



torunmetal.com

SUSTAINABILITY REPORT

2022

About The Report

This report is the 5th Sustainability Report of TORUN Endüstri Yatırım A.Ş. (Later referred as TORUN or TORUN Metal)

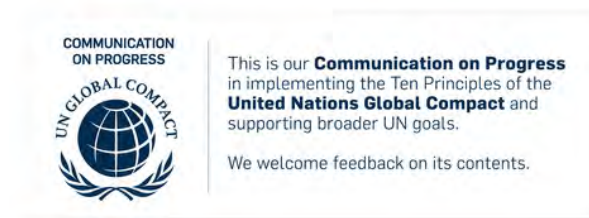
This report is presented to the opinions of its stakeholders in line with the strategy, policy, performance evaluations, transparency and accountability principles in the social, environmental, ethical and economic fields realized by the TORUN in 2022 within the scope of its sustainability performance.

Scope of The Report:

The information contained in this report covers the activities of TORUN between 1 January 2022 and 31 December 2022. While preparing the report, the sustainability standards of the UN Global Compact signed in 2019 were taken into account.

Access to the report by all stakeholders is a priority principle within the transparency and accountability framework. Therefore, the report can be accessed at the address “www.torunmetal.com”.

TORUN reports its sustainability performance on an annual basis.



TORUN has been a signatory to the UN Global Compact since 2019. It also manages its sustainability activities in a way that will take as a basis and support the principles of this contract. Read more on unglobalcompact.org



Letter From General Manager



Dear Stakeholders,

As TORUN Metal, with our mission of being a strategic partner of global brands, we strive to ensure the continuity of the employment and economic growth we create and to add new ones to our achievements. As one of the significant players in the metal industry, we put sustainability at the center of our business in every field we operate and take more decisive steps towards our commitments.

2022 was a year in which the concept of sustainability found more response from our employees and stakeholders at TORUN. Throughout 2022, we engaged in various activities to ensure environmental, social and economic sustainability. We have reduced our environmental impact, maximised energy efficiency, calculated our carbon footprint, and improved waste management.

While we improve our business, we have made the welfare, health and safety of our employees, who are the most fundamental assets of our sustainability, our priority. We focused on providing in-house training and development opportunities to employees at all levels and developing their skills. By improving our working conditions, we have increased the awareness of our colleagues on health and safety.

With our suppliers and collaborating stakeholders, who have provided us with great support in our sustainability journey, we aimed to increase the sustainability of our supply chain and strengthen our business relationships.

In addition to these, we did not ignore our social responsibility. We focused on creating social benefits by carrying out various social responsibility projects. We have strived to create awareness of sustainability both in our employees and in our environment.

With all these efforts, we are determined to strengthen our commitment to sustainability at TORUN and place it at the center of our business.

We are pleased to share all our work with you in our TORUN Metal 2022 Sustainability Report. Special thanks to all employees, who are the main components of our sustainability journey, and all our stakeholders who support us.

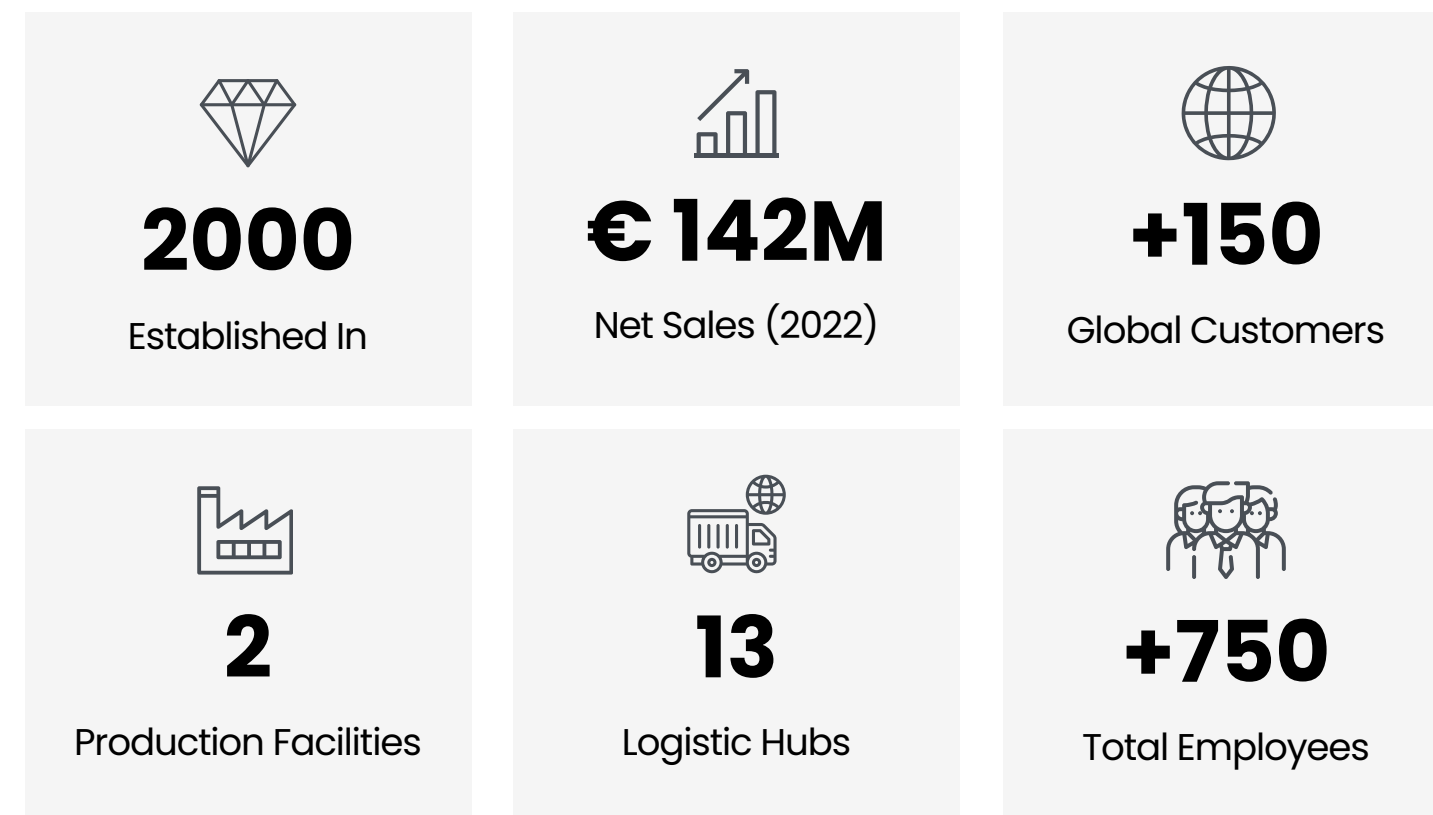
Gürbüz ERÇİN
General Manager

CORPORATE PROFILE

At A Glance

TORUN started its journey in 2000, built around one goal: To become the most preferred strategic partner of major industrial brands while having the leading expert staff and the latest technological abilities. Since the beginning, we have been working passionately to provide the best quality and service for our partners worldwide.

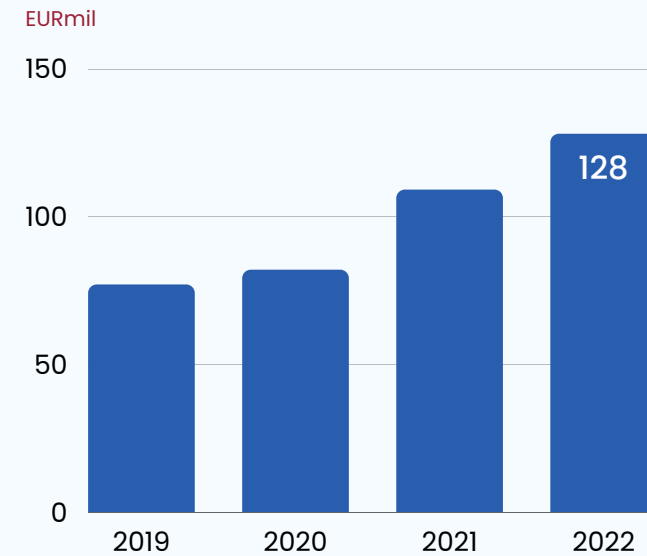
We process brass, aluminium, magnesium and stainless steel as per customer requirements in our strategically selected locations to provide the best quality and service wherever you are.



