beyond work, enhance awareness, and create opportunities for gatherings through various events within the company.

As part of this initiative, we organized special celebrations for the 100th Anniversary of Our Republic, designed posters for World Quality Day, and shared awareness articles prepared by our doctors on health-related days. Additionally, we marked fun occasions like World Pizza Day by featuring themed meals in our cafeterias.

— Environmental Impact Management

In line with our sustainability strategies, we undertake comprehensive efforts across various areas to minimize the environmental impacts arising from our activities.

Our Environmental Policy, established in accordance with the ISO 14001 Environmental Management System standard, ensures that our operations are carried out with a sustainability-focused approach. Sustainability is at the core of our operations, and we are committed to enhancing our environmental performance each year through a continuous improvement mindset.

You can access our Environmental Policy at <https://www.cms.com.tr/en/corporate/our-policies#section-environment>

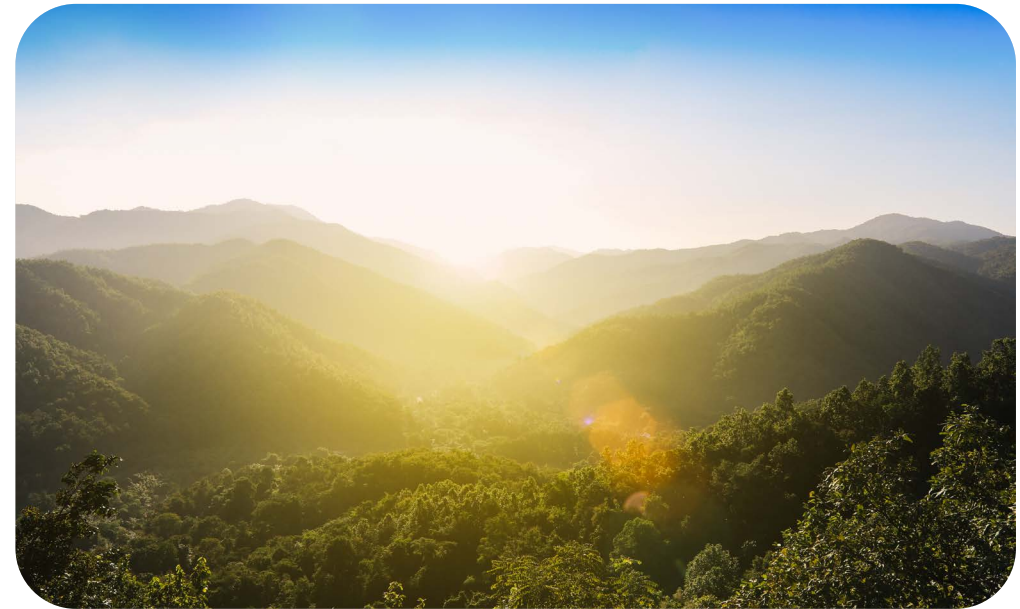
Guided by our sustainability strategies, we strive to minimize the environmental impacts of our operations through comprehensive efforts in areas such as water conservation, aluminium recycling, waste management (5R applications), energy efficiency, and emission reduction. These initiatives are supported by regular measurement and reporting. In line with our established goals, we aim to continually improve our environmental performance

and take the necessary actions to achieve these objectives. By doing so, we contribute to the conservation of natural resources and focus on minimizing our negative impact on the environment.

By elevating our environmental awareness, we closely monitor our impacts and establish short-, medium-, and long-term strategies to enhance our performance. With the goal of minimizing environmental effects, we develop eco-friendly solutions within our business processes and invest in environmentally conscious projects.

Environmental Impact, Risk, and Opportunity Management

We regularly evaluate and review our environmental impacts, risks, and opportunities. Through these assessments, we identify potential risks in advance and plan preventive and corrective actions. This approach, implemented to continuously improve our environmental performance, makes our business processes more sustainable.



Environmental Impact Assessment Updates

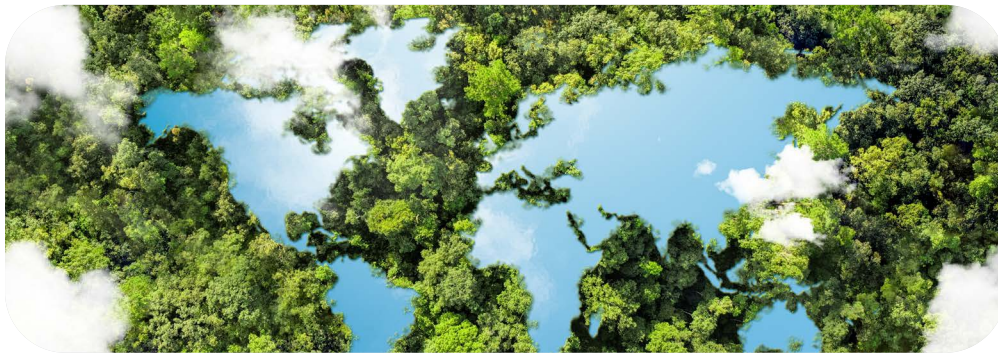
We update our environmental impact assessments in cases that may lead to significant changes in environmental effects, such as process and equipment changes, capacity increases, or the addition of new products or equipment. Additionally, we revise these assessments based on emergencies, findings identified during external audits, stakeholder requests, or changes in compliance obligations. This ensures that our environmental management processes remain current and aligned with applicable requirements.

Change Management

We have established methods and responsibilities to effectively evaluate, and control planned, temporary, or permanent changes that could affect the performance of our Occupational Health and Safety, Environmental, and Energy Management Systems. These methods provide an efficient control mechanism for managing environmental changes within our business processes and ensure the sustainability of our operations.

