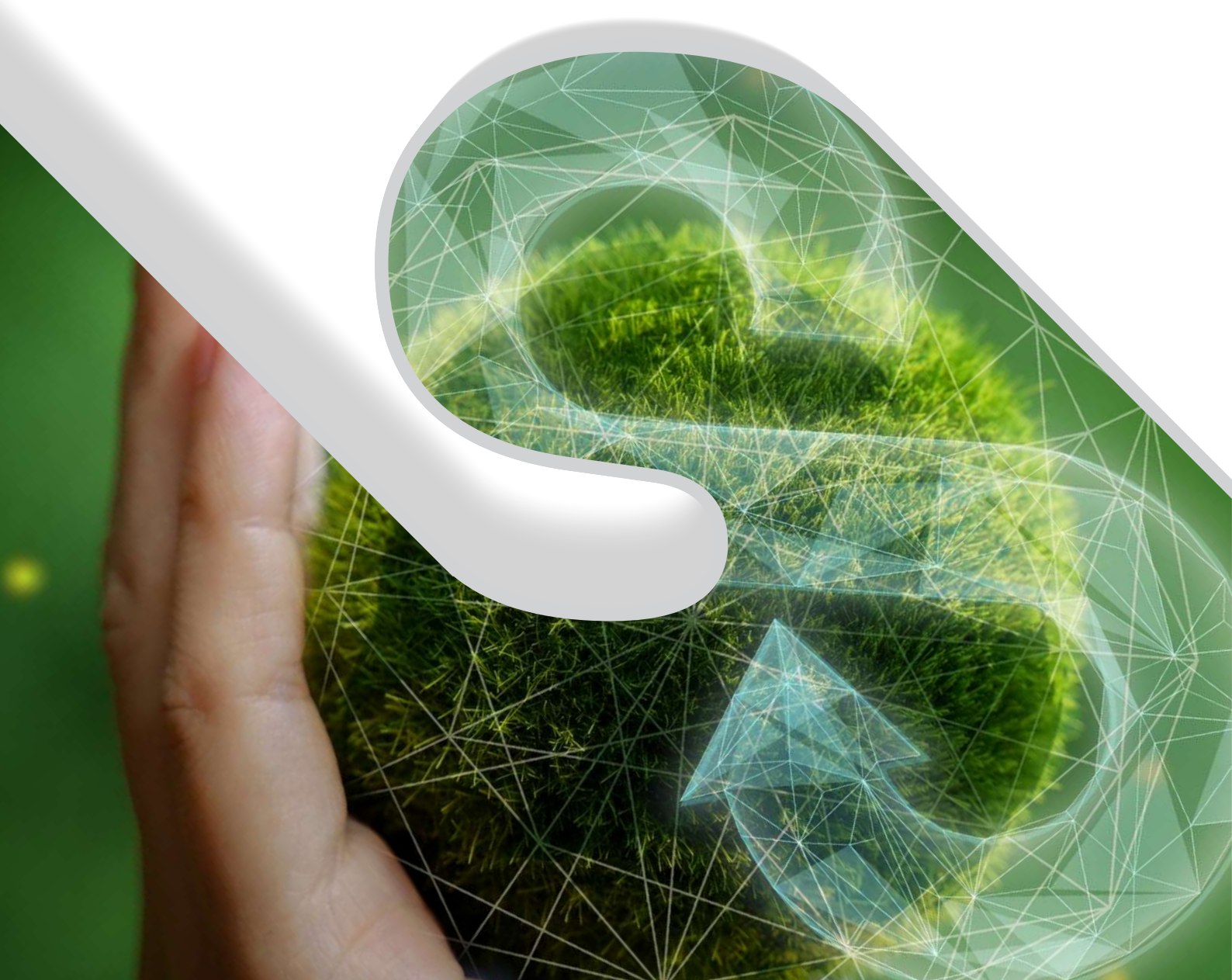


SEGER

2023

Sustainability Report

For a Sustainable Future



2023

Sustainability Report

For a Sustainable Future



Table of Contents

About the Report	4
Foreword	6
Message from the Chairman of the Board	8
About SEGER	9
2023 Highlights	10
A Strong Sustainability Framework	11
Vision, Mission, and Values	13
Investments and Future Plans	14
From 1981 to 2023	16
Awards & Achievements	17
Our Global Commitments	18
Quality Management Systems	19
Our Sustainability Story	20
Our Priority Sustainability Issues	24
Our Contributions to the United Nations Sustainable Development Goals	25
Relation Between Our Strategy and Sustainability Model	26
DETERMINED for a Sustainable Future	28
Our Priorities	29
Corporate Governance	30
Risk Management	32
Financial Performance	33
Strategy and Governance	34
Communication and Implementation	36
Operational Excellence and Process Management	37
Policies	38
Gender Equality Initiatives	39
Combating Corruption and Ethical Management	42
Human Rights	43
Child Labor and Forced Labor	43
Stakeholder Management and Engagement	44
Supplier Diversity	46
Supply Chain Management	47

R&D and Innovation	50
Digitalization	52
Occupational Health and Safety	54
ADAPTABLE for a Sustainable Future	58
Environmental Responsibility	59
Energy and Emission Management	62
Energy Savings and Greenhouse Gas Reduction Projects	68
Air Emissions	70
Water Management	72
Water Usage Intensity and Wastewater Management	73
Waste Management	74
Biodiversity and Conservation Areas	76
Recycling Rates of Materials	77
Material Usage and Recycling Rates	78
RELIABLE for a Sustainable Future	80
Human Resources Strategic Approach	81
Employee Demographics and Dynamics	82
Remuneration Policies	83
Employee Development	84
Performance Evaluation	85
Company's Employee-Related Goals within the Scope of Human Resources	86
Diversity and Equal Opportunity	87
Fringe Benefits Offered to Employees	88
Volunteering	89
Employee Satisfaction and Loyalty	90
Management and Employee Relations	91
Workforce Practices and Complaint Mechanisms	92
Customer Health and Safety	93
SHARING for a Sustainable Future	94
Social Impact and Social Contribution	95
Performance and Indicators	100
GRI Content Index	106



About the Report

This report marks a significant milestone as SEGER's inaugural sustainability report, and we are proud to share it with you. It highlights the steps we have taken, the challenges we have faced, and the successes we have achieved in our sustainability journey. The report reflects SEGER's sustainability vision and steadfast commitment to making sustainability an integral part of our operations.

Our goal is to create meaningful and lasting impacts on society and the environment by embedding sustainability principles into our business processes in collaboration with our stakeholders. This report delves into SEGER's sustainability journey, its current status, and strategic plans for the future, emphasizing our continuous improvement efforts in this field.

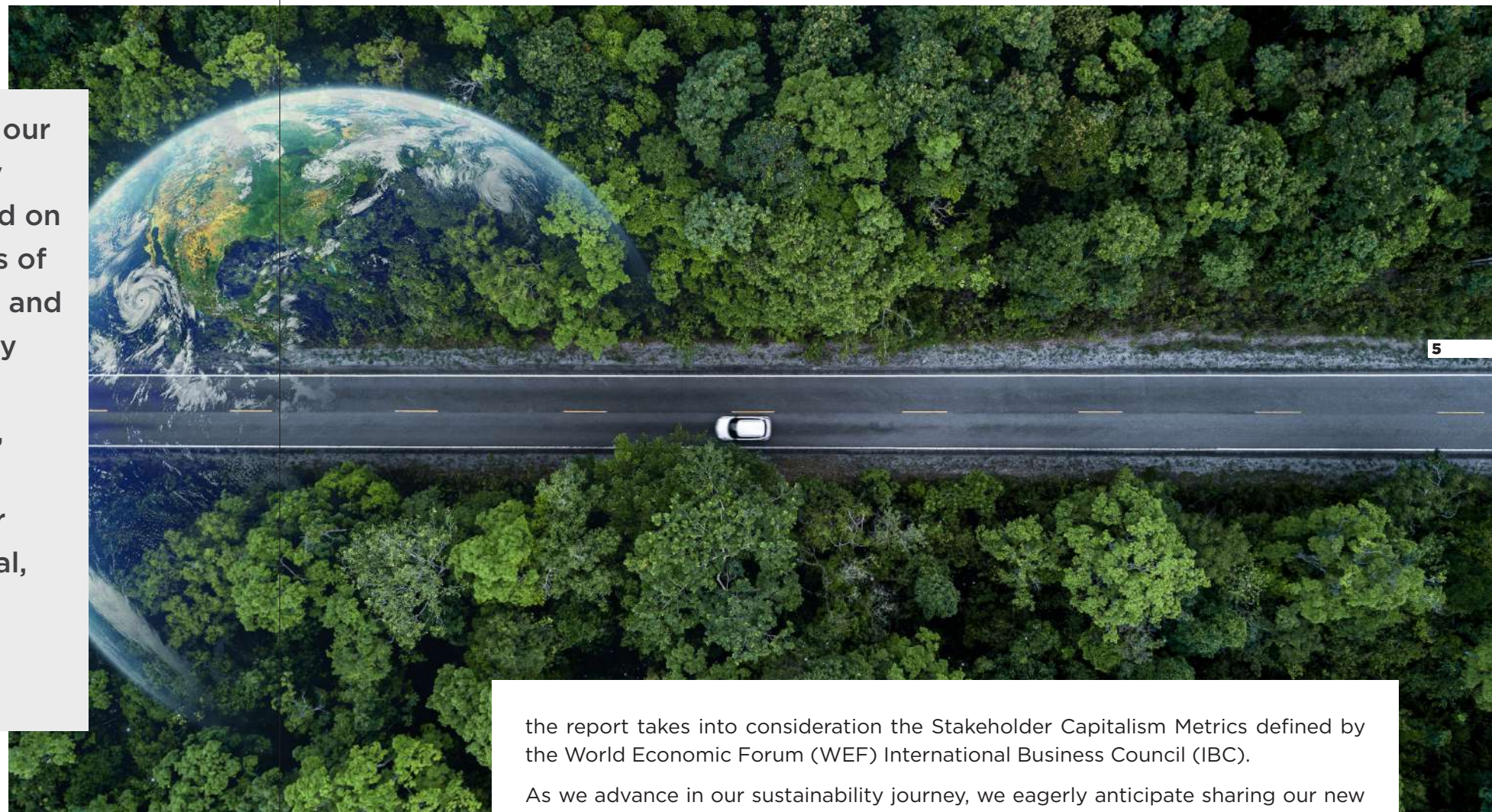
The scope of this report is limited to activities conducted at our Bursa factory between January 1, 2021, and December 31, 2023. Additionally, it outlines our strategic plans and goals for sustainability going forward. Our aim is not only to meet today's needs but also to leave a more livable world for future generations.

Transparency and accountability are fundamental principles in our relationships with stakeholders. We address the environmental, social, and economic impacts of our operations under the categories of Governance, Environment, People, and Society. Our performance and the value we create are shared with stakeholders within the framework of Environmental, Social, and Governance (ESG) criteria.

This report serves as an Annual Communication on Progress aligned with the principles of the United Nations Global Compact (UNGC), which we have been a signatory of since 2017. It has been prepared in accordance with GRI Standards, with detailed content provided in the "GRI Content Index" table in the Appendices section. Additionally,

We continue our sustainability journey based on the principles of transparency and accountability with our stakeholders, regularly assessing our environmental, social, and economic impacts.