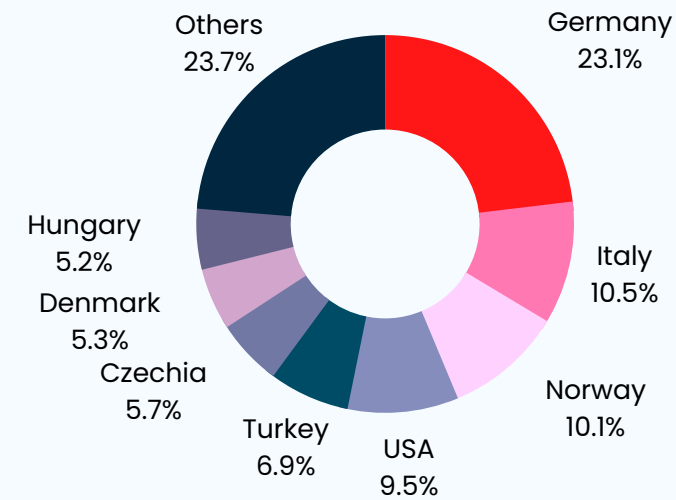
Financial Figures

TORUN BRASS

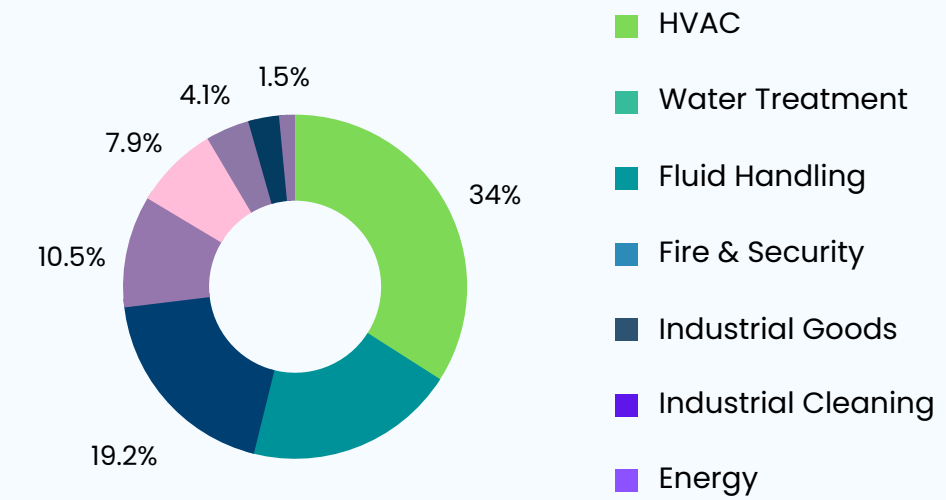
TOTAL SALES



SALES BY COUNTRIES

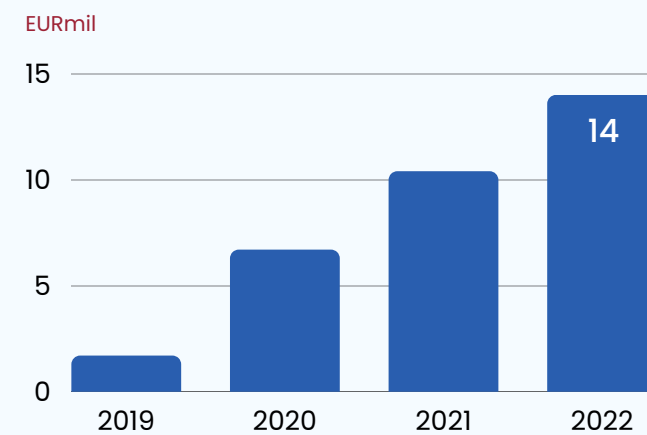


SALES BY SECTORS

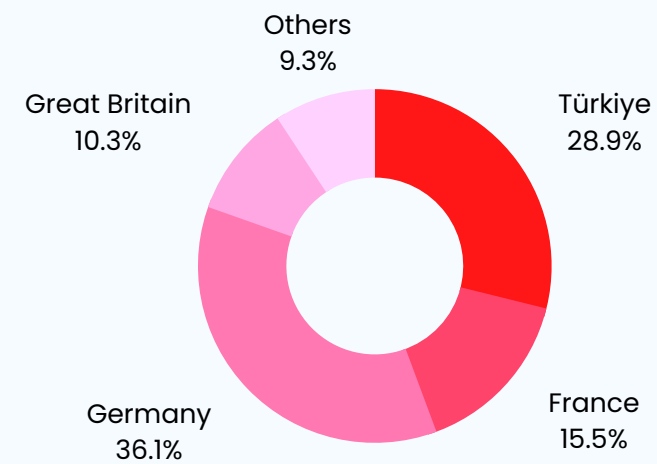


TORUN DIE CASTING

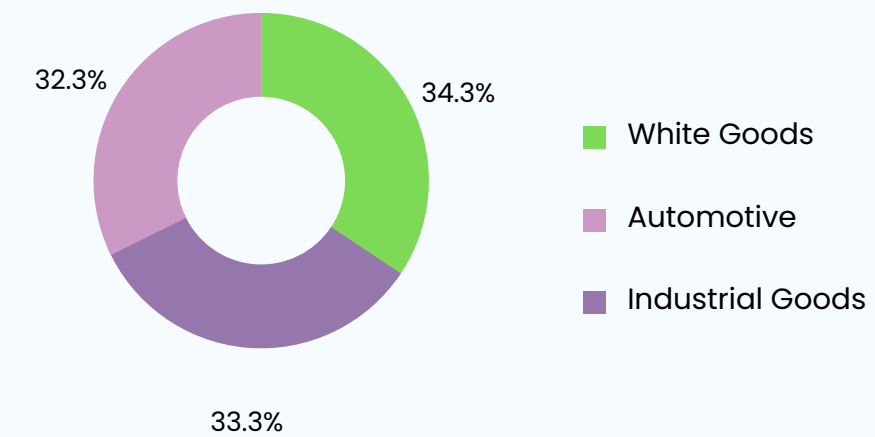
TOTAL SALES



SALES BY COUNTRIES



SALES BY SECTORS



Certifications



ISO 9001

Demonstrating our commitment to maintaining quality management standards and processes, this certification is a mark of credibility, indicating customer satisfaction.

- Brass Facility - Gebze, TR
- Aluminium Facility - Gebze, TR



ISO 10002

High customer satisfaction by implementing standardized principles and procedures with an effective and efficient complaints management system.

- Brass Facility - Gebze, TR



ISO 50001

We systematically manage and improve our energy performance with our energy efficiency projects. We reduce our greenhouse gas emissions, lower energy costs, and enhance our environmental sustainability.

- Brass Facility - Gebze, TR



ISO 14001

We manage our business operations with a high regard for our environmental responsibilities. We identify, prioritize, and manage environmental risks, as well as opportunities for improvement.

- Brass Facility - Gebze, TR
- Aluminium Facility - Gebze, TR



ISO 27001

We are dedicated to effectively managing and protecting the sensitive information of our stakeholders. We have robust information security measures, mitigating risks and ensuring confidentiality and integrity.

- Brass Facility - Gebze, TR



ISO 45001

We are committed to providing a safe and healthy work environment for our employees, customers and stakeholders. We have a proactive approach to managing risks and we strive for continual improvement in our health and safety performance.

- Brass Facility - Gebze, TR
- Aluminium Facility - Gebze, TR

CORPORATE GOVERNANCE

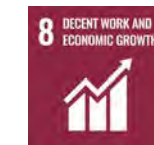
Occupational Health & Safety

At TORUN Metal, we seamlessly integrate sustainability into our occupational health and safety (OHS) procedures. Leveraging advanced strategies, we create a working environment that aligns with established OHS regulations and exceeds them. We engage in an ongoing mission to foster a safe, efficient workspace, striving for continuous improvement.

We place occupational safety at the forefront, prioritizing it above production. Supporting this commitment, we provide comprehensive training to our employees, reinforcing their understanding of and respect for safety protocols. We reinforce our commitment to maintaining a safe and efficient working environment throughout the year through rigorous field inspections, machinery safety audits, and systematic equipment checks.

We highly value and encourage our workforce to leverage the 'Near Miss and Suggestion System' for effective employee participation. We've integrated these mechanisms into our innovative digital platform, 'TORUN Idea Factory'. This novel integration empowers employees to easily report near-miss incidents and hazards, promoting a proactive safety culture. Since this implementation, we've seen a significant surge in safety reporting compared to previous years, signaling our employees' active engagement in safety procedures. Furthermore, we incentivize safety suggestions through a robust reward system that acknowledges employees for their contributions.

Above and beyond industry norms, TORUN abides by national and international legislation – we actively track these regulations, monitor their dynamic changes and meticulously assess their application within the TORUN Group Companies. As we grow and continually advance, we remain deeply committed to conformity with regulatory standards, reinforcing our role as an industry leader dedicated to safety, innovation, and success.



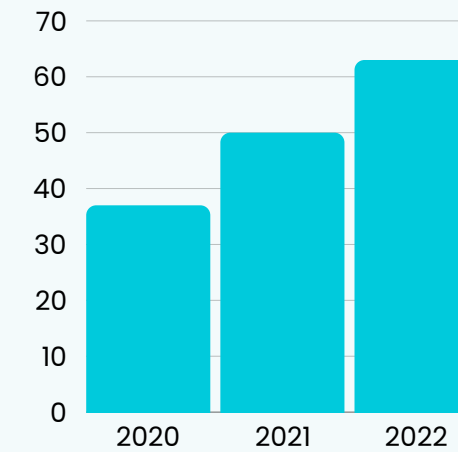
As an ISO 45001 certified company, we take improving employee safety, reducing workplace risks and creating better, safer working conditions seriously.

In 2022,

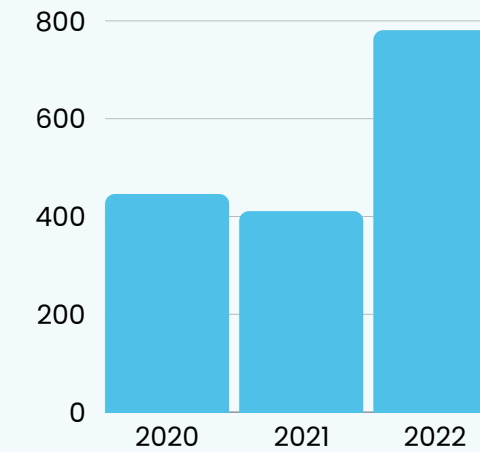
- Employment in the OHS unit has been increased and 3-shift OHS activities have started to be carried out.
- OHS quiz competition was held. In-house teams were formed and employee awareness was increased through gamification.
- A full-time workplace physician and 2 health officers started working. The infirmary has been renovated and all needs of the employees have begun to be met.
- Internal controls were added to work equipment and malfunctions were detected without waiting for periodic checks.
- The method in risk assessment has been changed and the risk assessment has been renewed with the Fine Kinney method.
- Toolbox training were increased and special training were organized for employee groups on 20 different subjects.
- By carrying out job hazard analysis studies, those responsible for routine work were included in the process and risks were managed at the source.
- Machinery safety inspections started in 2022, and systematic inspections were made to prevent machine-related accidents. We did not start this as a project within the system, but it has important outcomes for us. In 2022, 47 inspections were carried out and 248 actions were taken. This study allowed us to conduct a machine-specific examination and take precautions proactively before an incident occurs.