Environmental Impact Management

We conduct our operations guided by our Energy Policy, established in compliance with the ISO 50001 Energy Management System standard.



Our Environmental Policy

As Türkiye's first and one of the world's leading producers of lightweight alloy wheels, CMS is committed to continuous improvement through an effective Environmental Management System. From raw material selection to every stage of production and service operations, CMS provides all necessary resources to achieve its environmental principles and targets.

To achieve this goal, we commit to:

- Meeting the environmental expectations of all parties related to business processes impacting the Environmental

Management System, as well as complying with all legal requirements.

- Assessing the environmental outcomes directly and indirectly affected by our organization through a risk-based thinking approach.
- Reducing environmental impacts on water, soil, air, land use, biodiversity, and raw materials throughout the value chain by analyzing ecological effects, developing anti-deforestation policies, and striving for a positive environmental impact.
- Conducting our operations with respect for animal welfare throughout our processes.

- Taking accountability for waste management and environmental impact outcomes related to the Environmental Management System.
- Providing the necessary resources to achieve planned environmental management system goals and to promote continuous improvement.
- Recognizing the long-term direct and indirect impacts of climate change on our production activities and supply chain, calculating greenhouse gas emissions, defining our Greenhouse Gas Reduction strategies, and reducing our carbon footprint.
- Being aware of our responsibility to human health and natural life, undertaking efforts to reduce VOC emissions and environmental noise.
- Working on energy efficiency initiatives and considering renewable energy opportunities.
- Using water resources efficiently and reducing water consumption.
- Conducting production activities in a manner that minimally affects air and water quality.
- Using technical and financial resources to prevent pollution and protect the environment by segregating waste at its source, reducing the use of natural resources, monitoring the results of these efforts, and maintaining control.
- Operating with an awareness of chemical management responsibility by ensuring that the selection, use, and disposal of chemicals cause minimal harm to the environment.

- Providing the necessary education, information, and resources to involve all stakeholders in our Environmental Management System, evaluating their contributions, and encouraging their participation.
- Focusing on the use of recyclable materials within the life-cycle framework and prioritizing the use of environmentally friendly materials where applicable.

Energy and Climate Change Management

Energy efficiency and combating climate change are integral components of our sustainability policy. We manage our operations in line with our Energy Policy, which was established in compliance with the ISO 50001 Energy Management System standard. To optimize energy use and more effectively combat climate change, we are transitioning to clean and renewable energy sources. With this belief, we recognize that the most efficient and environmentally friendly methods of energy use lie in clean energy. We shape our investment plans accordingly, aiming to reduce energy consumption while minimizing our carbon footprint.

You can access our Energy Policy on our website: <https://www.cms.com.tr/en/corporate/our-policies#section-energy>

Environmental Impact Management

We are actively working on innovative and sustainable solutions to reduce emissions and advancing projects designed to accelerate the adoption of clean energy.

Through the Greenhouse Gas and Emissions Management System we established under the ISO 14064-1 standard, we continuously monitor and measure greenhouse gas emissions. Based on this data, we work on innovative and sustainable solutions to reduce emissions and develop projects that accelerate the transition to clean energy use. With our short-term action plans, we aim to enhance energy efficiency in our operations, reduce our carbon footprint, and minimize our environmental impact. Clean energy transition projects are integrated into both our current processes and advanced further through the adoption of new technologies.

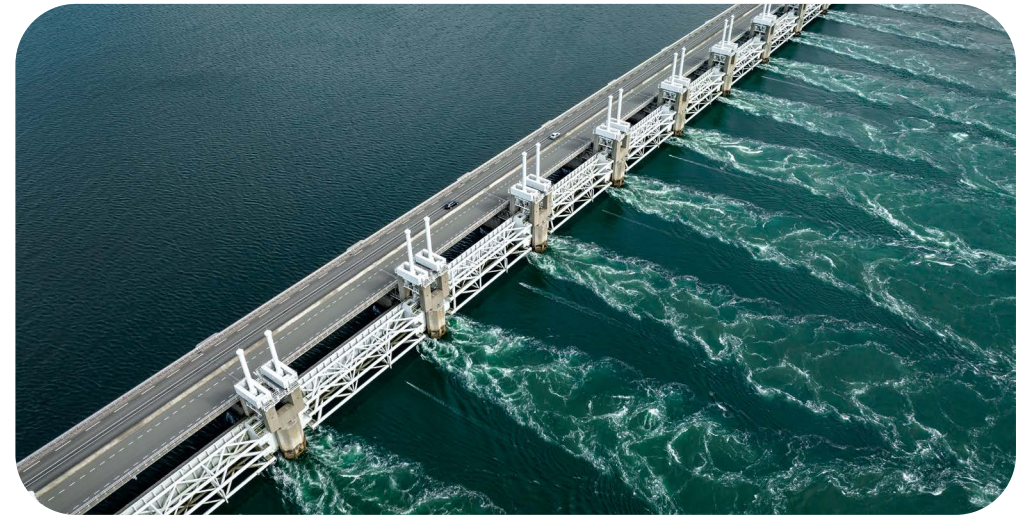
To effectively manage risks that may arise from climate change, we thoroughly evaluate the primary global, national, and organizational risks that could affect our operations and the longevity of our assets. Within this scope, we develop strategies to turn climate risks into opportunities, aiming to minimize the adverse effects that climate-related risks may pose. To build resilience against potential global climate events,

we prepare short-, medium-, and long-term plans. These plans not only ensure operational sustainability but also accelerate the adoption of environmentally friendly practices, strengthening the organization's ability to adapt to climate change.

Through these strategies, we aim to become more resilient and adaptive to the challenges posed by climate change, both environmentally and operationally, while maintaining our sustainable growth trajectory.