As SEGER, in our first sustainability report, we share in detail how we have achieved our goals, the challenges we have faced, the successes we have attained, and the valuable experiences we have gained throughout this process, while clearly presenting our strategic plans for the future.



the report takes into consideration the Stakeholder Capitalism Metrics defined by the World Economic Forum (WEF) International Business Council (IBC).

As we advance in our sustainability journey, we eagerly anticipate sharing our new achievements in future reports. The preparation of this report was led by the SEGER Sustainability Committee with contributions from relevant departments. Please note that the data presented in the report has not been subject to external auditing. This report will be published biennially.

For any questions, feedback, or suggestions regarding this report, please contact us at info@seger.com

Looking forward to reconnecting in future reports. Happy reading!

SEGER Sustainability Committee

Foreword

Despite additional challenges such as rising energy costs, supply chain difficulties, and geopolitical tensions, we have focused on overcoming these obstacles by enhancing our technological and innovation capacities. While strengthening our ability to create value for our customers and partners, we have solidified our sustainable foundations. In this era of uncertainty, we have renewed our commitment to shaping the future through efficient business processes, sustainable communities, and innovative technologies.

SEGER is the leading horn manufacturer in Turkey and ranks among the top 10 producers worldwide. Since 2005, our production facility in Guangzhou, China, has been serving the Far East market. Known for its long-standing quali-

As SEGER, we strengthen our sustainability-focused production model by overcoming energy costs and supply chain challenges through technology and innovation; shape the future with eco-friendly solutions, and remain committed to achieving our 2050 net-zero emission target.

ty, SEGER has proven its expertise in product and process design, producing electromagnetic, electronic, and air horns. In addition to these products, we began the serial production of AVAS (Acoustic Vehicle Alert System) in 2023. By offering environmentally friendly and safety-oriented solutions like AVAS, we are developing advanced technologies for electric and hybrid vehicles. Our production processes prioritize energy efficiency, waste management, and the use of sustainable materials.

Through this report, we aim to convey SEGER's growth vision and strategy to all our stakeholders, demonstrating that our business model is focused on creating value in



both financial and non-financial aspects. By embedding sustainability at the core of our strategy, we operate responsibly and make positive contributions to society.

This report provides a detailed overview of SEGER's sustainability journey, our efforts to achieve set goals, and how we tackle challenges along the way. As SEGER, we continue to develop sustainable production techniques and increase the use of renewable energy to reduce our environmental and social impact. As of 2023, we have reached an annual production capacity of 10 million horns and 750,000 AVAS units. Furthermore, by exporting to over 70 countries, we continue to contribute to the national economy.

Our vision for the future goes beyond meeting today's needs. We aim to transition to a net-zero emission production model by 2050. In line with this vision, we are improving our production processes, minimizing our environmental impact, and setting ambitious sustainability goals. Additionally, we are committed to enhancing our contributions to society and advancing our corporate social responsibility initiatives.

We extend our gratitude to all our stakeholders for their support and eagerly anticipate sharing more success stories in future reports.





Message from the Chairman of the Board



SELİM BAYKAL
Chairman of the Board

In 2023, despite global challenges, we took determined steps to strengthen our sustainability goals and contribute to society.

The year 2023 was marked by global challenges such as climate change and natural disasters, as well as economic fluctuations, both in Turkey and worldwide. Turkey faced record-breaking heat waves, widespread forest fires, and devastating earthquakes centered in Kahramanmaraş that affected 11 provinces. These events deeply impacted our society and business community. During this turbulent period, SEGER redoubled its efforts to maintain its commitment to sustainability goals and fulfill its responsibilities to society.

Despite additional challenges like rising energy costs, supply chain difficulties, and geopolitical tensions, we have worked to overcome these hurdles by enhancing our technological and innovation capabilities. We have strengthened our ability to create value for our customers and partners while solidifying the sustainable foundations of our economy. In these uncertain times, we have renewed our commitment to shaping the future through efficient business processes, sustainable communities, and cutting-edge technologies.

As the leading horn manufacturer in Turkey and one of the top 10 globally, we closely follow the latest innovations and developments in the global automotive industry. We continuously enhance our spare parts offerings for the automotive aftermarket by leveraging our expertise and addressing industry needs. By introducing products such as halogen, miniature, and Xenon (HID) bulbs for interior and exterior automotive lighting, we are expanding our presence in both domestic and export markets, thereby contributing to the national economy.

This report aims to help all stakeholders better understand SEGER's vision and strategy for profitable growth, emphasizing that our business model is designed to create value for stakeholders in both financial and non-financial aspects.

At SEGER, we believe that setting bold goals inspires us to push boundaries and drive positive change. We offer a unique and extensive portfolio of technologies to enhance mobility experiences. By placing sustainability at the core of our strategy, we care for our planet, conduct our business responsibly, and contribute positively to society.

Change is not enough!... We must undergo a transformation.

About **SEGER**

Founded in Bursa in 1981, our company has secured a strong position as a global player in the automotive supplier industry. With a wide range of products, including electric, electronic and air horns, as well as Acoustic Vehicle Alerting Systems (AVAS), we carry out production in Turkey with our 196 employees. We are the leader in horn production in Turkey and among the top 10 largest manufacturers worldwide.

Our commitment to keeping pace with technological advancements and embracing innovation continues. The SEGER Design Center, approved by the Ministry of Industry and Technology, reinforces our leadership in R&D and innovation. In this center, we continue to be a pioneer in the industry by developing projects focused on future technologies.

TOTAL SALES REVENUE

	2022	2023
DOMESTIC	74,523,773 TL	186,081,259 TL
INTERNATIONAL	116,263,357 TL	154,795,346 TL
TOTAL SALES REVENUE	190,787,130 TL	340,876,606 TL

Note: TL refers to Turkish Lira.

Number of
Employees (Turkey): **196**

Number
of Suppliers: **500**

Local
Supplier Ratio: **%70**

Number
of Customers: **1200**

Annual Horn Production (Turkey)
in 2023: **4million** units

Annual AVAS Production
in 2023: **25,000** units

Exports
to over **70** countries

Awarded the **"Sustainable
Growth and Investment"**
award in 2023.



2023 Highlights

2023 HIGHLIGHTS

A STRONG SUSTAINABILITY FRAMEWORK

- **Sustainable Growth and Investment Award:** SEGER won the "Sustainable Growth and Investment" award in the automotive sector.
- **Innovative Projects in R&D:** We made a difference in the industry with Acoustic Vehicle Alerting System (AVAS) projects developed for TOGG. During this process, we also launched our new electronic snail-type horn in mass production for both TOGG and Stellantis projects.
- **Strong Progress in Innovation:** With 2 new patents approved in 2023, we now hold a total of 8 approved national and international patents. We also filed 3 new patent applications in 2023.
- **Design and Brand Power:** SEGER's market power increased with 4 design registrations and 2 trademark registrations.
- **Production Efficiency:** We increased our production efficiency by 12%.
- **High Production Capacity:** With the new AVAS production line, we increased our annual AVAS production capacity to 750,000 units and invested in environmentally friendly production technologies.



- **Success in Energy Efficiency:** In 2023, we reduced energy consumption by 10% with energy efficiency projects.
- **Hazardous Waste Reduction:** We reduced the amount of hazardous waste by 15%.
- **Increase in Recycling:** We increased the rate of recycled materials by 30%.
- **Water Conservation:** We reduced water consumption by 5%.
- **Increase in Female Employment:** We increased the rate of female employees to 26%.
- **Contribution to the Local Economy:** We supported the local economy by increasing the local supplier usage rate to over 70%.
- **Sustainable Supply Chain:** More than 80% of our suppliers participated in sustainability training.

Global reach and market Access with a wide customer base and market access worldwide, our company exports its products to over 70 countries. 1 This export network strengthens our strong presence in the global market and the international acceptance of our products. The countries to which we export include Europe, America, Africa, Asia, and Oceania, demonstrating the global reliability of our products that comply with international standards.

We hold a significant position in both local and international markets. 50% of our sales from Turkey are directed to the domestic market, and 50% to the export market.

Customer Distribution and Export Capacity

With our extensive customer portfolio, we serve leading automotive manufacturers worldwide. Our customers include Tesla, Renault Group, MAN, Daimler, TOGG, Stellantis, Ford, Isuzu, Mitsubishi, Temsa, Türk Traktör, JCB, Otokar, Karsan, and other OEMs in America and Japan. 55% of our total sales come from the aftermarket (after-sales).

A Strong Sustainability Framework

Our Priority Sustainable Development Goals for Today and The Future



OUR PRIORITY SUSTAINABLE DEVELOPMENT GOALS FOR TODAY AND THE FUTURE



2023
HIGHLIGHTS

VISION,
MISSION
AND VALUES

Product Range, Advanced Production Processes, and Quality Control

We offer a wide range of horns and acoustic devices for automotive and industrial applications.

Electromechanical Horns

- Midi and large trumpet horns are offered in different sizes and sound levels.
- Disc-type horns stand out with their compact design and high sound level.
- Each model can be customized according to specific voltage and current consumption and customer-specific requests.



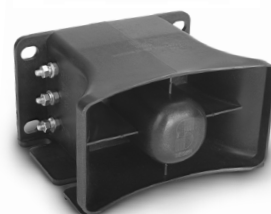
Electronic Horns

- Electronic trumpet and disc-type horns are notable for their low power consumption and long service life.
- They offer high sound levels and different frequency characteristics, adapting to different vehicle types.



Backup Alarm Systems

- Specifically designed for light and heavy commercial vehicles.
- Models suitable for various operating voltages are available, providing a wide range of applications.



Acoustic Vehicle Alerting Systems (AVAS)

- Active and passive safety solutions are offered for electric and hybrid vehicles.
- They meet high-performance demands in terms of sound level, frequency, and functionality.
- ECU-controlled models provide automatic sound output based on vehicle speed and other parameters and can be customized according to customer-specific requests.



Each product category is manufactured to high-quality standards in line with customer demands and market requirements.

We have an annual production capacity of 10 million horns and 750,000 AVAS units. Our production processes, from raw material preparation to logistics, are organized to fully and promptly meet customer demands. Our products undergo numerous acoustic, mechanical, and aging tests, primarily regulatory tests, to ensure compliance with international standards and guarantee continuous quality performance.



Vision, Mission and Values

Our Vision

To position SEGER as a technological product designer and manufacturer in the mobility ecosystem and to strengthen the SEGER brand by increasing product diversity in after-sales markets.

Our Mission

To demonstrate continuous improvement with the contribution of our stakeholders in line with our ethical, sustainable and innovative business approach and strategic goals, and to fulfill our responsibilities towards society.

Our Values

Trust in Our Employees

- We trust our people, our most valuable resource, and believe that they will use the authority delegated to them in a manner that fulfills their responsibilities.

Transparency

- We are open and honest with each other.
- If we have an alternative idea, we are ready to explain and defend it.
- We engage in mutual information exchange throughout our organization.

Professional Excellence

- We do not consider existing standards to be sufficient and strive for excellence.
- We enjoy our work with a constant effort to improve and perfect existing standards.

Teamwork

- We ensure that our employees work in harmony and with team spirit by combining the common interests and goals of our employees and the institution.
- We empower our employees to demonstrate their creativity, take ownership of their work, and develop themselves, thereby strengthening team spirit.

Speed

- We find the most suitable solutions by trying to offer solutions that will satisfy our customers before our competitors.
- We respond to improvement needs in the most effective way.