OHS Key Figures

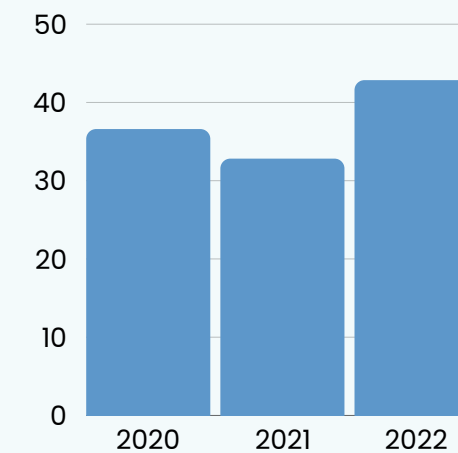
Total Accidents



Total Lost Days



Accident Frequency Rate



Ethics & Anti-Corruption



At TORUN Metal, we conduct our business ethically and transparently, endeavoring to pass these values onto our employees and future generations.

We cherish our business relationships, emphasizing ethics and transparency at every level. As participants in the United Nations Global Compact, we are committed to their 10th principle—acting against corruption.

Our company policies demand ethical business conduct, protection of company assets, and prevention of conflicts of interest. They also guide business partnerships, health and safety practices, and anti-corruption efforts. When rules are violated, we swiftly respond with appropriate disciplinary actions.

Our Ethics Committee is tasked with creating and maintaining our ethical guidelines, which include respecting individuals' personal data, preserving intellectual rights, preventing unfair competition and avoiding any form of corruption. We make sure these principles reach all employees and our extended company network.

We believe that ethical behavior is everyone's responsibility. Thus, we expect all our employees, suppliers, business partners, customers and stakeholders to report any conduct that falls short of our ethical standards.



Human Rights

Our primary goals are to maintain the TORUN Group's ever-developing and growing structure at the global level, its sustainability performance, its goal of continuous improvement, and its structure in line with human rights principles as a global player in its field of activity.

OUR RESPONSIBILITIES TO OUR EMPLOYEES

We take measures to eliminate components, designs, defects or side effects that are harmful to human life and health or that may threaten human life during the production, use or disposal of products. We comply with the highest environmental and occupational health and safety standards to ensure the safe operation of our facilities and protect our environment, our employees, our customers, and the community members with whom we do business.

We are constantly striving to make occupational safety, health, and environmental issues an integral part of all our activities and meet the public's increasing expectations in these areas. We believe that all injuries, occupational diseases, and occupational or environmental accidents are preventable. Our goal is that these never happen. Therefore, we encourage our employees to attach importance to safe behavior outside of work.

As a SEDEX-certified company, we comply with the requirements of labour standards, environmental responsibilities, business ethics, health and safety. At TORUN Group, we ensure that our employees' personal rights are fully and correctly used. We approach our employees honestly and fairly and commit to a non-discriminatory, safe, convenient and healthy working environment.

We make the necessary effort for the personal development of our employees, support them in volunteering for appropriate social and social activities with the awareness of social responsibility and observe the balance between business life and private life.

We accept the occupational safety and health of our employees as the main value. We carry out comprehensive and continuous training and regular audits in order to learn and correctly apply occupational safety laws.

We work in compliance with local and international environmental laws in all geographies where we operate. In particular, we actively take all the measures required by law regarding the release of substances into the air, soil or water. We make timely and full notification to the competent authorities in case of an accident related to releases or spills or in case of new information about chemicals that may pose a health threat.



Fair Working Environment

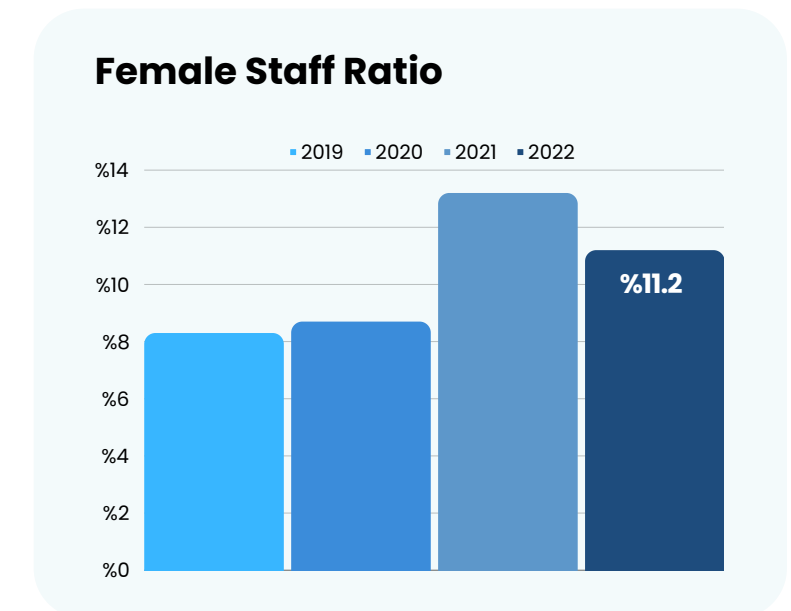
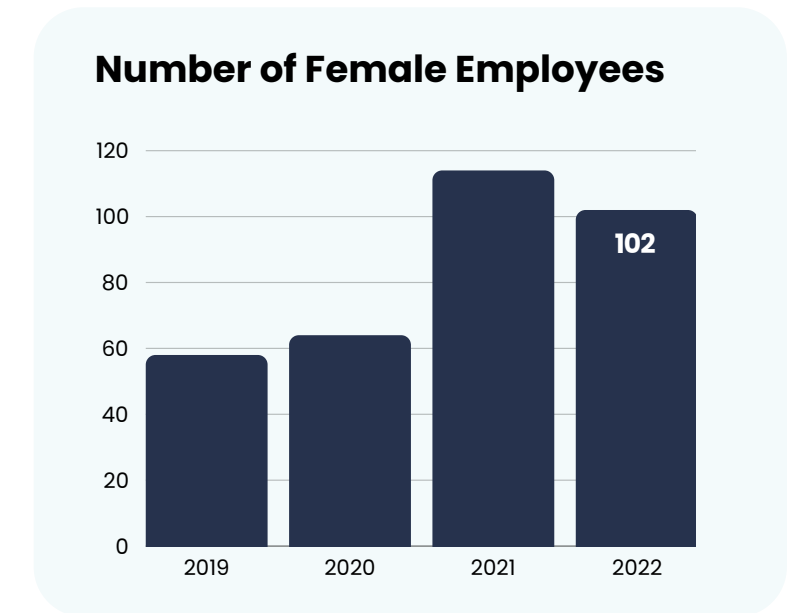
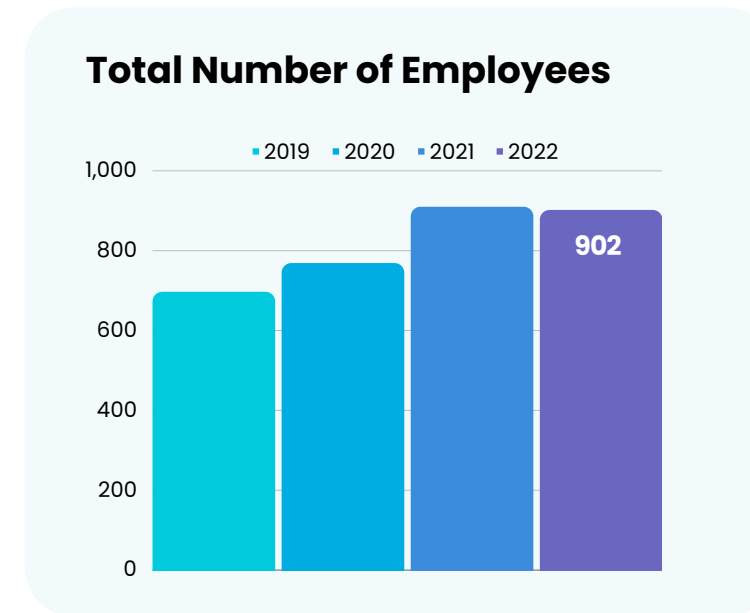
At TORUN Metal, we invest in creating and sustaining an equitable workspace for our employees who are our greatest assets. As a globally-minded, forward-thinking company, diversity and inclusion are cornerstones of our fair working environment policy.

To fuel innovation, enhance customer service, and deliver sustainable engineering solutions, we prioritize employee development, applaud success, and foster loyalty. We firmly believe in equal opportunities for all, and practice non-discrimination based on age, race, creed, skin color, gender, language, nationality, marital status, sexual orientation, seniority, political opinion, military status, disability, religion, or any other legally protected characteristic.

Our commitment to equal opportunity pervades every aspect of employment, including but not limited to recruitment, placement, promotion, termination, recall, transfer, leave, wage, and training. To us, equality isn't just a principle—it is the embodiment of our organizational ethos.

At TORUN Metal, we have zero tolerance for any form of abuse or threat—be it sexual, physical, verbal, or emotional. Immediate sanctions are applied in strict adherence to our Disciplinary Regulations, reinforcing our commitment to a safe and harmonious work environment.