Water Management

We design our water management strategies in alignment with national and international standards, the objectives set forth in climate change conferences, the specific needs of the sector we operate in, and the unique characteristics of our geographical region. At CMS, we are fully aware of our responsibility to use natural resources efficiently. With this awareness, we undertake comprehensive initiatives aimed at enhancing water efficiency, optimizing wastewater management, conserving water resources, and ensuring sustainability.



These initiatives not only help us reduce our water consumption but also offer long-term solutions to preserve existing water resources for future generations.

Waste Management

Within the scope of our sustainability strategies, waste management plays a critical role in conserving natural resources and reducing our environmental impact. Through meticulously designed waste management plans, we focus on minimizing waste at its source, rigorously monitoring recycling and reuse processes, and implementing safe disposal methods in line with environmental compliance.

Circular Economy

With the recovery license we have obtained, we aim to contribute to environmental sustainability. Under this license, we will produce recycled aluminium. This recycled aluminium will be used as raw material in our production processes, enabling us to reduce natural resource consumption and support the circular economy approach.

The use of recycled aluminium is of great importance for environmental sustainability. In particular, the significantly lower emission factor of recycled aluminium will allow us to substantially reduce our carbon footprint. Since the recycling process requires considerably less energy compared to primary aluminium production, energy efficiency will improve, and the positive impact on the environment will increase.

Energy and Climate Change Management

As a key initiative in the fight against climate change, we are dedicated to advancing projects focused on the use of renewable energy and the reduction of emissions.

Climate change stands as one of the most pressing global challenges, deeply impacting the automotive sector. Addressing this issue requires the automotive industry to invest in low-carbon technologies and establish sustainable business models, which are critical for long-term viability.

Aluminium production, particularly during the electrolysis stage, is highly energy intensive. As such, the aluminium industry contributes significantly to global carbon emissions. In response to the growing emphasis on climate change mitigation, governments and regulatory authorities are imposing stricter measures to reduce carbon emissions. This trend is driving aluminium producers to adopt low-carbon production technologies and shift to renewable energy sources.

Additionally, climate change exacerbates environmental challenges like water scarcity. Water plays an essential role in aluminium production, both in energy generation and refining processes. The depletion of water resources could severely disrupt production operations, increasing the pressure on producers to implement more efficient and sustainable water management strategies.

(GRI 3-3, 305-1, 305-2, 305-3, 305-4, 305-5)

Climate Risk Management and Sustainability Committee

The CMS Board of Directors, through the Sustainability Committee, regularly assesses climate risks. While prioritizing the company's social, environmental, and economic interests, the Board addresses risks and opportunities arising from climate change as a key focus area. Within this framework, strategic decisions are made to implement measures against climate risks and to seize new opportunities aligned with our sustainable growth objectives.

As a crucial step in the fight against climate change, we are advancing projects that focus on renewable energy utilization and emission reduction. In this scope, we conduct pre-feasibility studies and investment initiatives to enhance the use of renewable energy sources and reduce our carbon footprint. Guided by our strategic plans for the short, medium, and long term, we are committed to achieving our clean energy transition and emission reduction goals.



By increasing the use of renewable energy and raising the share of green aluminium in our processes, we actively promote environmentally friendly production practices. These strategic actions not only align with our environmental sustainability goals but also bolster our competitive advantage in the industry.

Since 2015, the company has calculated its Scope 1 and Scope 2 emissions, and from 2020 onward, Scope 3 and Scope 4 emissions including upstream supply chain emissions have also been included. Our greenhouse gas emission calculations and management adhere to the 2018 version of the ISO 14064-1 standard, and third-party verification has been conducted since 2020. This approach enables us to evaluate comprehensively not only the activities within our direct boundaries but also the processes outside them that we influence or are influenced by. At all group company facilities, emissions released into the atmosphere are measured by hourly mass flow rate (kg/h) and monitored against regulatory threshold values.

In alignment with the Paris Climate Agreement's objective of limiting global warming to below 2°C preferably 1.5°C by 2100, we aim to improve our total carbon emissions by approximately 75% by 2030. To achieve this ambitious target, we hold Carbon Emission Reduction Review Meetings with the participation of multiple departments. Key initiatives from these meetings include progressively increasing our Renewable Energy Certificate (I-REC) purchases over five years and expanding our procurement of Green Aluminium (primary aluminium produced using renewable energy) and secondary aluminium.

Life Cycle Assessment

Life Cycle Assessment (LCA) calculations have been performed for 1 kg of a wheel, with evaluations conducted to represent all our product groups. In line with these analyses, actions will be implemented within our action plan to optimize sustainability initiatives. Future activities will be shaped by these calculations, and systematic improvements will be made to minimize environmental impacts.

LCA values for 1 kg of our wheel:

Raw Material-Based (kgCO ₂ eq)	9.54
Production-Based (kgCO ₂ eq)	1.85
Transportation-Based (kgCO ₂ eq)	0.96
Total (kgCO ₂ eq)	12.35