Business Ethics

- As SEGER A.Ş., we are aware of our customers' expectations and act in accordance with the fundamental values of business ethics and our social sustainability and ethical policy in all our activities.





Investments and Future Plans

In 2023, we made significant investments to support continuous growth and innovation. We strengthened our technological infrastructure by expanding our R&D activities, which both increased our existing capacity and laid the groundwork for innovative projects.

One of our prominent achievements was the opening of the Design Center approved by the Ministry of Industry and Technology. Projects such as the Acoustic Vehicle Alerting System (AVAS) and the electronic snail horn (68E) were successfully implemented at this center. The AVAS system has been used in TOGG vehicles, and electronic snail horns have been used in both TOGG and Stellantis vehicles. In addition, with two patents that we received approval for in 2023, we now hold a total of eight patents. We protected our innovations by filing three new patent applications in 2023. Four design and two trademark registrations were important steps in increasing our brand value.

Our goals for the coming years include the completion of our new facility in TEKNOSAB. This new facility will increase our production capacity while further advancing technological and environmental standards.

In 2024, we will focus on optimizing production processes and start mass production of our 51E Electronic disc-type model. Our 51E Electronic disc-type model is designed as a long-lasting electronic horn that eliminates contact oxidation and wear problems. This innovative model will play a pioneering role in safety technologies for commercial vehicles, standing out with its durability.

We also aim to complete the development of the 24V AVAS system and strengthen our leading position in the market for safety technologies for commercial vehicles. The 24V AVAS system is a safety device that generates artificial engine sounds to alert pedestrians and other road users to the quietness of electric vehicles in vehicles with 24V electrical systems.³ It is designed in accordance with European and US regulations, includes automotive standard components, and offers various socket and sound options.

We will strengthen our relationships with global OEMs and continue to showcase our innovative products and solutions at technology fairs such as IAA Mobility Munich and BUSWORLD.

We are also making significant investments in environmental sustainability and energy efficiency. We fulfill our environmental responsibilities with renewable energy use, waste management projects, and carbon footprint reduc-

As SEGER, we increased our R&D investments in 2023, continuing our growth with new patents and innovative projects. With solutions such as the electronic snail horn and the AVAS system, we are strengthening our leadership in the sector and taking significant steps in environmental sustainability and digitalization.



tion initiatives. We collaborate with universities and research institutions to increase our R&D and innovation capacity and modernize our production processes with digitalization and Industry 4.0 initiatives.

Contributing to society with social responsibility projects and supporting a sustainable future in the fields of education, health, and the environment are among our main goals. By 2025, we will integrate our corporate sustainability model into all our operational processes and evaluate the risks and opportunities arising from material changes. We will continue our efforts to align our R&D activities with global industry norms.

By 2050, we will develop strategies to reduce our carbon footprint by pursuing environmentally friendly opportunities. We will review our product range with a new environmental perspective and ensure that our supply chain is fully compliant with our understanding of sustainability. We will evaluate green trade opportunities and make our production compatible with net zero emissions. We will adapt to digitalization, re-evaluate our way of doing business in line with consumer demand and the supply chain economy, and incorporate technological advances into our system.

From 1981 to 2023

- 1981 ← ⊕ — **we started** copper wire production in Bursa with the PAKTEL brand.
- 1982 ← ⊕ — **we started** electromagnetic and air horn production with the SEGER Korna brand.
- 1984 ← ⊕ — **we made** our first export to Iraq.
- 1989 ← ⊕ — **we started** supplying horns to Renault's factory in Bursa.
- 1997 ← ⊕ — **we started** supplying horns to Honda's factory in Turkey.
- 2003 ← ⊕ — **we started** supplying horns to Honda's automobiles produced in the UK.
- 2005 ← ⊕ — **we made** a stronger entry into the Asian market by opening our second production facility in Guangzhou, China.
- 2007 ← ⊕ — **we received** the CCC Certificate from CQC for our horns produced for the Far East market.
- 2007 ← ⊕ — **we became** a Global supplier to Renault Group.
- 2009 ← ⊕ — **we started** supplying horns for Nissan Spain and Daimler Mercedes America.
- 2010 ← ⊕ — **we started** supplying horns to DAF's vehicles produced for the Netherlands.
- 2010 ← ⊕ — **we started** supplying horns for Audi's automobiles produced in Belgium and Volkswagen's automobiles produced in Germany.
- 2010 ← ⊕ — **SEGER Korna** received the 'Best Supplier' award from Renault.
- 2011 ← ⊕ — **we started** supplying horns for Volkswagen's automobiles produced in Mexico.
- 2013 ← ⊕ — **we started** supplying horns to Tesla's Model S.
- 2015 ← ⊕ — **we started** production of the Tek Boynuz air horn for new generation heavy vehicles.
- 2017 ← ⊕ — **we signed** the WEPs (Women Empowerment Principles) within the scope of the Sustainable Development Goals and became a member of the Women's Empowerment Bursa Platform.
- 2018 ← ⊕ — **SEGER became** a global brand exporting to 70 countries. The Tesla Roadster model, equipped with the SEGER horn, was sent into space, technically making us the first Turkish brand to go to space.
- 2019 ← ⊕ — **we started** the design of AVAS, which simulates engine sounds specifically for electric and hybrid vehicles.
- 2023 ← ⊕ — **we strengthened** our domestic OEM collaborations and R&D capacity, initiated collaborations with universities, and received official approval for the SEGER Design Center. In the same year, we commissioned our new AVAS production line.
- 2025 ← ⊕ — **we aim to increase** our production capacity by starting the construction of a new facility.

Awards & Achievements

- **Bursa 100th Anniversary Awards:** Awarded in the "Sustainable Growth and Investment" category.

In 2023, our company won an award in the "Sustainable Growth and Investment" category in the automotive sector at the Bursa 100th Anniversary Awards. This award demonstrates the appreciation of our sustainability and investments and reinforces our leadership in the sector. This success is a result of SEGER's sustainable growth and innovative investment strategies, further strengthening our company's position in the industry.



- "Champions of Export / Contribution to Export" certificate awarded by OIB in 2022 for the contribution to production and export for the country's sustainable future.
- Awareness Award and Consumer Special Award received in 2021 from the Women-Friendly Brands Platform for the work on "Gender Equality" within the company and the "Pink Horn Project" for breast cancer awareness.



Our Global Commitments

Sustainability and Social Responsibility Initiatives

Our company supports many initiatives and signs various contracts, agreements, and principles to fulfill its economic, environmental, and social responsibilities and build a sustainable future.

- **WEPS-2016:** Principles promoting women's empowerment and gender equality.
- **AVİTA-2024:** Employee psychological support platform.
- **Purple Cluster Cooperation Protocol-2017:** Cooperation protocol to combat violence against women.
- **Bursa Women's Empowerment Platform Membership-2017:** Platform membership supporting women's empowerment in business life.
- **BADV-2017:** Business World Against Domestic Violence Platform membership.
- **Bursa Technical University Cooperation Protocol-2023:** Cooperation protocol in education and research.



Member Institutions and Organizations

SEGER actively participates in collaborations within the industry and society through its memberships in various non-governmental organizations, chambers, and sectoral unions in line with its sustainability goals and social responsibility commitments. These memberships strengthen our company's contribution to social and economic development and play a major role in expanding our sectoral networks.

- **BTO** (Bursa Chamber of Commerce): Member
- **UIB** (Uludağ Exporters' Association): Member

- **TAYSAD** (Association of Automotive Parts and Components Manufacturers): Member
- **DOSAB** (Demirtaş Organized Industrial Zone): Member
- **BUIKAD** (Bursa Business Women and Managers Association): Board Member
- **KALDER** Bursa Branch: Board Member
- **BUSİAD** (Bursa Industrialists' and Businessmen's Association): Member
- **WEPS** (Women's Empowerment Principles): Signatory
- **Global Compact** Women's Empowerment Bursa Platform: Event Committee Chair
- **BADV** Business World Against Domestic Violence Companies Network: Strategy Committee Member
- **KALDER** Inclusivity and Gender Equality Task Force Member
- **OIB** (Automotive Exporters' Association): Member
- **BTSO**: Bursa Chamber of Commerce membership
- **TÜGİAD** Bursa Branch: Term Presidency

Our company achieves its strategic goals and provides significant benefits in areas such as social responsibility, sustainability, and innovation by actively participating in various organizations. These collaborations also support social and sectoral development and enhance our corporate reputation.

Quality Management Systems

SEGER adopts various international quality management systems in its operations. These systems include IATF 16949, ISO 14001 Environmental Management System, Sustainability Management System, Lean Production System, and ISO 45001 Occupational Health and Safety Management System.

STANDARD/ CERTIFICATE NAME	YEAR OBTAINED	NUMBER OF FACILITIES COVERED	DESCRIPTION
IATF16949	09.10.2023	1	Covers SEGER AŞ / Bursa Facilities. SEGER has had a quality management system certificate for 25 years.
ISO14001	10.01.2023	1	Covers SEGER AŞ / Bursa Facilities. Has held this certificate for 20 years.
ISO45001	10.01.2023	1	Covers SEGER AŞ / Bursa Facilities. Has held this certificate for 20 years.

Our Sustainability Story

Milestones in Our Sustainable Journey

2007

Received the CCC Certificate from CQC for the mini-type horn produced for the Far East market.

2010

SEGER was awarded the 'Best Supplier' by Renault.

2017

Signed the WEPS (Women Empowerment Principles) within the scope of the Sustainable Development Goals and became a member of the Bursa Women's Empowerment Platform.

2018

The Tesla Roadster model, equipped with the SEGER horn, was sent into space, making SEGER the first Turkish brand to go to space.

2019

Started the design of AVAS, which simulates engine sounds for electric and hybrid vehicles.

2022

February: Started sustainability efforts.

2022

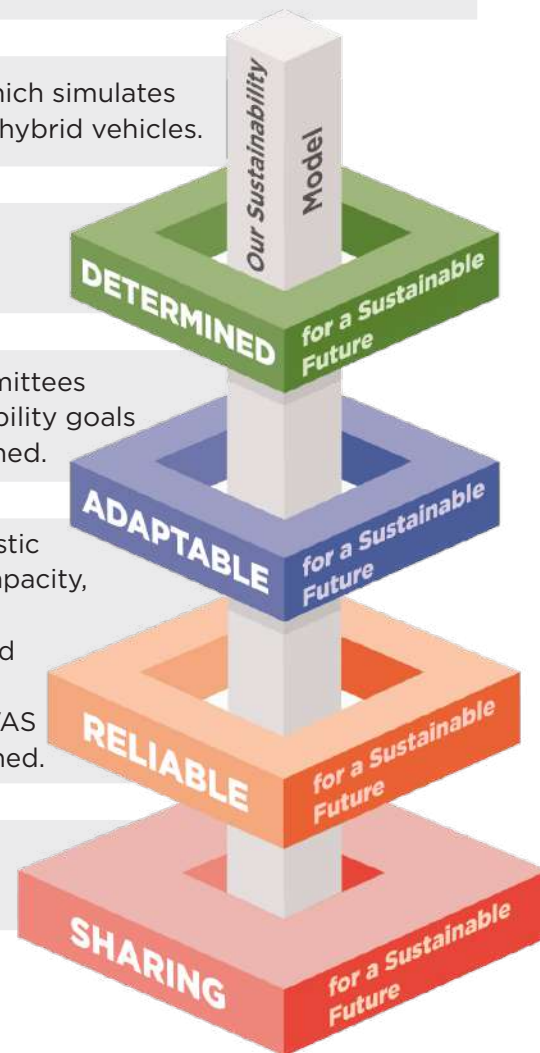
December: Sustainability committees were established, and sustainability goals and action plans were determined.