We sincerely respect the private lives and personal spaces of our employees. Any violation of privacy rights—on-site or during business-related circumstances—is contrary to our ethical guidelines and will not be tolerated. Our goal is to ensure our employees work in an environment where their physical, emotional, and sexual privacy rights are upheld. This extends to respecting their privacy regarding computer, email, and internet use. However, digital communications may be monitored where necessary to ensure adherence to the TORUN Code of Business Ethics.



Forced, Compulsory or Child Labour

At TORUN Metal, we embrace our role as a responsible and sustainable industry leader, pioneering engineering innovations for a better tomorrow. Our passionate commitment to quality, innovation, and customer satisfaction extends beyond the services we provide to the ethical standards with which we conduct our business.

We stringently uphold human dignity and refuse to tolerate any form of forced or compulsory labor, including but not limited to slavery, bonded labor, debt bondage, and abduction. Complete compliance with global human rights guidelines is non-negotiable, and we actively ensure our workforce is free from workplace confinement, unsupervised prisoners' labor, or any practices that undermine freedom of thought, expression or individual liberties. TORUN Metal's commitment to workforce ethics encompasses appropriate remuneration, respectful treatment, and lawful documentation. We stay vigilant against wage withholding, unauthorized document retention, and any employee exploitation. Our conscientious dedication to social responsibility shapes the way we conduct business, keeping the welfare of our employees at the core of our global operations.

Acknowledging the sensitive issue of child labor, TORUN Metal recognizes it as a violation of human rights and categorically prohibits any form of child exploitation within our organization.



Equal Employment

In shaping a future-ready engineering environment, TORUN Metal practices ethical and sustainable values, guaranteeing an inclusive, equitable, and respectful work culture for our placed talent all around the world, contributing to our stature as a global industry leader. We wholeheartedly embrace the principle of "right individual for the appropriate role, equal remuneration for similar work, recognition based on achievements, and universal opportunities." This policy underpins all our human resource operations, reflecting our commitment to quality, innovation, and customer satisfaction.

At TORUN Metal, we affirm our dedication to equal employment opportunities and the empowerment of our female workforce, recognizing gender equity as a significant driver of organizational success. As we provide engineering solutions to the world's leading brands from various strategic locations, we owe much of our achievement to our multicultural and multidimensional workforce.

Our commitment is mirrored in the continual augmentation of our female personnel. Women constitute around 10% of our managerial roles—a figure we're proud of but are committed to raising. Increasing the representation of women in leadership roles is among our top objectives for 2023.

This commitment is not just about achieving targets—it's about shaping an inclusive, globally-minded, and forward-thinking professional space that contributes to a sustainable future.

Internal Audit & Corporate Risk Management

The Internal Audit and Enterprise Risk Management Department was established to uncover and monitor corporate risks. Working under the board of directors, the organization serves with a competency model that can meet facility leaders' expectations within the consultancy scope. Considering the stakeholder values, the TORUN family prioritizes providing a reasonable level of risk assurance. Risk analysis activities and internal audit processes are implemented periodically in this context.

Risks posed by processes, facilities and group structure, especially corporate values and corporate strategy, are evaluated by considering external and internal factors through comprehensive workshops and providing essential input to the board of directors and facilities in creating strategic road maps.

All these risks always turn into actions that serve our corporate strategy and consider our stakeholders and corporate values. While systematic improvements and simplification and digitization of processes have become the priority activities in our facilities, the internal audit team has accelerated the learning phase in creating remote, dynamic audit methods and more efficient risk assessment steps. The internal audit and corporate risk management team, which spread its activities to all facilities in 3 years, provided its development and learning in digitalization without delay. Although the internal audit function is affiliated with the board of directors, it also creates an independent and sharing field of activity.

Carrying out internal audit and risk activities under one roof, including the company's corporate strategy, creates awareness and synergy. It aims to provide the necessary reasonable assurance to the stakeholders, protect the tangible and intangible assets, resources and the environment of the TORUN family, benefit from investments with added value, minimize the losses arising from uncertainties, and provide the highest benefit from possible opportunities.



Data Security

At TORUN Metal, we prioritize the protection of the confidentiality, integrity, and accessibility of the information from our institution and all our global stakeholders. We uphold a sustainable model of information security, highlighting our unwavering commitment to quality and innovation in an ever-evolving digital landscape.

Adhering scrupulously to the ISO 27001 Information Security Management System, we implement necessary measures to ensure the steady continuity of our operations. The provision of resources essential for meeting the current standards of ISO 27001, is an integral part of all our strategic and operational activities.

As an industry leader offering cutting-edge engineering solutions, we respect and safeguard the private information of our diverse partners—customers and suppliers alike. Our dedication goes beyond simply storing your data; we use up-to-date, security-oriented infrastructure and services to protect the information you entrust us with, reinforcing the stamp of trust we share with our significant worldwide patronage.

Our commitment to information security extends to establishing and maintaining systematic documentation of controls and management processes. Through this, we effectively identify risks, introducing efficient measures to mitigate them. As an ISO 27001-certified company, we deploy rigorous security practices to protect your information from unauthorized access and ensure the absolute accuracy of all stored and shared data.

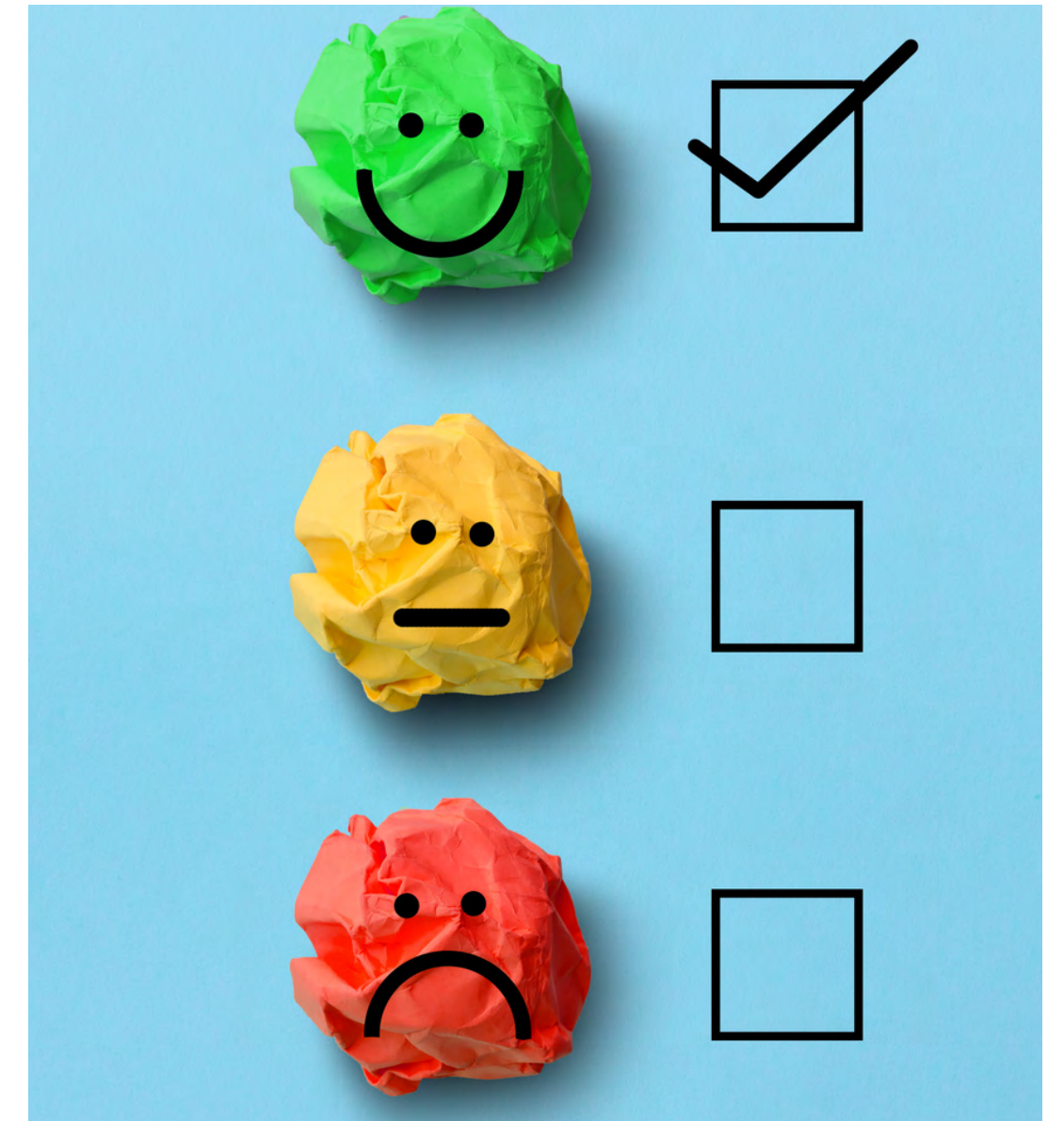


Product Safety & Customer Happiness

Thanks to our R&D and Design Centers, we move forward simultaneously with our customers at every stage of the process and offer end-to-end solutions. We meet all the needs of our customers from a single point with different raw materials and production processes. Thanks to our competent engineering team, we support our customers at every project stage, from design to prototyping, from material selection to process optimization. In addition, we clearly define our working limits with customer-specific specifications and demands. In this way, we produce products that comply with our customers' requests in all our locations and deliver them under the agreed delivery conditions.

Safe product for TORUN means all the products are shipped following all specifications and requirements; the internal structure of the material, alloy components, and the success conditions sought in life tests. In addition, we ensure the safety of products in the process of leaving TORUN locations and reaching customers through insurance agreements we make with our suppliers. The contracts that we signed with our partners and that cover all our commercial/technical/strategic relations are documents in which all conditions are declared and are kept in compliance with the confidentiality principles within TORUN.