Energy and Climate Change Management

2023 Greenhouse Gas Verification Data

Carbon Footprint Intensity – Revenue: 0.0029 tons CO₂e/revenue

Category	Total (ton CO ₂ eq)	Subcategory	Emission Type	Emission Source
1	79,949.16	1.1 Fixed Combustion Source Direct Emissions	Fixed Combustion	Natural Gas
		1.1 Fixed Combustion Source Direct Emissions	Fixed Combustion - Generator	Diesel
		1.1 Fixed Combustion Source Direct Emissions	Fixed Combustion - Fire Pump	Diesel
		1.2 Mobile Combustion Source Direct Emissions	Mobile Combustion - On Road	Diesel
		1.2 Mobile Combustion Source Direct Emissions	Mobile Combustion - On Road	Gasoline
		1.4 Leakage Emissions from Anthropogenic Systems	Leakage Emissions	Refrigerant Gas Leaks
		1.4 Leakage Emissions from Anthropogenic Systems	Leakage Emissions	Fire Suppression System Gas Leaks
		1.4 Leakage Emissions from Anthropogenic Systems	Anthropogenic System Emissions	Dry Ice Consumption
2	89,437.82	2.1 Purchased Electricity Indirect Emissions	Purchased Electricity	
3	134,816.26	Transportation Source Emissions	WTT - All fuels	
		3.1 Transportation of Raw Materials Indirect Emissions	Transportation of Raw Materials Emissions	
		3.2 Transportation of Products Indirect Emissions	Transportation of Products Emissions	
		3.3 Employee Commute Indirect Emissions	Employee Commute Indirect Emissions	
		3.5 Business Travel Indirect Emissions	Business Travel Emissions - Flights	



Energy and Climate Change Management

Category	Total (ton CO ₂ eq)	Subcategory	Emission Type	Emission Source
4	1,301,588.57	4.1 Purchased Materials Indirect Emissions	Raw Material Emissions	
		4.1 Purchased Materials Indirect Emissions	Water Supply Indirect Emissions	
		4.1 Purchased Materials Indirect Emissions	Purchased Packaging Indirect Emissions	
		4.2 Purchased Capital Goods Indirect Emissions	Capital Goods Indirect Emissions	
		4.3 Solid and Liquid Waste Disposal Indirect Emissions	Waste Indirect Emissions	
		4.3 Solid and Liquid Waste Disposal Indirect Emissions	Waste Transport Indirect Emissions	
		4.3 Solid and Liquid Waste Disposal Indirect Emissions	Water Treatment Indirect Emissions	
		4.5 Other Indirect Emissions (Category 4)	Wheel Service Indirect Emissions	
		4.5 Other Indirect Emissions (Category 4)	Catering Service Indirect Emissions	
5	562.09	5.3 End-of-Life Emissions of Products	End-of-Life Indirect Emissions of Products	
6	8,149.23	6. Other Indirect Emissions	Electricity Transmission & Distribution	

Energy Efficiency

We remain unwavering in our commitment to sustainability efforts in energy management, driven by our goal of leaving a more livable world for future generations.

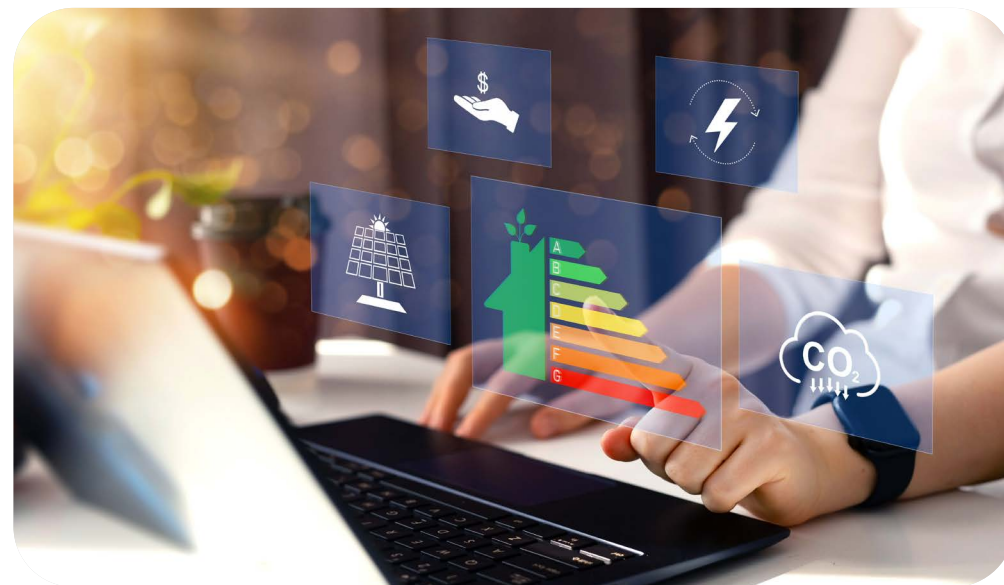
Natural Gas Savings in 2023

5,000,000 kWh/year

Electric Energy Savings in 2023

7,348,270 kWh/year

Energy management is one of our strategic priorities under our company's sustainability commitment. To enhance energy efficiency and reduce our carbon footprint, we implement various innovative solutions. In this context, we integrate energy-saving technologies into our production processes, optimizing our energy consumption. We are making extensive investments in transitioning to renewable energy sources and have deployed energy monitoring systems to track our consumption in real-time. Through continuous training on energy efficiency, we raise awareness among employees and collaborate with stakeholders to establish a sustainable energy management model. We remain unwavering in our commitment to sustainability efforts in energy management, driven by our goal of leaving a more livable world for future generations.



As a company, we aim to lead our industry in energy management and implement the best practices. To achieve this, we ensure compliance with international energy management standards and adhere to the principle of continuous improvement. In the years ahead, we will continue to invest in new technologies and innovative solutions to further reduce energy consumption and increase our reliance on renewable energy.

Last year, as part of our Energy Efficiency Improvement Project (EEIP), we expanded several initiatives across all our facilities, resulting in continuous gains in energy efficiency. In alignment with our vision for a future where energy is used efficiently, we aim to inspire other companies in the industry by sharing the successes and

experiences we've achieved in energy management. In October 2023, following the approval of our EEIP application, we initiated a project that is expected to save approximately 5,000,000 kWh/year in natural gas energy. Additionally, under an Agile project to improve our compressed air system, we achieved an estimated 7,348,270 kWh/year in electricity energy savings. Moreover, with the commissioning of our Rooftop Solar Power Plant (GES) project in February 2023, we made our energy consumption more sustainable, producing 2,108,700 kWh of green energy annually. Looking ahead, we plan to further expand our investments in GES projects, reinforcing our contribution to sustainable energy sources and ensuring long-term environmental stewardship.