2023

Took steps to strengthen domestic OEM collaborations and R&D capacity, initiated collaborations with universities, and SEGER received official approval for its Design Center. In the same year, the AVAS production line was commissioned.

2023

Prepared our first Sustainability Report.



SEGER Sustainability Committees and Working Groups

Sustainability Structure, Committees, and KPI Management

In 2022, Sustainability Committees were established within SEGER to translate our sustainability commitments into concrete steps. These committees are responsible for managing and implementing our sustainability strategies. In addition to the main committees, sub-committees focusing on specific areas also carry out their work for the same purpose.

SEGER's sustainability management structure and decision-making processes are as follows:

- **Highest Governance Body:** Board of Directors – The highest decision-making body, supported by the general manager and relevant department managers.
- **Sustainability Supreme Council** – This council, which also includes members of the board of directors, has the highest level of decision-making responsibility on all sustainability-related issues.

Our Committees

Under the SEGER Sustainability Supreme Committee, there are 4 committees and 16 working groups.

SEGER Sustainability Supreme Committee

DETERMINED Sub-Committee	ADAPTABLE Sub-Committee	RELIABLE Sub-Committee	SHARING Sub-Committee
Ethics Management	Emission and Waste Management	Equality and Inclusivity	Investment Planning
Supply Chain Management	Energy Efficiency	Women's Empowerment	R&D and Innovation
Risk and Opportunity Analysis	Water Conservation	Occupational Health and Safety	Social Investments
Stakeholder Relations	Environmental Protection	Talent Management	Employment Development

- **DETERMINED Sub-Committee:** This committee champions ethical management and strengthens supply chain practices. It conducts risk and opportunity assessments and fosters sustainable stakeholder relationships.
- **ADAPTABLE Sub-Committee:** This committee leads environmental protection and sustainability efforts. It focuses on critical environmental issues such as emission and waste management, energy efficiency, and water conservation.
- **RELIABLE Sub-Committee:** This committee manages initiatives that promote workplace health and safety. It also addresses topics such as women's empowerment and talent management.
- **SHARING Sub-Committee:** This committee coordinates investment planning, R&D, and innovation activities. It also works on social investment and employment development projects.

Through this structure, we carry out all our sustainability activities in a coordinated and effective manner, fulfilling our social and environmental responsibilities to the highest level. These committees have created target and activity tables in accordance with ESG criteria and determined their KPIs (Key Performance Indicators) for each committee. We review our activities and KPIs once a month throughout the year. In addition, we make presentations to our Sustainability Supreme Committee twice a year regarding our targets and KPIs.

Each of our committees holds 12 meetings a year, and the meeting performance and participation of committee members in the meetings are evaluated at the end of the year. In addition, the achievement rate of targets and KPIs is calculated as of the end of the year. The work of our committees is integrated into our process performance system and has been aligned with our individual goals. This structure emphasizes our leadership commitment and the contribution of our highest decision-making body to sustainability.

Our Sustainability Management System is managed in line with the targets and performance indicators determined at the business unit level. Throughout 2023, each of our committees held a total of 12 meetings, and our participation performance in these meetings was recorded as 90%.

DETERMINED Committee

Our DETERMINED Committee met regularly throughout the year to evaluate SEGER’s strategic sustainability goals and performance. Our first meeting was held on January 4, 2023. A total of 12 meetings were held throughout the year, and sustainability issues were discussed in detail during this process. KPIs were determined, and significant progress was made. At the end of the year, the achievement rates of our targets were evaluated to measure overall performance.

- Number of Meetings Held: 12
- Meeting Attendance Rate: %91
- Target and Activity Matrix Achievement Rate: %80

ADAPTABLE Committee

Our ADAPTABLE Committee met regularly throughout the year to evaluate our environmental sustainability goals and practices. In an important meeting in April, we discussed ways to reduce our environmental impact and increase our sustainable practices. In the 12 meetings held throughout the year, the determined KPIs were reviewed, and the results of our practices were evaluated.

- Number of Meetings Held: 12
- Meeting Attendance Rate: %96
- Target and Activity Matrix Achievement Rate: %100

RELIABLE Committee

Our RELIABLE Committee held regular meetings throughout the year, focusing on employee satisfaction and occupational safety. At the first meeting in January, actions were determined to increase the occupational safety and satisfaction of our employees, and the implementation of these actions was closely monitored. A total of 12 meetings were held throughout the year. In the year-end evaluation, employee satisfaction and the achievement rates of the targets were analyzed, and the overall performance was reviewed.

- Number of Meetings Held: 12
- Meeting Attendance Rate: %86
- Target and Activity Matrix Achievement Rate: %91



SHARING Committee

Our SHARING Committee held 12 meetings throughout the year, focusing on social sustainability and social contributions. At the first meeting on January 10, the necessary actions were determined to increase our social responsibility projects and social contributions. In each meeting, KPIs and actions taken were evaluated in detail. At the end of the year, our performance report was prepared, and the overall results were reviewed.

- Number of Meetings Held: 12
- Meeting Attendance Rate: %86
- Target and Activity Matrix Achievement Rate: %89

Our Priority Sustainability Issues

At SEGER, we periodically conduct our stakeholder priority analysis to determine our sustainability priorities. This analysis helps us shape our sustainability strategy by identifying our company's priorities in economic, social, and environmental issues and is based on the UN Global Compact and the Global Reporting Initiative (GRI) Standards.

In 2022, we conducted a study with the participation of our employees and stakeholders to prioritize sustainability risks. In this process, we ensured the participation of all stakeholders in the decision-making processes while determining SEGER's sustainability priorities.

The sustainability priorities of the industry, the risks, issues, and expectations that SEGER should consider were evaluated in detail. While gathering stakeholder opinions, the World Economic Forum Global Risks Report and the UN Sustainable Development Goals were taken as the main references. Opinions were collected through surveys.

A total of 78 internal stakeholders participated in our online survey study, including 20 from SEGER management, 32 from the production unit, and 26 from the support unit. In addition, 51 company officials participated in our external stakeholder research.

In the analysis, we considered internal and external stakeholder surveys, as well as reports from international organizations, environmental and social impact analyses, risk assessments, global and sectoral trends, and legal regulations. In addition, feedback collected throughout the year and outputs from national, international, and sectoral events were also analyzed.

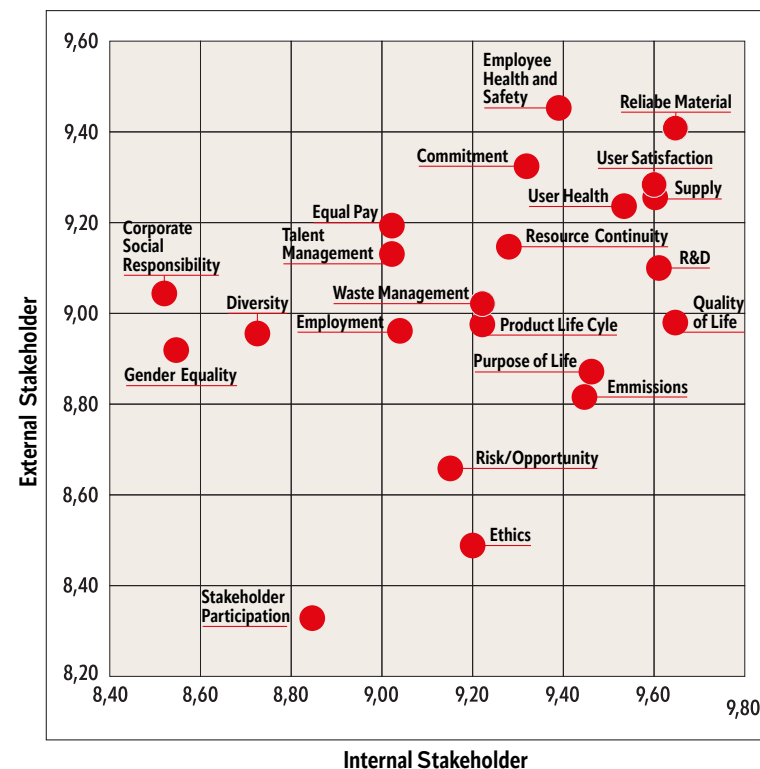
As a result of these analyses, SEGER's Sustainability Priorities Matrix was created. The issues in the matrix were divided into two main categories as "High Priority" and "Priority," and these priorities were specifically emphasized in the report. Other issues were addressed more limitedly.

Very High Priority Issues

- Use of reliable materials
- Increasing user satisfaction
- Strengthening the supply chain
- Protecting user health and safety

High Priority Issues

- R&D activities
- Resource continuity
- Product life cycle
- Employee engagement



Our Contributions to the United Nations Sustainable Development Goals

At SEGER, we continue to develop products that meet the expectations and demands of our stakeholders in our industry. We strive to create sustainable value for the world in the sector we operate in. When determining our priority sustainability issues, we attach great importance to the opinions of our stakeholders and aim to meet these expectations.

We determine our priority issues in line with the United Nations Sustainable Development Goals and act in harmony with the UN's 2030 Sustainable Development Agenda. Our aim is to leave a more livable world for future generations and contribute to a sustainable future.

According to the results of surveys conducted with internal and external stakeholders, SDGs 3, 4, 5, 8, 9, 10, 12, 13, 14, 15, 16, and 17 have been prioritized among the Sustainable Development Goals (SDGs). SEGER has aligned its business strategy with these SDGs. In line with our goals and commitments, we aim to contribute to other SDGs in the sub-breakdowns of these priority SDGs in accordance with our corporate structure.





















OUR PRIORITY SUSTAINABLE DEVELOPMENT GOALS FOR TODAY AND THE FUTURE



The Relationship Between Our Strategy and Sustainability Model

At SEGER, we evaluate the challenges and opportunities brought by global megatrends within a strategic framework. Key factors such as economic changes, the digitalization of consumption habits, and climate change form the cornerstones of our strategic business plans. We explain in detail how these trends are integrated with our model and the roadmap SEGER follows in this direction.

Our sustainability model aims to increase operational efficiency, reduce environmental impact, and offer innovative solutions while fulfilling our social responsibilities. This model provides an integrated structure with strategies to support SEGER's long-term success.