In order to increase our operational excellence, we continue our process improvement investments. We prioritize investments in robotic automation by adhering to the Industry 4.0 structure in production activities. We use the SAP S/4HANA as the ERP system. Our top priority is to reduce risk, manage everything from a single system, and speed up the process by automating manual work. We use the Salesforce CRM system to carry out our customer processes correctly, and we manage customer demands most accurately from a single system.



Stakeholder Relations

Communications with all TORUN stakeholders are carried out via various methods and mediums, from monthly board meetings to regularly updated website news and social media to yearly reports like sustainability reports and project presentations. As TORUN, we care about identifying and meeting the expectations and needs of our stakeholders in order to reach the most accurate methods and mediums to include and inform our stakeholders in the process and take their feedback.

Employees

PLATFORM	PURPOSE	FREQUENCY
EMPLOYEE SATISFACTION SURVEY	SETTING PRIORITIES AND IMPROVEMENT	ONCE A YEAR
BRAND PERCEPTION SURVEY	ACTIONS TO DETECT AND INTERNAL COMMUNICATION	ONCE IN TWO YEARS
SUSTAINABILITY REPORT	SUSTAINABILITY AWARENESS AND PERFORMANCE	ONCE A YEAR
TORUN BULLETIN	ANNOUNCEMENT OF IMPORTANT DEVELOPMENTS ABOUT THE COMPANY	EVERY TWO MONTHS
IN HOUSE TVs	INFORMATION SHARING	CONTINUOUS
TORUN IDEA FACTORY	INNOVATION NEWS	CONTINUOUS
SOCIAL MEDIA	COMPANY ANNOUNCEMENTS	CONTINUOUS
YEARLY VISION MEETING	EVALUATION OF THE PREVIOUS YEAR AND THE VISION OF THE NEXT YEAR	ONCE A YEAR

Customers

PLATFORM	PURPOSE	FREQUENCY
CUSTOMER SATISFACTION SURVEY	SETTING PRIORITIES AND IMPROVEMENT	ONCE A YEAR
SUSTAINABILITY REPORT	SUSTAINABILITY AWARENESS AND PERFORMANCE	ONCE A YEAR
WEBSITE	COMPANY NEWS	CONTINUOUS
SOCIAL MEDIA	COMPANY ANNOUNCEMENTS	CONTINUOUS
E-MAIL NEWSLETTERS	RECENT NEWS AND DEVELOPMENTS	FOUR TIMES A YEAR
TRADE FAIRS & EXHIBITIONS	COMMUNICATION WITH EXISTING AND NEW CUSTOMERS	EVERY TWO YEARS

Suppliers

PLATFORM	PURPOSE	FREQUENCY
SUSTAINABILITY REPORT	SUSTAINABILITY AWARENESS AND PERFORMANCE	ONCE A YEAR
WEBSITE	COMPANY NEWS	CONTINUOUS
SOCIAL MEDIA	COMPANY ANNOUNCEMENTS	CONTINUOUS
E-MAIL NEWSLETTERS	RECENT NEWS AND DEVELOPMENTS	FOUR TIMES A YEAR
TRADE FAIRS & EXHIBITIONS	COMMUNICATION WITH EXISTING AND NEW CUSTOMERS	EVERY TWO YEARS

Public

PLATFORM	PURPOSE	FREQUENCY
SUSTAINABILITY REPORT	SUSTAINABILITY AWARENESS AND PERFORMANCE	ONCE A YEAR
WEBSITE	COMPANY NEWS	CONTINUOUS
SOCIAL MEDIA	COMPANY ANNOUNCEMENTS	CONTINUOUS
JOINT PROJECTS WITH FOUNDATIONS AND ASSOCIATIONS	SOCIAL IMPACT	PROJECT BASED
UNIVERSITY - INDUSTRY COLLABORATIONS	JOINT R&D and INNOVATION	PROJECT BASED

Shareholders

PLATFORM	PURPOSE	FREQUENCY
GENERAL ASSEMBLY & BOARD OF INVESTORS	EVALUATION OF ANNUAL RESULTS, DETERMINATION OF STRATEGIES	ONCE A YEAR
INTERNAL AUDIT AND CORPORATE RISK MEETINGS	INTERNAL AUDIT AND CORPORATE RISK PROCESS REPORT	FOUR TIMES A YEAR
EXECUTIVE BOARD MEETINGS	ACTIONS OF THE PREVIOUS MONTH AND RECEIVING SUGGESTIONS	MONTHLY
MANAGERIAL BOARD MEETINGS	ANNOUNCEMENT OF MONTHLY RESULTS	MONTHLY
E-MAILS / PHONE CALLS	INFORMATION SHARING	UPON REQUEST

CORPORATE SUSTAINABILITY

Impact Oriented Approach

We believe that sustainable business practices are essential for the long-term success of our company and the wider community. By reducing our environmental footprint, promoting ethical sourcing, and investing in our employees and communities, we are creating a more sustainable future for all.

As a solution partner for global brands, our sustainability approach focuses on reducing the environmental impact of our supply chain while ensuring social and economic sustainability.

By implementing a comprehensive sustainability strategy shaped around accountability and transparency principles, TORUN Metal is committed to **reducing its environmental impact, ensuring employee well-being and workplace safety**, and creating value for all stakeholders while **maintaining sustainable growth**.



Reduce
Environmental Impact



Maintain
Sustainable Growth



Ensure
Employee Well-Being & Workplace Safety



Reducing Our Environmental Impact

We are committed to implementing sustainable practices across our business operations. We use eco-friendly materials and energy-efficient practices in our manufacturing processes to minimize our carbon footprint.



Employee Well-Being & Workplace Safety

By supporting employee well-being, we aim to foster a culture of collaboration, innovation, and excellence, where all employees can personally and professionally thrive. We are committed to investing in our employees' well-being and creating a workplace where everyone feels valued, respected, and empowered to reach their full potential.



Sustainable Economic Growth

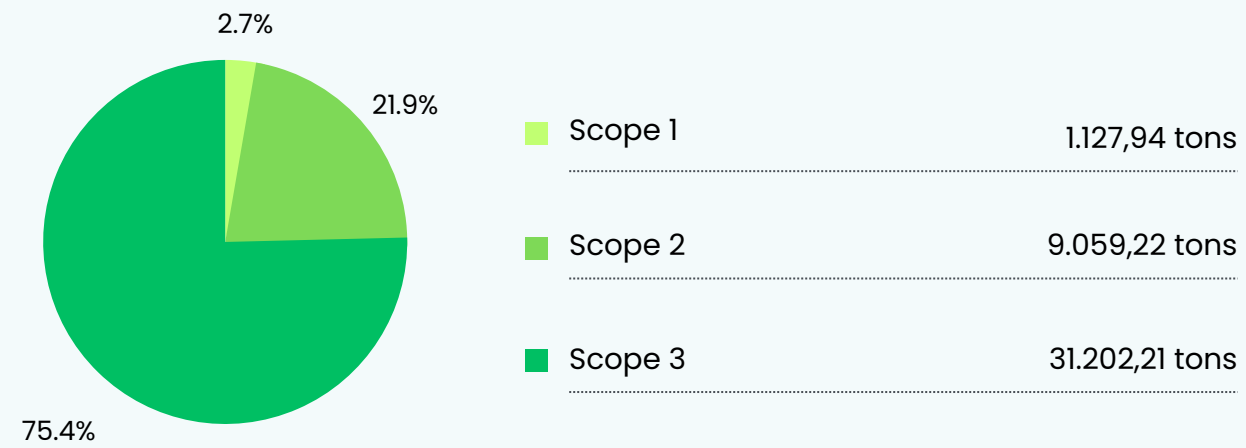
We believe that sustainable economic growth is essential to creating a better future for all. We are committed to driving economic growth in a socially and environmentally responsible way that benefits all stakeholders, including our employees, customers, and communities.