Energy Efficiency

The distribution amounts of energy sources in our four production facilities in 2023:

Pınarbaşı

Energy Type	2023 Energy Source Distribution		
	kWh/year	TEP	TJ
Electricity	44.652.699,68	3.840,13	160,76
Natural Gas	93.658.618,35	7.262,06	304,02
Total	138.311.318,03	11.102,20	464,78

Çiğli-2

Energy Type	2023 Energy Source Distribution		
	kWh/year	TEP	TJ
Electricity	27.144.068,70	2.334,39	97,73
Natural Gas	45.128.038,54	3.499,12	146,49
Total	72.272.107,24	5.833,51	244,21

Çiğli-1

Energy Type	2023 Energy Source Distribution		
	kWh/year	TEP	TJ
Electricity	54.003.184,65	4.644,27	194,43
Natural Gas	102.442.718,00	7.943,16	332,53
Total	156.445.902,65	12.587,44	526,96

Gaziemir

Energy Type	2023 Energy Source Distribution		
	kWh/year	TEP	TJ
Electricity	99.820.561	8.585	359
Natural Gas	202.854.013	15.729	658
Total	302.674.575	24.313	1.018

Energy Efficiency

Energy Savings Achieved Through Maintenance, Optimization, and Energy Leak Mitigation Efforts in 2023

Facility	Implementation Date	Project Name	Energy Type	Scope	Year	Achieved Annual Savings
Gaziemir	1.03.2023	Agile Project (Compressor Efficiency Project)	Electricity	Agile	2023	7,348,274
Çiğli-2	1.02.2023	GES Project	Electricity	GES	2023	2,108,701
Çiğli-1	1.02.2023	SEO-3 Waste Heat Recovery (Economizer)	Natural Gas	EEIP-Expansion	2023	856,900
Çiğli-1	1.02.2023	SEO-1 Waste Heat Recovery (Economizer)	Natural Gas	EEIP-Expansion	2023	821,943
Çiğli-1	1.02.2023	SEO-2 Waste Heat Recovery (Economizer)	Natural Gas	EEIP	2023	817,641
Çiğli-1	1.06.2023	Reduction of Hot Water Boiler Set Value	Natural Gas	Immediate Action	2023	394,400
Gaziemir	1.01.2023	AAT-1 Revision	Natural Gas	Project	2023	300,000
Çiğli-1	Every Shutdown	Burner Maintenance of SEO-1, 2, and 3 Furnaces	Natural Gas	Periodic	2023	257,175
Çiğli-1	Every Shutdown	Burner Maintenance of Heat Treatment	Natural Gas	Periodic	2023	201,823
Çiğli-1	1.09.2023	EEIP Work, Compressor Optimization (Variable Flow)	Electricity	EEIP	2023	192,000
Pınarbaşı	Every Shutdown	Burner Maintenance of SEO-1, 2, and 3 Furnaces	Natural Gas	Periodic	2023	180,000
Çiğli-1	1.08.2023	Installation of Automation System in Heat Treatment Furnace-1 and Transfer of Flue Gas Waste Heat to Aging Section	Natural Gas	EEIP-Expansion	2023	166,117
Çiğli-1	1.08.2023	Installation of Automation System in Heat Treatment Furnace-2 and Transfer of Flue Gas Waste Heat to Aging Section	Natural Gas	EEIP	2023	166,117
Pınarbaşı	Every Shutdown	Paint Shop Burner Maintenance	Natural Gas	Periodic	2023	125,000
Çiğli-2	1.08.2022	Evaluation of Opportunities Identified After Energy Audit Measurements	Natural Gas	Project	2023	120,000
Pınarbaşı	Every Shutdown	Heat Treatment Burner Maintenance	Natural Gas	Periodic	2023	115,000

Facility	Implementation Date	Project Name	Energy Type	Scope	Year	Achieved Annual Savings
Çiğli-1	Every Shutdown	Paint Shop Burner Maintenance	Natural Gas	Periodic	2023	104,641
Çiğli-1	Every Shutdown	AAT Furnace Burner Maintenance	Natural Gas	Periodic	2023	100,223
Çiğli-1	1.01.2023	Feeding Drying Furnace with Flue Gas from AAT Facility	Natural Gas	VAP	2023	95,947
Çiğli-2	Every Shutdown	Andres Furnace Burner Maintenance	Natural Gas	Periodic	2023	92,999
Çiğli-2	Every Shutdown	Paint Shop Burner Maintenance	Natural Gas	Periodic	2023	70,760
Çiğli-2	Every Shutdown	Heat Treatment Burner Maintenance	Natural Gas	Periodic	2023	61,100
Çiğli-1	1.08.2022	Compressor Optimization Based on Production Variability	Electricity	Immediate Action	2023	60,000
Çiğli-2	1.08.2022	Compressor Optimization Based on Production Variability	Electricity	Project	2023	60,000
Pınarbaşı	1.07.2023	Replacement of Paint Shop Liquid Paint Oven Burners	Natural Gas	Immediate Action	2023	59,400
Gaziemir	Every Shutdown	Paint Shop A-B-C Burner Maintenance	Natural Gas	Periodic	2023	54,633
Gaziemir	Every Shutdown	Chip Melting Facilities AAT 1-2 Burner Maintenance	Natural Gas	Periodic	2023	48,333
Çiğli-1	1.07.2022	A Common Collector Built on Chiller Lines, Allowing One Chiller to Be Shut Down	Electricity	Immediate Action	2023	47,520
Pınarbaşı	1.12.2022	SEO-3 Waste Heat Recovery	Natural Gas	VAP	2023	34,928
Çiğli-2	1.09.2022	Energy Optimization of Nursaç Suction Fans	Electricity	Hemen Yap	2023	34,320
Gaziemir	Every Shutdown	Hot Water Boilers 1-2 Burner Maintenance	Natural Gas	Periodic	2023	12,960
Pınarbaşı	1.11.2023	Recovery of Flue Gas Waste Heat from AAT Chip Melting Furnace Using Economizer for Preheating Hot Water Return	Natural Gas	VAP	2023	2,776

Waste Management

To reduce the environmental impacts of our supply chain processes, we are actively developing eco-friendly packaging solutions.