	MEGA TRENDS	OUR STRATEGIC BUSINESS AREAS	UN SDG	STABLE	COMPATIBLE	RELIABLE	SHARING	STRATEGIC POSITION	STRATEGIC OBJECTIVES
Changes in Business Mindset and Trends	Uncertainties in the economic structure Changes in consumption patterns Digitalization Fragility of the supply chain Changes in business mindset/understanding Increase in energy costs	Our stakeholder-inclusive business approach Dissemination of our ethical business approach Our qualified risk and opportunity analyzes Our higher quality products/services Compliance with digital transformation in the sector	    	✓	✓	✓	✓	As SEGER, we share our ethical and quality business approach with all our stakeholders. We work with an innovative and continuous improvement philosophy, use resources efficiently, produce high quality products at affordable prices, ensure that our employees work in a safe and respectful environment, respect the environment and nature, ensure 100% customer satisfaction, increase our competitiveness and market share. We build our future with the contributions and knowledge of our collective intelligence.	1. To establish goals and strategies in line with SEGER's sustainability commitments and targets, and to ensure the implementation of the roadmap. 2. To increase management and production efficiency. 3. To develop and implement an advanced management approach to ensure stakeholder inclusivity and representation in decision-making mechanisms. 4. To ensure alignment of the management approach with the supply chain.
Climate Change and Risks	Climate change Degradation of terrestrial systems Decrease in freshwater availability Biodiversity loss	Reduction of our emissions Our water conservation activities Protection of biodiversity Transition to a recycling economy	   	✓	✓	✓	✓	We carry out all our activities in harmony with the planet and all its elements. We passionately strive to protect our planet, to whose future we want to contribute.	1. To achieve our sustainable product goals by adopting an awareness of responsible production and consumption. 2. To focus on sustainable product design. 3. To create a process plan that will provide maximum energy efficiency in production processes. 4. To focus on durable product design. 5. To create the infrastructure to ensure the continuity of raw materials. 6. To keep the raw material and product journey as short as possible by using our local supplier network and thus reduce the carbon footprint.
Human Health, Equity and Inclusion	Risks affecting human health Gender inequality The destructive impact of inequalities Changes in talent needs The future of HRLeadership	Respect for human rights Ensuring gender equality Our human health practices Our talent management practices Investing in the human resources of the future Development of leadership skills	    	✓	✓	✓	✓	As SEGER, we provide an equal and inclusive work environment with all our stakeholders. We respect the health and future of our entire value chain. We invest in the future of HR.	1. To ensure the continuity of an environment that will create working conditions that respect human rights in all units that make up the SEGER value chain. 2. In this context, to provide training that will raise awareness and emphasize the importance of gender equality among all stakeholders. 3. To produce and disseminate in-house practices within the scope of the gender equality program.
Social Development and Innovation	The impact of social inequalities Geopolitical issues and inclusivity Transition to a circular economy The need for innovation and R&D A new responsible business approach	Accessibility to our products and services Our understanding of innovation Development of R&D activities Our social responsibility projects	   	✓	✓	✓	✓	As SEGER, we believe in development and growth together, and we share our value with society. By contributing to the R&D development of the sector, we design the production of the future with the product life cycle.	1. To plan social responsibility projects that will contribute to social development and prosperity in line with the partnerships we have established with our stakeholders. 2. To realize innovations that best meet consumer needs in line with our leading brand identity. 3. To make the best use of technology in product accessibility and customer experience.

DETERMINED for a Sustainable Future

At SEGER, we have defined our sustainability commitments and goals. In line with this, we create our goals and strategies and put these strategies into action. We are drawing a long roadmap extending into the future.

Our goals and strategies, like a bridge to the future, have been built step by step. Each step brings us closer to a more sustainable future.

Efficiency is our top priority. In our management and production processes, we work in harmony like the engine of a vehicle, with continuous improvement and innovative methods. We feel the power of efficiency in every component, and this power drives us forward.

Together with our stakeholders, our motto "Our strength is our voice" echoes our determination on the path to sustainability throughout the world.

Believing in the importance of inclusivity and representation, we bring everyone together in decision-making mechanisms. Just like a steering system, with our advanced management approach, we adopt a system where every voice resonates in harmony.

Our supply chain operates like the vital components of a vehicle, in harmony with SEGER's general management approach. Our suppliers provide our power like an engine, our foundation like a chassis, our movement like a transmission, and our safety like a braking system. To achieve our sustainability goals, each part of this chain works in a harmonious and efficient manner. Each component, as part of a larger whole, contributes to a sustainable future.

As SEGER, we strive to improve every day and walk towards the future with firmer steps. On this journey, we aim for a world where every voice resonates and every part works in harmony.

OUR PRIORITY SUSTAINABLE DEVELOPMENT GOALS



DETERMINED

FOR A SUSTAINABLE FUTURE

Our Priorities

Sustainability Commitments and Goals

- Establish and Implement Sustainability Strategies: Define SEGER's roadmap by formulating objectives and strategies in line with its sustainability commitments and goals, and putting these strategies into action.

Increase Management and Production Efficiency

- Implement continuous improvement and innovative methods to increase efficiency in management and production processes.

Stakeholder Inclusivity and Representation in Decision-Making

- Develop and implement an advanced management approach to ensure stakeholder inclusivity and increase their representation in decision-making mechanisms.

Alignment of Supply Chain Management Approach

- Create a harmonious and effective supply chain by aligning the supply chain management approach with SEGER's overall management approach to achieve sustainability goals.



Corporate Governance

Management Structure and Decision-Making Processes

SEGER's organizational structure is designed with a hierarchical and clear decision-making process that ensures the achievement of strategic goals. At the top of the organization is the Board of Directors, with the Commercial General Manager and Technical General Manager reporting to this board. Department Managers work under the General Managers, and various Managers and Supervisors report to them. A corporate management approach has been adopted, and all employees are offered equal job and career opportunities based on their competencies.

In decision-making processes, the job descriptions and responsibilities of each employee are clearly defined. Decisions outside of job descriptions are made with the approval of a higher-level manager, ensuring hierarchical order and that decisions are made within a certain systematic framework. Strategic goals and decisions are determined by senior management and communicated downwards, ensuring that the company progresses with a holistic strategy. This structure increases SEGER's operational efficiency, accelerates decision-making processes, and enables it to achieve strategic goals more effectively.

To learn more about SEGER's corporate governance or to contact us, you can visit our website.

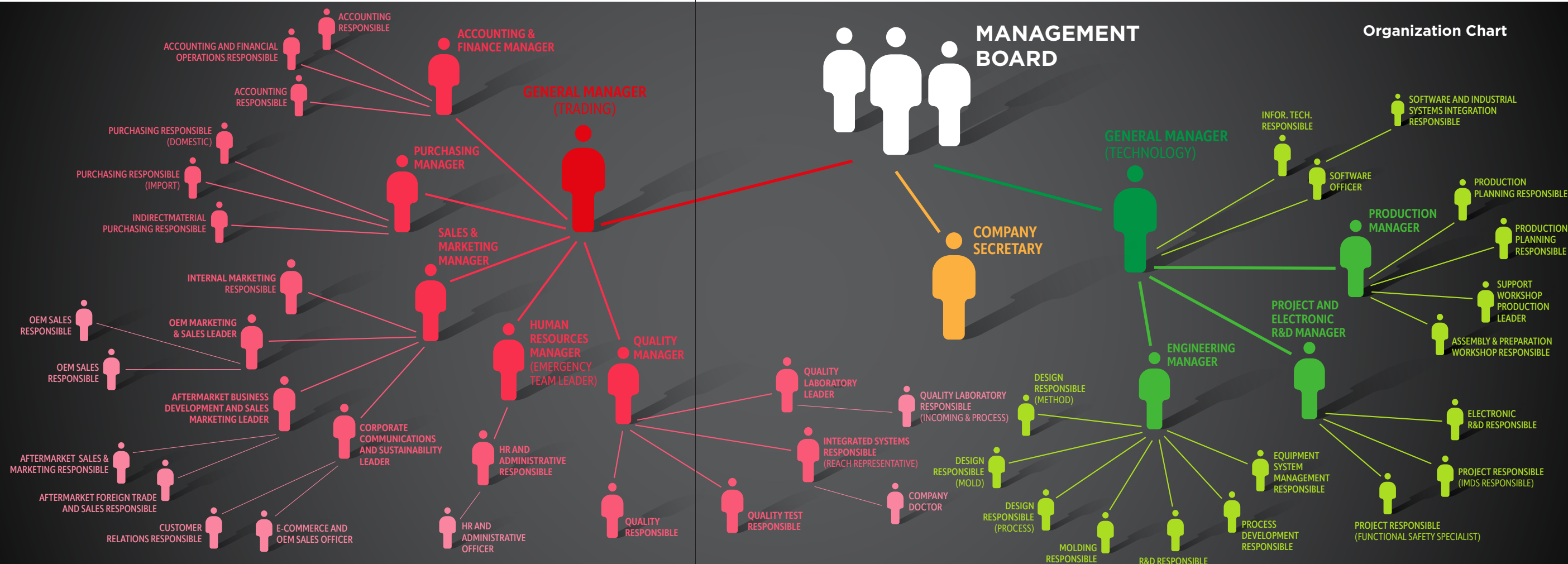
Management's Responsibility for Sustainability

At SEGER, senior management positions dealing with economic, environmental, and social issues play a critical role in achieving the company's sustainability goals. These positions report directly to the Board of Directors, ensuring that sustainability issues are addressed at the highest management level.

Sustainability committees meet every three months and report their work to the Sustainability Supreme Committee. This process is of great importance in terms of transparency and traceability. Detailed reports on sustainability performance and progress are also submitted to the Board of Directors every six months so that board members can make strategic decisions with up-to-date information. Management also provides support for any resource allocation, strategic guidance, and operational interventions needed on sustainability. This structure supports SEGER's continuous improvement and effective management in the field of sustainability.

Board Structure and Responsibilities

SEGER's highest governing body, the Board of Directors, operates independently of executive duties and consists of five members. Four of these members are company partners, and one is an independent member, a structure that promotes diversity and independent perspectives in management. The competencies of the board members are documented with a competency matrix, and these competencies are reviewed according to the company's strategies and development opportunities. The Chairman of the Board is not the CEO; this separation contributes to the transparency of management processes. Board members are generally elected from among the company's partners and play an active role in sustainability strategies and management processes.



Risk Management

RISK
MANAGEMENT

FINANCIAL
PERFORMANCE

We are aware of the risks we may encounter in every aspect of our operations and continuously work to proactively manage these risks. Our corporate strategy aims to increase operational efficiency, mitigate potential threats, and ensure long-term sustainable success. Accordingly, our risk management approach is integrated at all levels of the company.

In supply chain management, we work with various suppliers and develop strategic inventory management practices to increase resilience against potential disruptions. In terms of production efficiency, we are capable of providing fast and effective solutions to any disruptions by strengthening our continuous improvement and quality control systems.

We implement effective hedging strategies in currency risk management and develop flexible pricing models against changes in market conditions. To reduce competitive pressure, we focus on offering innovative products and services, better understanding customer needs, and providing solutions to these needs.

Compliance with environmental regulations is an integral part of our sustainability goals. With the policies and procedures we have developed to reduce our environmental impact, we quickly adapt to regulatory changes and at the same time reinforce our leadership in environmental sustainability by investing in green technologies.

To keep pace with the rapid changes in the sector, we maximize cybersecurity measures in our digital transformation processes and keep our technological infrastructure constantly updated. We evaluate and improve our production processes by adopting Industry 4.0 applications. Increasing our innovation capacity not only provides operational advantages, but also makes us more resilient to technological risks.

Our human resources strategies have a comprehensive structure aimed at increasing employee engagement and motivation. By adopting the principles of equality, diversity and inclusion, we make our work environment fair and supportive for everyone. Our occupational health and safety policies are implemented to the highest standards and are constantly reviewed.

Risk management not only minimizes potential losses, but also functions as a tool that improves our business processes by evaluating strategic opportunities. Thus, we both manage today's challenges and confidently meet tomorrow's opportunities.

When determining our strategic goals, we conduct an in-depth SWOT analysis with the participation of our management team. This analysis guides us in strategic decision-making processes by revealing our strengths and weaknesses, the opportunities and threats we face.

We regularly review and update the SWOT analysis we started in 2019 every year, taking into account all internal and external factors. In this direction, we analyze risks and opportunities and take positions.