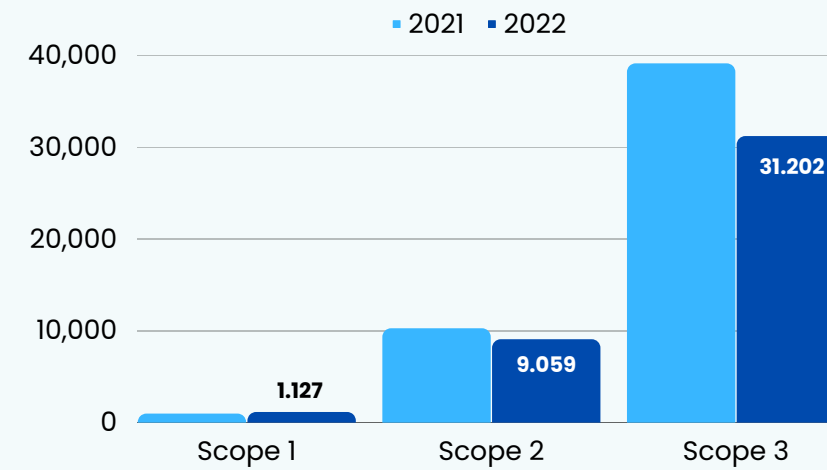
Key Figures

ENVIRONMENT

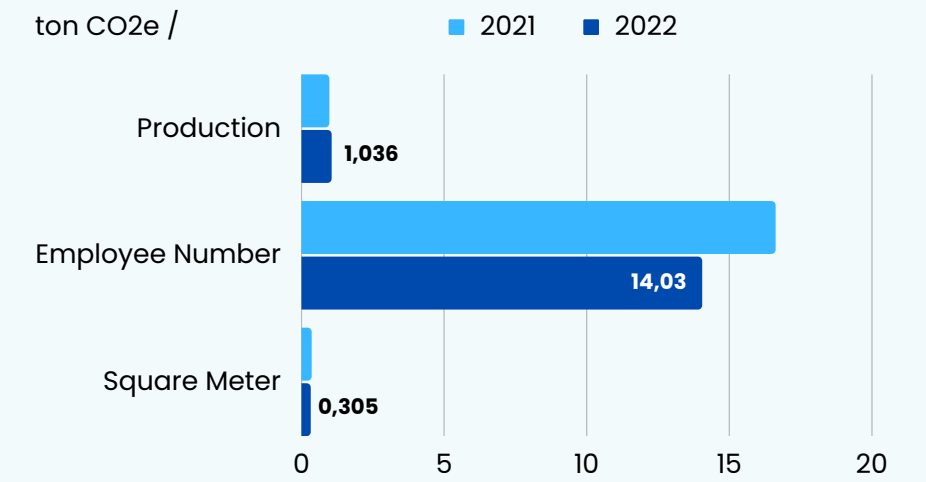
Emission Distribution By Scope



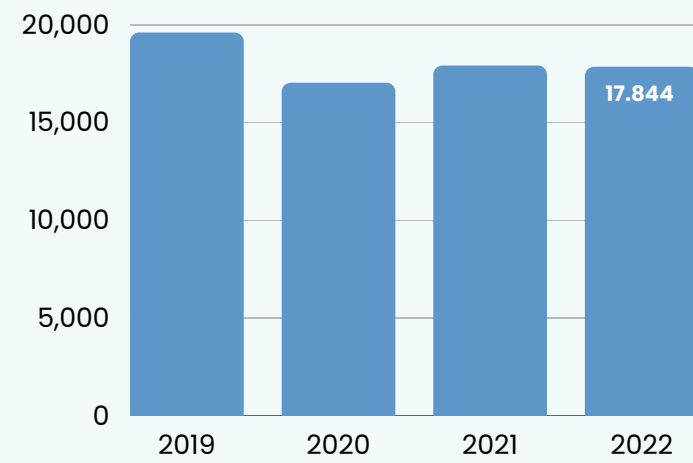
Carbon Footprint (ton CO₂e)



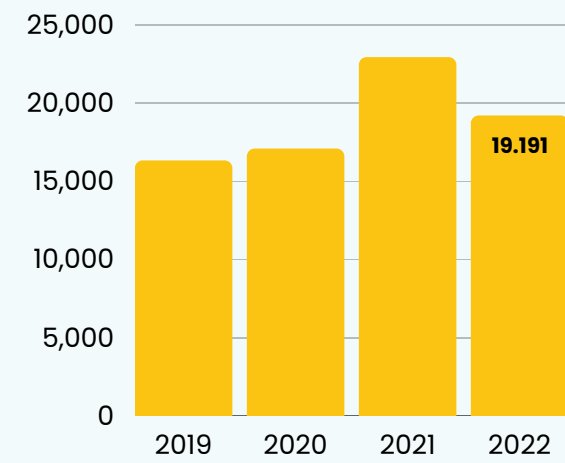
Carbon Density



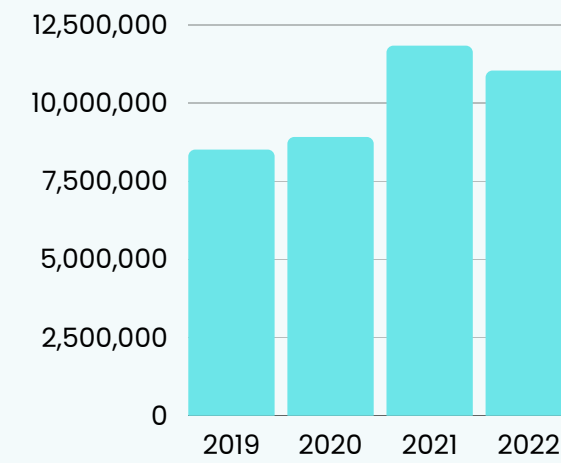
Water Usage (m³)



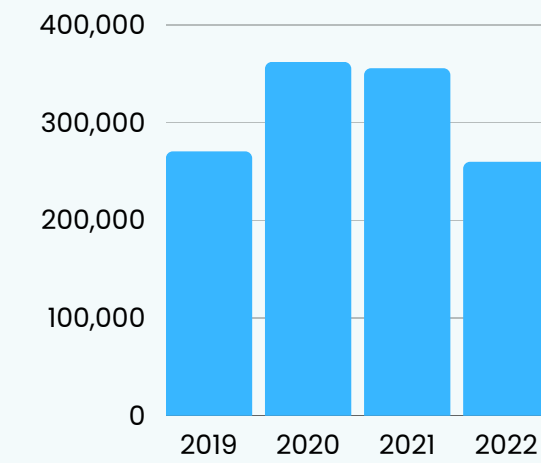
Raw Material Usage (tons)



Recycled Material (kg)



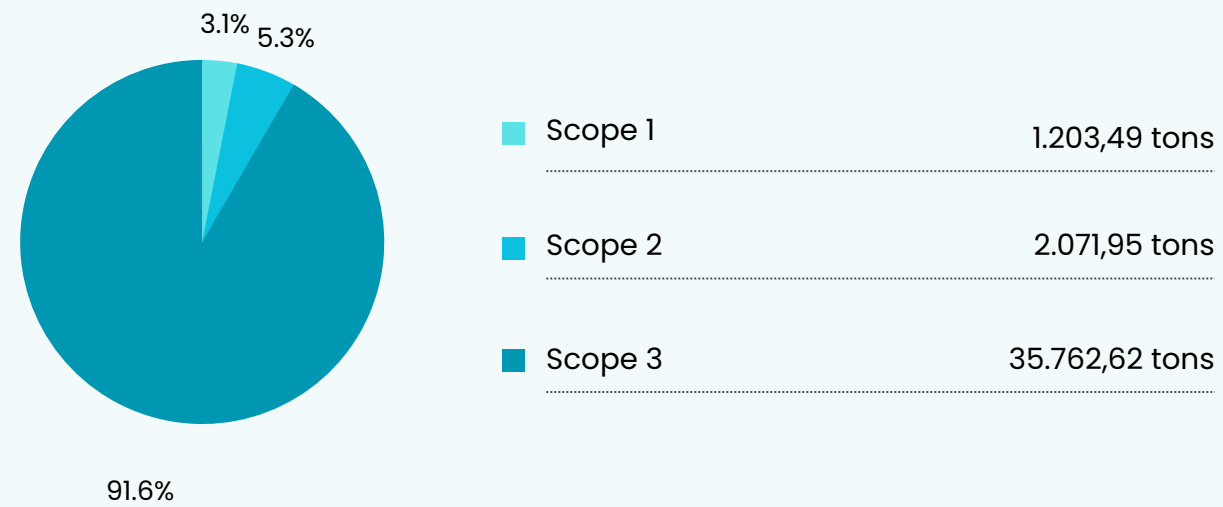
Disposed Material (kg)



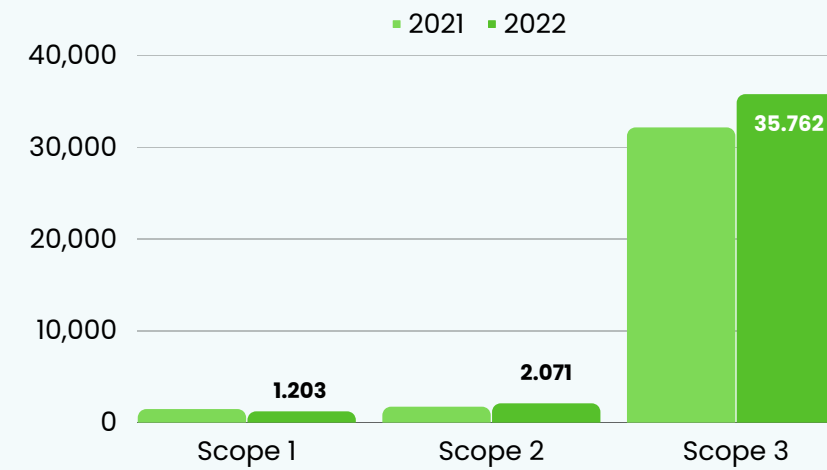
Key Figures

ENVIRONMENT

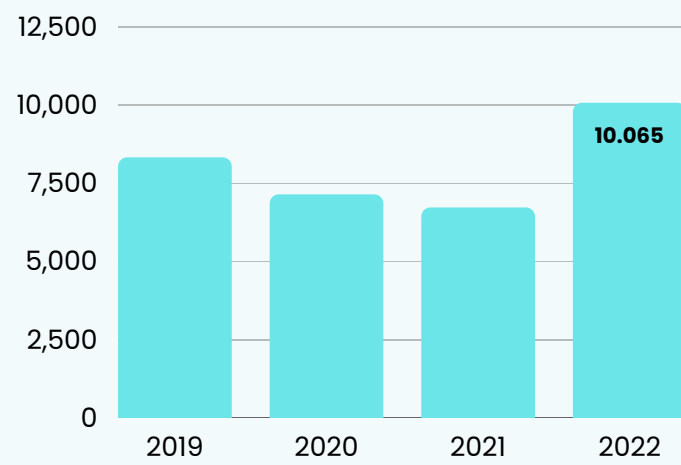
Emission Distribution By Scope



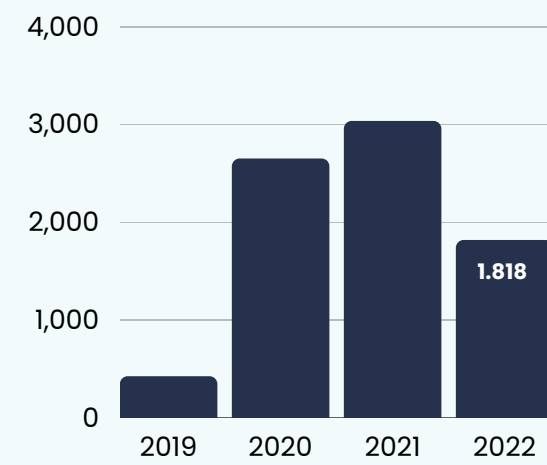
Carbon Footprint (ton CO₂e)