In line with our motto, **Leave Behind a Future, Not Waste**, we continue to implement waste management initiatives across all our facilities. Waste management is a cornerstone of our environmental sustainability strategy, and our waste management plans, developed in accordance with ISO 14001 Environmental Management System requirements, are applied effectively at every stage. These plans prioritize sustainable practices such as minimizing waste at its source, recycling, and reusing materials, while ensuring that waste requiring disposal is managed in an environmentally responsible manner.

We recognize that waste management is critical to the efficient use of natural resources and the creation of a sustainable production-consumption cycle. To this end, we continuously monitor the waste potential of our operations and take every precaution to minimize waste generation at each stage. All waste generated through our activities is managed in compliance with legal regulations and waste management plans, adhering to the waste management hierarchy. Processes for waste classification, recycling, and disposal are diligently followed to minimize environmental impacts.



Recycling and Resource Efficiency

A large portion of the waste generated from our production activities, especially valuable materials such as aluminium chips and dross, is recycled and reintroduced into the production cycle as raw materials. Using advanced chip melting systems, we efficiently recycle aluminium waste. Additionally, we have obtained a Recovery License to increase the use of secondary resources and enhance resource efficiency.

Waste Management in Packaging and Logistics

In our packaging and logistics processes, we strive to minimize waste. By utilizing SNP (Supply Network Planning) software, we optimize orders and shipments, significantly reducing the use of packaging materials and waste. Furthermore, we are committed to designing environmentally friendly packaging solutions to mitigate the environmental impact of our supply chain.

Waste Management

At CMS, all waste is meticulously classified by type, recorded, and sent to licensed firms for recycling or disposal.

Non-Hazardous Waste Amount (2023)

8,438 Tons

Hazardous Waste Amount (2023)

2,545 Tons

Waste Classification and Disposal

At CMS, all waste is meticulously classified by type, recorded, and sent to licensed firms for recycling or disposal. These processes are overseen by our Environmental Department in full compliance with legal regulations and our waste management plan. When waste accumulates in sufficient quantities, it is sent to licensed firms approved by the Ministry of Environment, Urbanization, and Climate Change for disposal, in adherence to environmental regulations.

Chemical and Hazardous Waste Management

To mitigate environmental risks, we equip our production areas with emergency kits for chemical spills and use impermeable flooring in chemical handling zones. During the reporting period, there were no significant spills or leaks.



Employee Training and Awareness

To foster awareness of waste management, we provide regular training to all employees on environmental and waste management practices. Additionally, monthly reports prepared by our HSE and Environmental Senior Directorate track waste consumption levels and are shared with all employees. This collective awareness improves the efficiency of our waste management processes and supports our environmental goals.

In 2023, a total of 10,983 tons of waste was generated, all of which was sent to licensed firms for recovery or disposal. Of this, 96% underwent appropriate recovery processes, while 4% was disposed of. By continuously improving our recycling systems, we aim to enhance environmental sustainability and set an exemplary standard in waste management.

Water and Wastewater Management

We are committed to making water use more efficient and promoting the reuse of treated water in industrial processes.

Total Water Consumption (2023)

828.9 megaliters

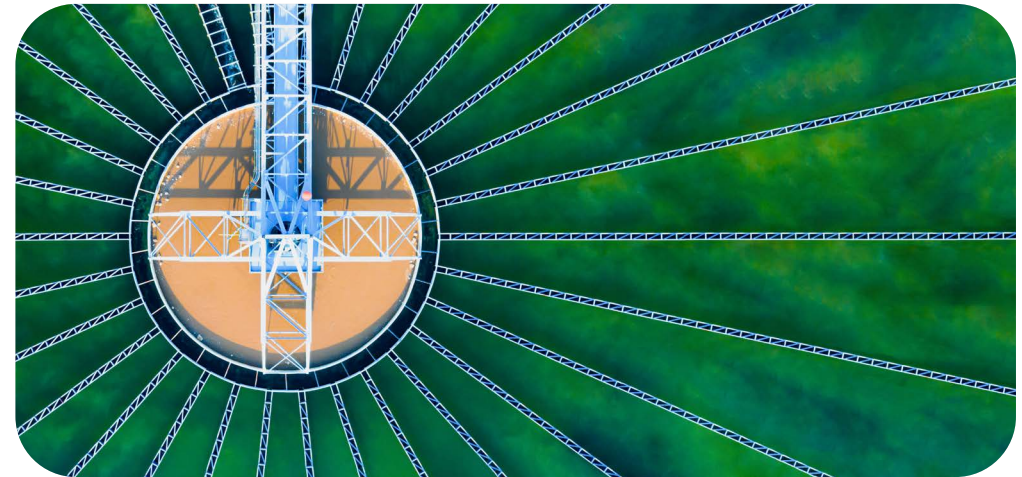
Total Wastewater (2023)

746.2 megaliters

We have shaped our water management roadmap in alignment with national and international standards, climate change targets, and the requirements of the ISO 14001 Environmental Management System. We recognize water as a critical resource for business continuity and cost management. Accordingly, we take deliberate steps across all our facilities to ensure efficient water use and minimize environmental impacts.