Key Risk Areas and Mitigation Strategies

- **Market fluctuations and exchange rate risks:** We implement financial protection strategies against market fluctuations and exchange rate risks, and closely monitor cost management and budget control processes.
- **Environmental compliance and impact reduction:** To comply with environmental regulations and minimize environmental impact, we develop sustainable production techniques and waste management practices. We support renewable energy and energy efficiency projects.
- **Supply chain disruptions and production downtime:** We implement strategic inventory management and alternative supplier development plans against supply chain disruptions and production downtime. We continuously review and improve occupational health and safety policies.
- **Digital transformation and cybersecurity measures:** We integrate advanced technologies and protective measures within the scope of digital transformation and cybersecurity measures. Our cybersecurity strategies include protecting system components, identifying threat scenarios, and conducting risk analysis.
- **Employee satisfaction and development:** We manage social risks with employee satisfaction and development programs, and increase employee engagement with diversity and inclusion policies.

These strategies support our company's achievement of its sustainability goals, while allowing us to create a resilient and flexible structure against potential threats we may encounter.

Financial Performance

SEGER demonstrated strong financial performance in 2023, achieving significant growth in both local and global markets. The company attained positive results across various financial indicators and continued to successfully implement its sustainable growth strategy.

As of 2023, SEGER's net sales reached 343 million TL. Success in operational efficiency and cost management contributed to SEGER's growth.

The company continues its investments in human resources and society with its contributions to its employees and shareholders. SEGER successfully fulfilled its obligations to its employees with wages and benefits, and to its shareholders and the government.

Throughout 2023, SEGER achieved a total production of 4 million horns and 25 thousand AVAS units. Furthermore, online sales and service revenues from digital channels reached 754 thousand TL, reflecting the success of its digital transformation strategies.

Investments in environmental sustainability underscore SEGER's commitment to environmentally friendly practices, while investments in occupational health and safety demonstrate its commitment to ensuring employee safety. Additionally, the R&D and innovation budget was set at 4.2 million TL, reflecting the company's determination to develop innovative solutions.

With its local supply strategy and innovation-focused projects, the company continues to play an important role in achieving sustainable growth and regional development goals.

- **Total Number of Customers:** 35 (OEM) + 15 Domestic Dealers + 67 International Distributors
- **Number of Customers Actively Using Online Services/Electronic Sales Platforms:** 2047

Strategy and Governance

Strategic Target Setting and Management Process

In the process of determining strategic goals, transparency and inclusivity are priority principles. This process involves setting goals that align with the overall strategy and managing the steps required to achieve these goals.

The company's strategic goals are identified through SWOT and PESTLE analysis conducted with the participation of the entire management team. This analysis provides strategic guidance by evaluating strengths and weaknesses, opportunities encountered, and threats.

Once the strategic goals are determined, approval is obtained from senior management and finalized by the management team based on feedback. This step ensures that the goals are aligned with the company's overall strategy and are realistic.

Based on the determined strategic goals, annual company goals are established each year. These goals define the company's priorities and key performance indicators. In addition, customized goals are set for each department, aiming for each department to contribute to the overall strategic goals.

Department managers set individual goals for employees in their teams. These individual goals guide employees' daily tasks and projects while supporting their personal development.

Progress towards goals is regularly evaluated—monthly, every six months, and annually. These evaluations monitor the process of achieving goals and allow for strategic adjustments when necessary.

Employee performance is continuously monitored both individually and at the department level. This process assesses the degree to which employees achieve goals, areas requiring improvement, and their successes using objective criteria.

2023-2027 Focus Areas

Our 2023-2027 strategic plans are focused on R&D and innovation, aiming to increase product diversity and expand the range of electronic products. We aim to strengthen our leadership in the industry through local OEM collaborations, university partnerships, and new product development projects.

- R&D and innovation driven.

Increasing product diversity and expanding the electronics product portfolio.

- Strengthening partnerships with domestic OEMs and universities (Bursa Teknik University & Uludağ University)
- Developing and launching innovative products.
- Optimizing production processes.
- Enhancing organizational structure, management systems, and environmental sustainability.



SEGER's Evaluation from a Sustainability Perspective

When determining our strategic goals, we rely on a SWOT analysis conducted with the participation of the entire management team. This analysis guides strategic decision-making processes by revealing the company's strengths and weaknesses, as well as the opportunities and threats it faces. The determined strategic goals are shared with the entire management team after approval by senior management, and the company's annual goals are formed based on these strategic goals.

Each manager assigns individual goals to the employees in their team in line with these goals. Performance is evaluated monthly, every six months, and annually. This process ensures that the company's economic, environmental, and social impacts are continuously reviewed and managed. SEGER's sustainability-focused strategies are supported by an in-depth SWOT analysis.

Key Focus Areas:

- Innovative production technologies
- Operational efficiency
- Technological competence

Communication and Implementation

Internal and External Communication Strategies: Planning and Implementation in Line with Sustainability Goals.

SEGER has developed effective internal and external communication strategies to achieve its sustainability goals. These strategies aim to improve our sustainability performance by ensuring efficient communication with internal and external stakeholders.

Internal Communication Strategy

Regular information sharing is carried out within the company between different departments. With an effective internal communication approach, it is aimed to increase the efficiency of processes by ensuring coordination between departments.

- Training and workshops organized on sustainability issues increase employees' level of knowledge and awareness. This contributes to the sustainability-focused improvement of internal processes.
- Internal newsletters, intranet systems, and regular meetings ensure that general updates and policies are communicated effectively.

External Communication Strategy

Requests from customers are constantly evaluated, and efforts are made to provide them with the best service. This process strengthens long-term business relationships by increasing customer satisfaction and loyalty.

- Our sales and marketing teams use various communication channels such as e-mail, telephone, and customer portals when submitting price quotes and product information. This increases customer interaction and enables a fast and effective response to market needs.
- The company's sustainability projects and achievements are announced to the wider public through press releases and social media channels. This positively affects the company's image and brand value, strengthening its overall reputation.

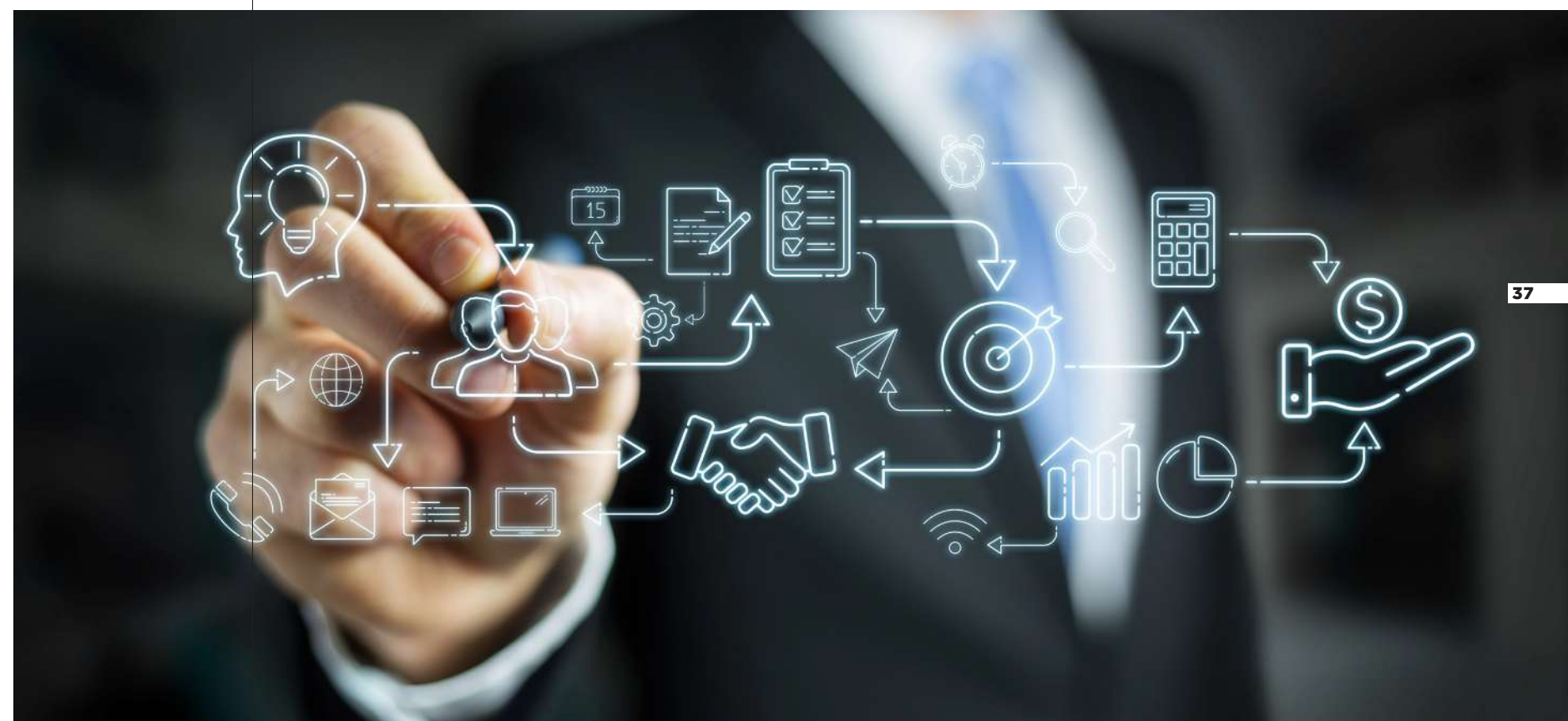
Continuous Improvement and Adaptation

SEGER regularly reviews and improves its internal and external communication strategies. This continuous improvement process makes it possible to quickly adapt to changing market conditions and new sustainability trends. It also supports a proactive response to emerging opportunities and threats.

The strong implementation of communication strategies is one of the key elements that support the achievement of our sustainability goals. By optimizing internal coordination and relationships with external stakeholders, these strategies contribute to the continuous improvement of our sustainability performance.

Operational Excellence and Process Management

The pre-operation, operation, and post-operation processes in our company are defined in detail through a value chain map. We carry out the design of our products and processes with our own staff, and after the necessary tests and trials, we put the designs into mass production. We provide raw material supply for production from both domestic and foreign suppliers; in this context, we supply sheet metal, plastic raw materials, fasteners, and electronic parts.



The journey of the product and the impact it creates are among the most important elements of sustainability reports. For this reason, we observe the impact created at every stage of the value chain by conducting impact analyzes before and after operations. These analyzes enable SEGER to create a sustainable and efficient production process.

Improvements and sustainability-focused innovations made in pre-operation processes increase efficiency and quality during operation, while steps are taken to minimize customer satisfaction and environmental impacts in post-operation processes. This integrated approach enables sustainability and efficiency at every stage of the value chain.

Policies

- R&D Policy
- Waste Management Policy and System
- Biodiversity Policy
- Diversity and Inclusion Policy
- Environmental Policy
- Energy Management Policy and System
- Equality Policy
- Code of Ethical Conduct
- Recycling and Circular Economy Policy
- Human Rights Policy
- Human Resources Policy
- Occupational Health and Safety Policy
- Quality Policy and System
- Corporate Social Responsibility Policy
- Customer Satisfaction Policy and System
- Stakeholder Communication System
- Risk and Opportunity Analysis System
- Water Management Policy and System
- Sustainability Approach and Policy
- Sustainability Management System
- Supply Chain Code of Conduct
- Supply Chain Management Policy

Gender Equality Initiatives

SEGER has been taking pioneering steps in the field of gender equality since 2010. In line with this, we have published our "SEGER Gender Equality Sample Practice Model" report to share our work in this area with the public. These efforts, detailed on our website (<https://www.SEGER.com/tr/toplumsal-cinsiyet-esitligi-ornek-uygulama-modeli-1>), include internal communications, training, and international collaborations aimed at increasing the employment of women.