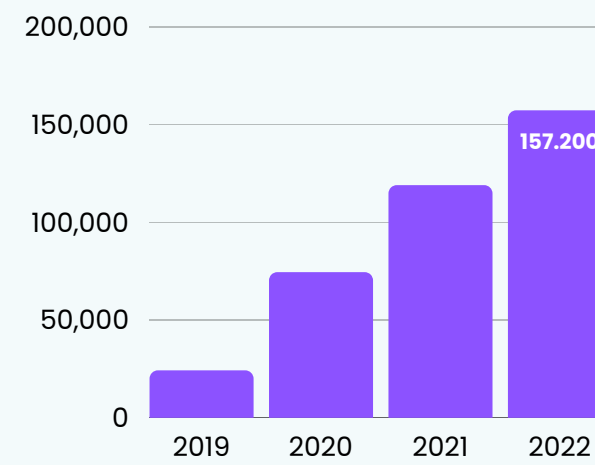
Water Usage (m³)



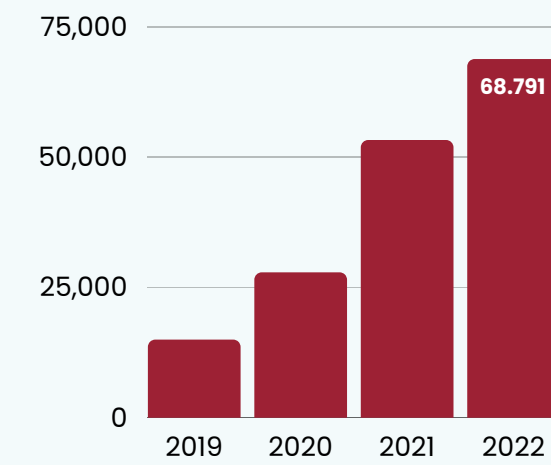
Raw Material Usage (tons)





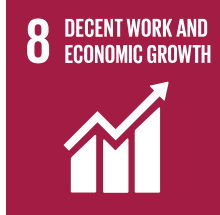


Recycled Material (kg)



Disposed Material (kg)



Priority SDG & Related Activities

SDG	Activity / Project
	<ul style="list-style-type: none"> • Kolektif Future Children Academy • TORUN Academy Vocational Educations • Kolektif Future Maker Lab
	<ul style="list-style-type: none"> • Energy-saving Sustainability Projects • Green Energy Focus & Solar Power Panels • ISO 50001 Certification
	<ul style="list-style-type: none"> • Vocational Development Educations • Innovation Academy • Digitalisation in Human Resources
	<ul style="list-style-type: none"> • Design, R&D and Innovation Centers • Corporate Innovation Management System • Focus on Digital Transformation
	<ul style="list-style-type: none"> • Focus on Recycling • Lead-Free Raw Material Usage • Focus on Manufacturing Efficiency



Employee Well-being

At TORUN Metal, we have a multidimensional approach to sustainability which includes environmental responsibility and the well-being of our workers who are our most valuable asset.

To this end, we have put in place elaborate well-being programs designed to support our employees in all aspects of their health and wellness. These range from safe and conducive working conditions, regular health assessments, to vibrant physical and mental wellness initiatives.



"Take A Break"

TORUN Human Resources department came together with our newly recruited colleagues and began to listen firsthand to their work adaptation processes and their observations about TORUN. In the event, which was crowded and fun, our Human Resources representatives had the opportunity to directly listen to our employees' own experiences and evaluate them.

Sapling Donation to TEMA

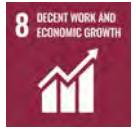
In line with our company culture and environmental strategy, we donated a sapling to TEMA Foundation on behalf of our 150 new colleagues who joined TORUN in 2022.

Children Festival

TORUN Human Resources Department organized a pleasant children's festival for the employees and their children on April 23, National Sovereignty and Children's Day. During the festival, special events and games were organized for children to have a fun-filled day. Children participated in fun activities such as face painting, balloon popping and dance competitions. In addition, a stage filled with clown shows and live music increased the enthusiasm of the children.

April 23 Painting Contest

TORUN Children's Painting Contest was held as part of the 23 April National Sovereignty and Children's Day. In the painting competition themed "What Kind of World Do I Want?", children were expected to paint the world they want to live in with crayons, and awareness of children was developed with sustainable and environmental-themed pictures.





Seniority Awards

We organized the Seniority Awards ceremony - underpinning our commitment to recognizing the dedication and service of our invaluable workforce. The ceremony was graced by the presence of our upper management team, underscoring the importance we place on acknowledging the contributions of each member of the TORUN family. A total of 357 deserving employees were meritoriously awarded, each embodying TORUN Metal's pursuit of precision, advanced technology, and ceaseless drive for innovation.

The ceremony served as a testament to our organizational ethos that prioritizes employee recognition and rewards loyalty and service whilst continuously steering the brand toward industry leadership.





"EMEK" Photography Exhibit

In 2022 we collaborated with semi-professional photographers and exhibited their works in Photography Exhibition named "EMEK". The exhibition occurred at our Research and Development Center, witnessing a seamless blend of art and industry.

Featuring the talent of several incredible photography artists, the exhibition served as an homage to the efforts of our employees - the true heroes of our organization.

The exhibition conveys a deeper appreciation of the individual hard work that fuels TORUN Metal's collective success. The convergence of artistic prowess and employee diligence in "EMEK" is a testament to our diverse capabilities and the interconnectivity of art and industry.

Virtual Exhibition of "EMEK"

"EMEK" Photography Exhibition, which was initially housed in our Research and Development Center, has now been made universally accessible via the innovative Metaverse platform.

The virtual adaptation of "EMEK" allows a wider audience to appreciate the hard work and dedication displayed by our employees, around whom the exhibition is centered. This is a pioneering step for TORUN, as we harness the power of digital technology to bring this remarkable collection of photographs to those who couldn't physically attend.



Social Impact

At TORUN Metal, we understand that our work touches more than just our business. It impacts the areas where we work and the people who live there. That's why we do all we can to support local communities.

Through various community outreach programs, meaningful partnerships, and engagements, we address the unique needs of the communities that surround us, integrating their valuable perspectives and feedback into our decision-making processes.



Lake Clean Up

In order to create sustainability in our culture and to emphasize respect for the environment in our activities, our volunteer employees came together and a garbage collection event was held at TORUN. With the event, attention was drawn to both clean environmental awareness and sustainability.



Excess Food For Stray Animals

With the support of the street Gebze Municipality, the food that comes out of the cafeteria on a daily basis has started to be delivered to stray animals. In this way, waste expenditures were evaluated.



Upcycled Animal Kennels

As an upcycling project at TORUN, an animal kennel made of waste pallets was realized for street animals struggling in nature. Volunteer employees from TORUN worked for stray animals together with their children in the project, in which many waste pallets turned into homes for animals. While instilling a sense of sensitivity in children, the houses of stray animals were completed together.



Energy Efficiency

Energy efficiency is an essential component of our sustainability strategy at TORUN Metal. We recognize that reducing our energy use is good for the environment and makes good business sense. Reducing our energy consumption can lower our operating costs, improve our efficiency, and reduce our carbon footprint.

To achieve our energy efficiency goals, we have implemented several initiatives that have helped us to reduce our energy use and greenhouse gas emissions.



Investing in Energy Efficient Equipment

We have invested in energy-efficient machinery and equipment, which has helped us to reduce our energy consumption while improving our productivity.

- By installing an energy-efficient air compressor, the consumption of the compressor declined to 109 kWh from 144.2 kWh, resulting in an **annual saving of 292,832 kWh**.
- Based on the speed and flow calculations, the efficiency of the pumps was measured at 30%. After the replacement with a newer, energy-efficient model, an **annual energy saving of 198,000 kWh** was achieved.
- The air guns that we use intensively in the compressed air system had an air output of **4m³/min**. Thanks to the gun nozzle tips made in-house, this value has been decreased to **1.80m³/min** air output.

Through these investments, we have reduced our energy use and greenhouse gas emissions, improving our operational efficiency and saving money on energy costs.



CDP Disclosure

We continued our commitment to transparency by reporting our environmental impact through CDP, a global non-profit organization that manages the world's leading environmental reporting platform. By disclosing our environmental data through CDP, we have demonstrated that we are ready to respond to the growing demand for environmental transparency from financial institutions, customers and policymakers.



Industry Awards - Energy Efficiency Winner

Energy Efficiency in Compressed Air Project returned with an award from the Energy Efficiency Awards Category at the Power Factories Summit. T.R. With the project, which was also provided by the Ministry of Energy and Natural Resources, **585 tons of CO2 emissions were prevented with a saving of 650,000 kWh**, and a future saving is achieved with the annual energy needs of 631 households.



Zero Waste Certification

Adopting the Zero Waste approach in line with our sustainability policies, our brass facility was awarded the "Zero Waste" certificate by the Turkish Ministry of Environment and Urbanization.