Water Consumption and Management

Water plays an essential role in CMS facilities, supporting production processes such as metalworking, painting, and cooling, as well as meeting the needs of our employees. We monitor water consumption at each facility, set performance indicators, and develop plans aligned with our sustainability goals. Risk and opportunity analyses are conducted using CMS's risk and opportunity scoring methodology, which considers financial, reputational, operational, and regulatory impacts. These analyses form the basis for short-, medium-, and long-term action plans.



Water Treatment and Discharge

The water used in our operations is treated in accordance with local authority standards before being discharged. Parameters such as pH, COD (Chemical Oxygen Demand), and TSS (Total Suspended Solids) in the discharged wastewater are continuously monitored to ensure compliance with legal limits.

Efficiency and Reuse

We actively pursue initiatives to improve water efficiency and encourage the reuse of treated water in industrial processes. To this end, we implement water recycling projects across all our facilities, minimizing the environmental footprint of water use throughout its lifecycle.

Rainwater Recycling Projects

At our Gaziemir plant, the Rainwater Recycling System, commissioned in 2013, features a storage capacity of 500 m³ and a treatment capacity of 36 m³/h. In 2023, we launched a new rainwater recycling system at our Çiğli-2 facility, with a goal to recycle 10,200 m³ of rainwater annually. These projects contribute directly to the conservation of water resources and enhance the sustainability of our production processes.

Water Consumption and Wastewater Figures (2023)

- Total Water Consumption: 828.9 megaliters
- Total Wastewater: 746.2 megaliters

Our water management policy goes beyond preserving current resources; it also prepares us for future risks related to water scarcity. By optimizing water use, we safeguard the sustainability of our operations while proactively addressing environmental challenges.



Appendix -1 Performance Indicators

Employees (By Gender)

2023	Blue-collar	White-collar	Total
Male	2,902	516	3,418
Female		165	165
Total	2,902	681	3,583

Breakdown of Employees by Region

Regions	Blue-collar	White-collar	Total
Mediterranean Region	5	3	8
Eastern Anatolia Region	77	5	82
Aegean Region	163	33	196
Southeastern Anatolia Region	62	5	67
Central Anatolia Region	63	7	70
Black Sea Region	70	11	81
Marmara Region	8	9	17
Grand Total	448	73	521

Employees

Age Range	Blue-collar	White-collar	Total
<30	856	164	1,020
30-50	2,033	451	2,484
>50	46	33	79

Employees in Management Bodies (By Gender)

Executive	Senior Supervisor	Ratio
Male	79	72%
Female	30	28%

Employees in Management Bodies (By Age)

Age Range	Senior Supervisor
<30	6
30-50	98
>50	5



Appendix -1 Performance Indicators

Employees Covered by Collective Bargaining Agreement

2023

Employees Percentage	81%
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Breakdown of Employees by Gender

2023

Female	38
Male	483

Breakdown of Employees by Age Groups

Age Range	2023
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<30	339
30-50	182
>50	0

Male Employees on Parental Leave

2023

Days	872
People	181

Blood Donation/Unit

2023

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Education Aid

2023

People	1,366
Amount	TL 4,371,695.18

Number of Subcontracted Employees

2023

Cleaning Services	303
Security Services	45
Health Services	20

Environmental and OHS Trainings per Employee

2023

BLUE-COLLAR

WHITE-COLLAR

OHS Trainings (Online)	0.25	0.94
Environmental Trainings (Online)	0.18	0.42
OHS Trainings (In-class)	3.59	7.61
Environmental Trainings (In-class)	0.23	0.73

Appendix -1 Performance Indicators

Training Hours per Employee

2023	Blue-collar	White-collar
Online Training	1.45	3.62
In-class Training	14.21	45.66

Pınarbaşı

Energy Type	2023 Energy Source Distribution		
	kWh/year	TEP	TJ
Electricity	44,652,699.68	3,840.13	160.76
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Total	156,445,902.65	12,587.44	526.96

Çiğli-2

Energy Type	2023 Energy Source Distribution		
	kWh/year	TEP	TJ
Electricity	27,144,068.70	2,334.39	97.73
Natural Gas	45,128,038.54	3,499.12	146.49
Total	72,272,107.24	5,833.51	244.21

Gaziemir

Energy Type	2023 Energy Source Distribution		
	kWh/year	TEP	TJ
Electricity	99,820,561	8,585	359
Natural Gas	202,854,013	15,729	658
Total	302,674,575	24,313	1,018



Appendix -1 Performance Indicators

Waste Disposal Methods

Non-Hazardous Waste (tons)	2023
Reuse	
Recycle	8,104
Composting	
Recovery including energy recovery	
Waste burning (Collective burning)	
Other (to be determined by organization.)	
Deep well injection	
Burying	334
Storing at workplace	
Other	
Hazardous Waste (tons)	2023
Reuse	
Recycle	2,494
Composting	
Recovery including energy recovery	
Waste Burning (Collective Burning)	
Deep Well Injection	
Burying	51
Storing at workplace	
Other (To be determined by organization.)	

Water Management

Water Use	Megaliter
Total Water Consumption	828.9
Total Wastewater	746.2

Air Emissions

Air Emissions	PNB	GZM	ÇGL2	ÇGL
NOx (Kg/h)	1.96	5.00	1.85	1.27
SOx (Kg/h)	0.25	0.56	0.61	0.64
CO (Kg/h)	1.48	2.53	6.95	0.12
Particulate Matter (PM) (dust) (Kg/h)	1.50	1.19	0.10	1.03
Volatile Organic Compounds (TVOC)	0.74	0.68	0.01	0.70

*The results of stack emission measurement, which must be done every 2 years in accordance with the legislation, have been shared.