Increasing Women's Employment

We have doubled the rate of female employees, which was 13% in 2010, to 26% in 2023 with the gender equality studies carried out within the company over the years.

Women's Empowerment Principles (WEPs) Process

In 2016, we took important steps towards women's empowerment by signing the Women's Empowerment Principles (WEPs) created by the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) and the United Nations Global Compact 1 (UN Global Compact).

We Became a Member of the Global Compact Women's Empowerment Bursa Platform

In 2017, we became a member of the "Women's Empowerment Bursa Platform" under the Global Compact (GC). With the structuring of the platform, we were elected to the chairmanship of the platform's activity committee. As the head of the activity committee, SEGER organizes the "Our Power is Our Equality" summit held every year within the platform and benchmarking studies among the platform member companies.

We Became a Member of BADV (Business Against Domestic Violence Company Network)

In 2017, we joined the BADV project established by the Sabancı University Corporate Governance Forum with the support of the Sabancı Foundation and the United Nations Population Fund (UNFPA) and in cooperation with TÜSİAD. We received training within the scope of this project. Afterwards, when the project took the form of a "Business World Against Domestic Violence Companies Network" under the TÜSİAD Women's Empowerment Working Group, we became a member of the Strategy Committee on this platform. We participate in benchmarking studies, webinars, and trainings organized on this platform, and we constantly update ourselves.



Our Voice is Our Equality Committee

In order to make gender equality studies sustainable and measurable, we established the "Our Voice is Our Equality Committee" in 2017. This committee was responsible for the creation and implementation of equality studies. With the start of our Sustainability Studies in 2022, the "Our Voice is Our Equality Committee" was included in the Reliable (Human) Committee.

Training and Awareness Activities

We organized various trainings and awareness activities to raise awareness of gender equality. In addition, we added a section to the orientation forms under the name of Gender Equality (GE) and WEPs, added information to job postings stating that we are a WEPs signatory, included the WEPs logo on all product boxes, and created a separate Instagram social media account under the name "Our Voice is Our Equality" which only provides information on GE, and we carried out many social media campaigns. In addition, we ask questions about GE in the section under the heading of Social Sustainability in the "Employee Satisfaction Survey" we conduct within the company every year, and with the answers we receive from here, we create our GE roadmap, goals and activities every year.

Civil Society Collaborations

We signed a cooperation protocol with the Mor Salkım Women's Solidarity Association within the scope of combating violence. Within the scope of this protocol, our employees can receive free psychological and legal support when they are subjected to violence and call Mor Salkım Association's 24/7 violence hotline. In addition, many awareness-raising activities are carried out with the association. We also held awareness talks with Uludağ Soroptimist. We ensured that all proceeds from the "Pink Horn Project", which we implemented for Breast Cancer Awareness, were transferred to the "Bursa Association for the Fight Against Cancer" for women and children with cancer.

We work with BUSİAD, BUIKAD and KALDER on the Women's Empowerment Platform.

Good Practices and Our Future Plans

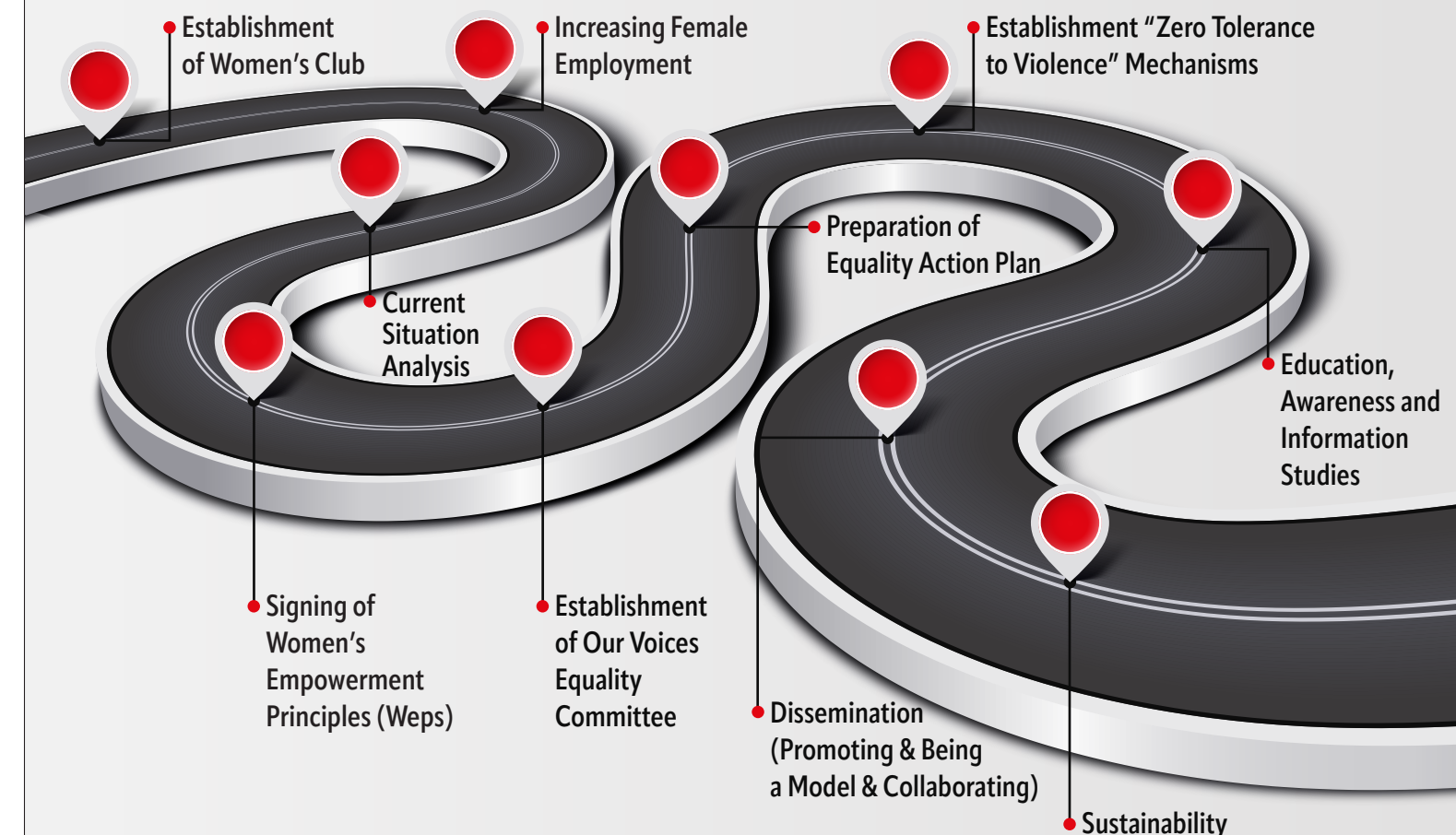
Our company undertakes various initiatives to increase the employment of women and support their empowerment in business life. In this context, we are a signatory of the Women's Empowerment Principles (WEPs) and encourage the development of our female employees within the company under the name "Women's Club". At the same time, we are a member of the strategy committee of the "Business World Against Domestic Violence" Project, which supports the fight against domestic violence, and we chair the activity committee of the Women's Empowerment Bursa Platform. Thanks to our cooperation with the Mor Salkım Women's Solidarity Association, SEGER employees can receive legal and psychological sup-

port services from the 24/7 violence hotline. Our Equality Policy has been announced to all our stakeholders, and training and action plans aimed at increasing the sectoral competencies of our female employees are implemented regularly.

As of 2024, targets and action plans for equality studies will be created within the company, and it is aimed to implement at least 80% of these plans. Our 2025 targets include preparing development plans for our suppliers open to development and implementing improvement activities in this direction.

- We added our equality policy to the internal regulations and renewed human resources documents in a way that supports gender equality.
- We organized awareness videos and training programs for female employees.
- We aim to provide equal working conditions for all employees and prevent gender discrimination. We make evaluations based on the nature of the job, without gender discrimination in recruitment and promotion.
- Our Voice is Our Equality Committee created the equality action plan. With sustainability studies, our committee was included in the "Reliable (Human) Committee". The created action plan is updated every year and its implementation is followed by the Reliable Committee.
- Renewal of job application forms in a way that supports gender equality.
- Organization of father's day activities for our male employees.
- We will continue our training and awareness programs to improve our gender equality efforts and increase the employment and empowerment of women. Our goal is to ensure gender equality by supporting women's participation in the workforce.

Gender Equality Implementation Model



Combating Corruption and Ethical Management

Acting with Integrity Every Day

SEGER is committed to upholding the highest ethical standards and actively combating corruption. SEGER's anti-corruption policies are communicated to the Board of Directors, all employees, and suppliers through the Supplier Handbook, ensuring transparency and ethical conduct in all business relationships. Anti-corruption training is tailored to employees' geographical locations and roles, equipping them to understand corruption risks and act accordingly.

While SEGER does not have a specific risk management strategy for combating corruption, it operates within the framework of the SEGER Code of Ethics. This code clearly outlines how to address ethical concerns and informs employees about how to contact the SEGER Ethics Committee. This approach, which reinforces the principles of transparency and accountability, contributes to the prevention of corruption risks.

In 2023, no cases of corruption were identified at SEGER.

SEGER has developed various mechanisms to promote ethical conduct and compliance:

Ethics Committee, provides guidance to employees on ethical standards and policies, playing a central role in promoting ethical behavior.

Committee Composition, the committee consists of General Managers, Company Lawyers, and the Human Resources Manager. Employees can seek independent advice on ethical issues through a dedicated email address (etik@seger.com) and phone number (0 224 2567271). All inquiries are kept confidential in accordance with company policies and legal requirements. This ensures that employees feel safe reporting ethical violations and maintains a balance between transparency and trust.

SEGER aims to continuously improve its ethical policies and align them with global standards. Currently, our ethical policies are structured in accordance with the ILO's labor principles.

Our Ethical Conduct: Grounded in International Standards

United Nations Global Compact	United Nations Convention against Corruption
International Covenant on Human Rights	ILO Declaration on Fundamental Principles and Rights at Work
UN Guiding Principles on Business and Human Rights	OECD Guidelines for Multinational Enterprises
Universal Declaration of Human Rights	Women's Empowerment Principles
European Convention on Human Rights	

<https://www.SEGER.com/tr/surdurulebilir-bir-gelecek-icin-kararliyiz>

SEGER promotes transparency and accountability to prevent corruption. Concerns reported through the SEGER Ethics Hotline are evaluated by the Ethics Committee, and feedback is provided.

- No reports were received in 2023.
- A total of 4 reports have been received since the hotline was established in 2018, and all have been addressed.

Human Rights

Training and Education: SEGER prioritizes training employees on human rights policies and procedures.

Comprehensive Training: All employees received comprehensive training on human rights in 2023, with refreshers planned for March 2024.

Awareness and Best Practices: SEGER aims to raise awareness of ethical conduct and compliance through training on best practices, methods, and rewards.



Child Labor and Forced Labor

Monitoring and Due Diligence: SEGER closely monitors activities and suppliers that may pose risks related to child labor and forced labor.