Switch to Renewable Energy

We invested in green electricity and got our IREC certificate for the upcoming 3 years. Percentage of renewable energy for our total electricity consumption:

- 15% for 2023,
- 30% for 2024,
- 50% for 2025.



Ecovadis Silver Medal Award

While continuing our activities on a global scale in line with its sustainability policies, EcoVadis has crowned its commitments and activities so far with the Silver Medal. With this score, TORUN achieved a higher score than 74% of platform member companies.



Innovation Management

At TORUN, we are working to drive innovations that will add value to our business, stakeholders and community in every location we operate, with a sustainable innovation management system under the guidance of our values and strategy.

Our mission is to create value by focusing on product, process and organizational innovations and supporting and implementing innovative ideas from our stakeholders.



TORUN's Innovation Ecosystem

With our innovation-oriented solid staff, we extend innovation efforts to the entire value chain,

- By integrating with our project management system,
- Supporting with continuous investment, education, national and international cooperation,
- Including studies on intellectual property rights to transform them into projects that are first in their field and that make a difference.

This ecosystem includes Engineering, R&D Center, Design Center, Process Development and Project Management activities.

Our Innovation Strategy

- Establishing and implementing a sustainable, systematic and corporate innovation system that will enable all our stakeholders to share and implement their innovative ideas.
- Encouraging internal and external participants, making innovation a corporate culture and creating an innovation climate.
- Increasing the innovation and technology adaptation competence of human resources.
- To implement digitized and lean applications to make processes faster, more agile, efficient and highly quality.
- To keep up with the global change by ensuring the adaptation of the technologies determined in the technology roadmap.
- To increase TORUN's competitiveness and profitability by providing cost advantage with innovation projects.
- To meet the demands and needs of our customers in a fast, effective and innovative way by improving our customer integration skills.

Innovation Culture

At TORUN Metal, competency development programs are prepared to disseminate the innovation culture in our company. It is a program designed to increase the quality of innovation ambassadors, idea content and innovation projects graduated from the Innovation Academy, one of the competency development programs, in line with the strategies.

Internal communication studies and basic innovation internal training are carried out to increase TORUN Metal employees' innovation awareness.

TORUN Idea Factory

We believe the best innovative ideas already exist within our employees. We need to give them an outlet where they can easily share their ideas and suggestions wherever they are and whenever they want. This is how TORUN Idea Factory was born. The idea management system we developed in-house has been one of the most effective projects of 2021. Our platform lets our employees share their ideas, which subject matter experts evaluate. Each idea is scored, and the idea owners can trade their scores for gifts easily and quickly.

The annual gains that are assumed to be achieved through shared ideas are as follows:

- **Machine Availability: 65,000 min.**
- **Bench Time: 48,000 min.**
- **Manual Labor: 20,000 min**
- **Energy: 238,490 kWh**

1728
Ideas Submitted

529
Ideas Implemented

Targeted Innovation Calls

To better canalize our efforts in innovation, each year we target a specific topic and organize targeted innovation calls. In 2022, "Robotic Process Automation Applications" was our topic and our colleagues submitted their projects containing RPA.



Inovalig Semi Finalist

Our company has qualified for the semi-finals of the Inovalig competition organized by the Turkish Exporters Assembly (TIM). Our InoSuit graduation certificate was received by our general manager, Mr. Gürbüz Erçin, at a ceremony held at TIM for the graduation of the InoSuit program. Our company's innovation efforts are included in the TIM InoSuit Program book published in 2022.



Innovation Focus Areas

To better concentrate our efforts on Innovation, we are focused on three main fields and actively in contact with startups and the academy to develop and offer technologies which will benefit TORUN and the industry.

MATERIAL TECHNOLOGIES

- Additive Manufacturing
- Advanced Materials
- Coating Technologies
- Material Recycling and Upcycling

CORPORATE INTELLIGENCE

- Big Data & Data Science
- AI and Machine Learning
- ERP Systems
- PLC Systems
- Process Mining

INDUSTRY 4.0 & SMART FACTORIES

- Industrial IoT
- Digital Twin
- Image Processing
- Robotic Automation
- Software and System Integration



Brilliant Idea of the Year

Among the ideas shared by Torun Metal employees throughout the year, the Innovation Committee was selected as the best idea of the year in different categories.

The aim of choosing the best ideas of the year is to increase the motivation of our employees who provide added value by sharing their ideas, and to develop a culture of success by introducing the selected ideas.

Innovation Academy

The 1st Innovation Academy started on February 14, 2022, and the training program was completed in April. The training consists of a program lasting 92 hours with 15 participants. At the end of the program, 4 graduation projects were realized with the teamwork of the participants and 10 participants were entitled to be innovation ambassadors.

*Inovasyon
Akademisi*

15
Participants

92
Hours of Classes

R&D Center

In line with TORUN's sustainability strategy, the suitability of different materials for forging and machining processes is studied to increase material diversity. Considering the impact of material types on production processes, projects that meet the current expectations of TORUN stakeholders are realized and preparations are made for their future expectations. For this reason, metal-based alloys are used; It is continuously improved to meet both sustainability standards and customer expectations.

To sustainably meet the tooling needs of TORUN machining processes and our customers, projects for developing cutting tools and molds are carried out. In 2022, 5 of the 9 R&D projects developed in these areas were completed and 4 projects are ongoing. Among these projects, The European Union project is coordinated within the scope of the state-supported M-ERA.NET call.

Projects are shaped and adapted by following the latest technological developments according to world standards. In this context, the state-supported EUREKA CELTIC-NEXT artificial intelligence project was launched in 2022.

In addition to all these projects, 16 R&D projects are being carried out and 9 R&D projects have been successfully completed.

Among the targets of TORUN R&D Center are development projects for including new materials in the production portfolio. It is planned to develop production auxiliary equipment, particularly cutting tool work.

We aim to reduce energy and raw material consumption by considering customer expectations, innovative and improved design and production methods with the material projects we carry out at the R&D Center. On the other hand, we aim to obtain high-quality products that meet the industrial expectations of the end user by using more efficient production methods with the cutting tool and mold projects we carry out.



Kolektif Future

DESIGNING OUR FUTURE TOGETHER

As part of our shared future goals, we reach more and more TORUN children every year through our program, which we started in 2019 to support the children of TORUN Group employees with quality education.

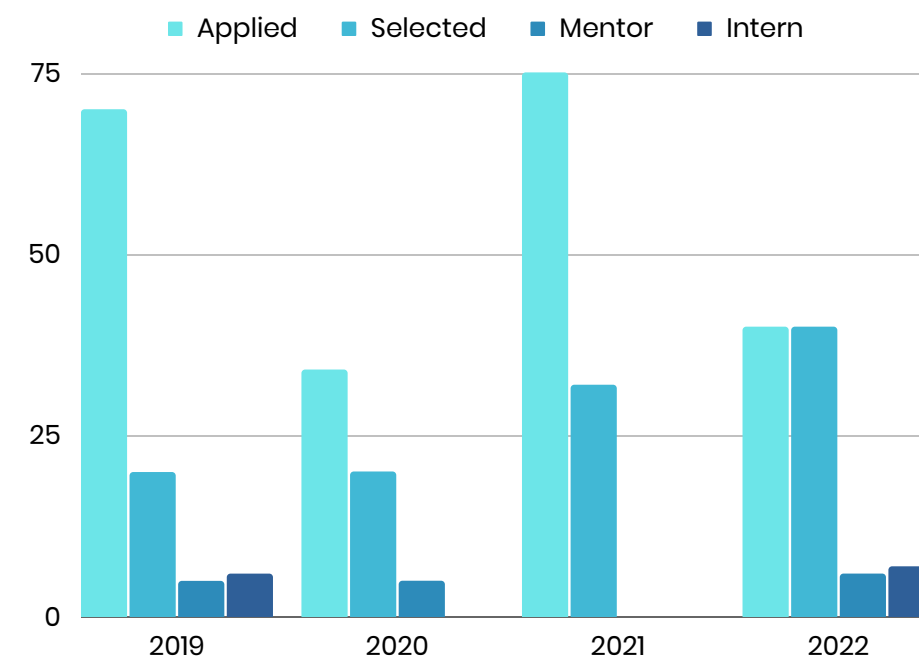
In 2022, together with Kolektif Future, various trainings such as Communication, 17 Global Goals, Industry 5.0, Software, and Renewable Energy were shared with newcomers by senior students to support 21st-century competencies, social awareness and personal development.

With a system where the children educate each other, they also have meaningful friendships and quality education opportunities in a supportive environment.

In 2022, 40 students applied to Kolektif Future. After the projects they realized, 40 students were entitled to receive education. At the point reached today, a total of 69 students continue their education actively, including all semesters.



NUMBER OF STUDENTS PER YEAR



Kolektif Future LAB

LEARNING WITH WORKSHOPS

Kolektif Future Lab started its operations in 2022 after our social initiative, in which we started to touch the families of our employees with Kolektif Future, was prepared for families to have a pleasant time with their children in various workshops. The Collective Future Lab actively participated in the workshops, which took place every weekend throughout the year, with the weekly applications of all TORUN employees who wished.

The weekly workshops organized according to age groups ensured that children discover their interests and spend quality time with their families in areas such as Foreign Language, Recycling and Wood. In addition to all these, a total of 10 events were held at the Kolektif Future Lab for special days and social responsibility areas throughout 2022.

In 2022, 21 different workshops were held 126 times at the Collective Future Lab. TORUN employees participated in the workshops held every weekend 1112 times with their children. TORUN employees and their families visited Kolektif Future Lab 1050 times throughout the year.





TORUN



torunmetal.com

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