Appendix -2 GRI Content Index



**CONTENT INDEX
ESSENTIALS SERVICE**

2024

For the Content Index – Essentials Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders. The service was performed on the Turkish version of the Report.

Statement of use	CMS has reported in accordance with the GRI Standards for the period January 1 - December 31, 2023.
GRI 1:	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Since the sector standard for the automotive industry has not been prepared yet, no sector standard has been used.

GRI Standard	Disclosure	Title	Page Number
General Disclosures			
GRI 2: General Disclosures 2021	GRI 2-1 Organizational details	About the Report About CMS Our Production Facilities	6-7, 10, 16
	GRI 2-2 Entities included in the organization's sustainability reporting	About the Report	6-7
	GRI 2-3 Reporting period, frequency and contact point	About the Report	6-7
	GRI 2-4 Restatements of information	There is no revised statement regarding the information provided in previous reports.	
	GRI 2-5 External assurance	About the Report	6-7
	GRI 2-6 Activities, value chain and other business relationships	About CMS	10
	GRI 2-7 Employees	Human Resources Approach and Practices Appendix -1 Performance Indicators	46-50, 76-79
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	GRI 2-10 Nomination and selection of the highest governance body	Corporate Governance Structure and Committees	21-23
	GRI 2-11 Chair of the highest governance body	Corporate Governance Structure and Committees	21-23
	GRI 2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance Structure and Committees	21-23
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	GRI 2-14 Role of the highest governance body in sustainability reporting	Our Sustainability Management	24
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	GRI 2-21 Annual total compensation ratio	No data is shared	
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GRI 3: Material Topics 2021	GRI 3-3 Management of material topics	Ethics and Compliance	29
GRI 205: Anti-Corruption 2016:	GRI 205-1 Operations assessed for risks related to corruption	Ethics and Compliance	29
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GRI 206: Anti-competitive Behavior 2016	GRI 206-1 Anti-competitive behavior	Anti-Bribery and Anti-Corruption	30
GRI 405: Diversity and Equal Opportunity 2016	GRI 405-1 Diversity of governance bodies and employees	Human Resources Approach and Practices Appendix -1 Performance Indicators	46-50, 76-79
	GRI 405-2 Ratio of basic salary and remuneration of women to men	Human Resources Approach and Practices	46-50



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GRI 305: Emissions 2016	GRI 305-1 Direct (Scope 1) GHG emissions	Energy and Climate Change Management	67-69
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GRI 308: Supplier Environmental Assessment 2016	GRI 308-1 New suppliers that were screened using environmental criteria	Our Supply Chain	41-44
	GRI 308-2 Negative environmental impacts in the supply chain and actions taken	Our Supply Chain	41-44
GRI 414: Social Assessment of Suppliers 2016	GRI 414-1 New suppliers that were screened using social criteria	Our Supply Chain	41-44
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GRI 3: Material Topics 2021	GRI 3-3 Management of material topics	Our Human Resources Approach and Practices	46-50
GRI 401: Employment 2016	GRI 401-1 New employee hires and employee turnover	Our Human Resources Approach and Practices Appendix -1 Performance Indicators	46-50, 76-79
	GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Our Human Resources Approach and Practices	46-50
	GRI 401-3 Parental leave	Our Human Resources Approach and Practices Appendix -1 Performance Indicators	46-50, 76-79



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	GRI 403-3 Occupational health services	Occupational Health and Safety	55-59
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	GRI 403-5 Worker training on occupational health and safety	Occupational Health and Safety	55-59
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	GRI 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety	55-59
	GRI 403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety	55-59
	GRI 403-9 Work-related injuries	Occupational Health and Safety	55-59
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GRI 3: Material Topics 2021	GRI 3-3 Management of material topics	Employee Training and Development	51-54
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	GRI 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Product Quality and Safety	40
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GRI 418: Customer Privacy 2016	GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Information Security Management	31
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Criteria	GRI Reference
1.1 Legal Compliance	GRI 2-12, GRI 2-27, GRI 206-1
1.2 Anti-Corruption	GRI 206-1, GRI 308-1, GRI 308-2, GRI 414-1, GRI 416-2
1.3 Code of Conduct	GRI 2-12, GRI 2-23, GRI 3-3
2.1 Environmental, Social and Governance Policy	GRI 2-9
2.2 Leadership	GRI 2-9, GRI 2-10, GRI 2-13, GRI 2-14
2.3 Environmental and Social Management Systems	GRI 3-2, GRI 3-3
2.4 Responsible Supply	GRI 2-6, GRI 302-1, GRI 302-2, GRI 302-4, GRI 303-1, GRI 303-2, GRI 303-3, GRI 303-4, GRI 303-5, GRI 305-5, GRI 306-2
2.5 Environmental and Social Impact Assessment	GRI 2-23, GRI 3-2, GRI 3-3
2.6 Human Rights Impact Assessment	GRI 401-1, GRI 401-2, GRI 401-3, GRI 405-1, GRI 405-2
2.7 Emergency Response Plan	GRI 403-7
3.1 Sustainability Reporting	GRI 2-2, GRI 2-3, GRI 2-9, GRI 2-10, GRI 2-25, GRI 2-28, GRI 2-29, GRI 3-1, GRI 3-2, GRI 3-3, GRI 405-1, GRI 405-2, GRI 401-3
3.2 Non-Compliance and Liabilities	GRI 2-27, GRI 416-2
3.3 Payments to the Government	GRI 2-28, GRI 2-29, GRI 201-1, GRI 201-2
3.4 Stakeholder Complaints, Grievance Mechanism, and Information Requests	GRI 2-29
4.2- Product Design	GRI 3-3

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