Supplier Assessment: A current situation analysis survey was conducted to assess suppliers' compliance with child labor policies.

No Forced Labor: SEGER does not engage in forced labor practices, and no complaints have been received in this regard.

Supplier Handbook: The Supplier Handbook was updated to inform suppliers about ethical guidelines.

Stakeholder Management and Engagement

Diverse Stakeholder Network: SEGER actively engages with various stakeholders, including suppliers, customers, employees, NGOs, legal authorities, chambers, associations, academic institutions, and the general public.

Strategic Stakeholder Selection: Stakeholders are carefully selected based on industry needs and strategic goals.

Effective Communication: SEGER maintains regular contact with stakeholders and reviews contracts at the beginning of collaborations, during scope changes, or when any modifications occur.

Feedback Mechanisms: SEGER actively collects and evaluates stakeholder feedback through various channels, such as employee satisfaction surveys, supplier surveys, customer satisfaction surveys, and a suggestion system.

Responsiveness to Feedback: SEGER takes action to address key issues identified through stakeholder engagement, contributing to continuous improvement and strengthening stakeholder relationships.

Stakeholder Communication Structure

Communication Channels: SEGER communicates with stakeholders on sustainability issues through its corporate website, events, meetings, newsletters, social media, internal and external reports, and information portals.

Communication Strategy: The communication strategy was renewed in 2023.

- **2024 Goal:** Increase active participation in existing platforms.
- **2025 Goal:** Maintain existing memberships and increase active participation in new platforms.
- This table provides a detailed breakdown of SEGER's stakeholder engagement activities. Here's the translated version with some formatting improvements for clarity:

STAKEHOLDER GROUP	FOCUS AREAS	COMMUNICATION CHANNELS	FREQUENCY
Employees	Quality, Environment, and OHS Management Systems, Requirements, and Importance	E-mail	Initial setup, first publication, upon changes, daily, monthly, annually
	Vision, Mission, Objectives, Values, Policies	Notice Boards	
	Company Goals, Strategic Goals	Training	
	Departmental Goals, Individual Performance Goals	Meetings	
	Quality, Environment and OHS Targets and Current Status	Website	
	Product Safety and Potential Risks	Emergency Response Team	
	Wages, Benefits	Business Plan	
	Inclusivity and Diversity	Company Goals Table	
	Innovation and R&D Development	IAS Program	
	Sustainability Management	Performance Reviews	
	Industry Developments	Operational Process Cards	
	Climate Change	Instructions	
	Career and Talent Management	Face-to-face meetings	
	Employee Satisfaction		

Shareholders	Financial and Operational Performance	Management Review Meetings, Senior Management Meetings	Monthly / Quarterly / Annually / As needed
	Resources	Quarterly Meetings	
	HSE and Community Performance Statement	Financial Review Meetings	
	Development of Governance Structure		
	Human Rights Performance with Business Integrity Practices	1:1 meetings with Senior Management and Board	
	Sustainability Management	Strategy and Investment Relations Meetings, Budget Meetings	
	Climate Change		
	Political Risk	Discussions on Crisis and Risk Management	
	Economic Risk	Meetings with the Sustainability Committee	
	Risk and Opportunity Management		
	Crisis Management		
	Patents		
Future Strategy			
Customers	Company Introduction	Face-to-face meetings	Continuously, upon customer request, complaint reporting, initial publication and updates
	Customer Satisfaction	Meetings with relevant department managers	
	Product Verification	E-Mail	
	Monitoring and Measurement Results	Website	
	Legal Requirements Related to the Product	Social Media	
	Product Reliability, Quality	Site Visits	
	Pricing		
	Contracts		
Responsible Resource Use			
Public Institutions, Regulators, Local Authorities	Taxes, Royalties	E-Mail	Regularly / As needed
	Government Regulations	Visits	
	Permits, Agreements	Written Notification	
	Legal Compliance	Reporting	
	Import Operations	Website	
	Environment and OHS		
	Legislation, Policy Development		
National and Regional Development Recommendations			
Suppliers	Supplier and Contractor Management	Supplier Handbook	Regularly (weekly, monthly, annually) / As needed
	Employment and Supply Opportunities	E-Mail	
	Financial and Operational Performance	Face-to-face Meetings	
	Responsible Resource Use	Meetings With Teams	
	Sustainability Strategy, Sectoral and Global Developments	Personal Communication	
		Feedback Surveys	
		Project Meetings	
Website			
Industry	Environment and Resource Management	Communication with Global, National and Regional Organizations/Associations	Regularly / As needed
	Technology and Innovations	Meetings	
	Industry Development	Conferences	
	Policy Trends	Workshops	
	Industry Reputation	Panels	
Potential Employees	Qualified Employment	Communication with Uni's and VET Schools	As needed
	Safe and Healthy Working Environment	Social Media	
	Inclusivity and Diversity	Site Visits	
	Equal Pay for Equal Work		
Sustainability			
Media	Product/Service Information	Press Releases	As needed
		Press Conferences	
Industry Information	Face-to-face Meetings		
Academic Institutions	Climate Change	Communication with Uni's and VET Schools	As needed
	Environmental Regulation	Support for Thesis Studies	
	Occupational Health and Safety	Technical Project Collaborations	
	Product Development, R&D	Internship opportunities	
	Qualified Training	Experience Sharing	
	Employment	Site Visits	
		Seminars	
Panels			
Community	Rights of Local People	Local purchasing	Program-based and regular
	Cultural Heritage	Social & Env. Info Meetings	
	Employment and Supply Opportunities	Site Visits	
	Social Responsibility Projects	Complaint and Suggestion Mechanism	
		Website	

Supplier Diversity

Supplier Sustainability Survey: According to the results of the Supplier Sustainability Survey conducted in March 2023, suppliers demonstrated an average sustainability performance of 60%.

Key Findings:

- 65% of suppliers have an ethics policy.
- 93% have clearly defined values, vision, and mission.
- 83% conduct risk and opportunity analyses.
- 62% are aware of carbon neutrality, and 17% calculate their carbon footprint.
- The majority plan to measure their carbon footprint starting in 2025.
- Packaging suppliers use an average of 90% recycled materials.
- Recycled material use in SEGER's products varies between 10% and 20%.
- 52% of suppliers actively implement energy efficiency management.
- 48% have diversity and inclusion policies, and 86% prioritize increasing women's employment.
- All suppliers have an Occupational Health and Safety (OHS) policy, and 55% have an equal pay for equal work mechanism.
- 48% of suppliers conduct activities to support social development and carry out R&D activities.
- All suppliers closely follow technological developments to encourage innovation, and 31% invest in creating future employment.

Workforce Diversity: The average rate of female managers at suppliers is 1.22, and 38% of suppliers have more than 30% female employees. The average rate of female employees is 28%.



Supply Chain Management

Focus on Quality and Compliance: SEGER's supply chain is structured to meet quality, environmental, and OHS requirements. Suppliers are carefully evaluated, selected, and developed to ensure that purchased goods and services meet quality, price, delivery, safety, and environmental compliance standards.

Supplier Evaluation: SEGER regularly audits suppliers to ensure compliance with its standards.

Supply Chain Process: The procurement process is divided into Tier I materials and services and Tier II and Tier III materials and services.

For Tier I materials, the Purchasing department creates order forms based on weekly MRP reports.

For Tier II and Tier III materials, the requester fills out an order form and sends it to the purchasing department.

2023 Data:

- Total Number of Suppliers: 106 (Tier 1 and Tier 2)
- Total Number of Local Suppliers: 92
- Total Payments to Suppliers: 6,508,241 TL
- Total Payments to Local Suppliers: 4,649,871 TL
- Total Number of New Suppliers: 5
- Percentage of Payments to Local Suppliers in Total Supplier Payments: 71.45%

"In line with our 2024 target, we will continue to engage with our suppliers on sustainability matters. In 2023, we conducted face-to-face and online Sustainability Sharing Meetings to exchange information and share our goals and expectations. In line with our Sustainability Policy, we will continue evaluating our suppliers in 2024 as we did in 2023. These evaluations will be based on the responses provided by our suppliers to the Supplier Sustainability Surveys that we will send out annually. Additionally, we aim to verify the survey responses through audits and visits to our suppliers. For suppliers with room for improvement, we plan to create development plans and carry out activities aligned with these plans."



Supplier Performance Evaluation

Comprehensive Evaluation System: In 2023, SEGER implemented a comprehensive evaluation system to assess supplier sustainability performance based on various indicators and scoring.

Performance Indicators: Indicators are used to evaluate suppliers' sustainability practices and their impact on business processes.

Annual Evaluation: The performance evaluation process is conducted annually.

Continuous Improvement: The system aims to continuously monitor and track the development of suppliers' sustainability performance.

Support and Training: The supplier performance evaluation process is supported by training, audits, visits, newsletters, information emails, and sharing meetings based on ethical, environmental, and social responsibility criteria.

Supplier Audits

Environmental Sustainability Audits: SEGER initiated environmental sustainability audits of its suppliers in 2022, auditing 4 suppliers. As of 2023, audits of 5 suppliers have been completed.

Corrective Actions: Actions identified as a result of the audits have been implemented, and regular monitoring of the processes has been ensured.

Future Plans: SEGER will continue to audit 5 suppliers each year within the framework of its sustainability goals. The audit scope will be updated to regularly monitor GHG emission data.

Circular Economy Training: SEGER provided training on the circular economy to the management teams of its suppliers in 2023.

Collaboration Goals:

2025: Actively start sustainability efforts with suppliers, including comprehensive information on the circular economy and development of collaborations in line with sustainability goals.

2025-2026: Review collaborations with suppliers and set new targets to encourage wider adoption of sustainability criteria and sustainable business models in the supply chain.

Local Supplier Strategy

Prioritizing Local Suppliers: SEGER prioritizes local suppliers in its supplier selection process, with a target of 70% or more local suppliers. This target was successfully achieved in 2023.

ESG Criteria: ESG criteria are at the forefront of SEGER's supplier selection criteria.



Supplier Development: SEGER conducts monthly supplier evaluation meetings, and the results are processed into its ERP system. At the beginning of the year, a supplier development and audit program is prepared. Suppliers that comply with the determined criteria are audited on various issues, including sustainability, and areas for improvement are identified and supported.

Sustainability Policies: SEGER's Sustainability Policies were declared to all its suppliers in May 2023, and training was provided on this subject.

Contribution to the Local Economy and 2023 Achievements

Promoting Local Sourcing: SEGER aims to support balanced local economic development by encouraging the use of local resources. In 2023, local purchases exceeded 70% of total purchases.

Supporting Regional Development: By working with local suppliers, SEGER supports regional development and contributes to the growth of local businesses.

Meeting Market Needs: SEGER has added Acoustic Vehicle Alerting Systems (AVAS) to its product range, meeting a significant market need by providing both horns and AVAS products to the electric vehicle industry.

Supplier Environmental Assessment

Environmental Criteria: SEGER evaluates its suppliers based on environmental criteria.

Compliance with Regulations: In line with Europe's Fit for 55 decisions to prevent global warming, SEGER needs to comply with the environmental and emission targets of its European and OEM customers.

Risk Mitigation: SEGER acknowledges the risks associated with suppliers not meeting expectations regarding carbon footprint and recycled material use. The company is working to raise awareness among its suppliers through information sharing. Suppliers that do not meet environmental legal requirements are not considered as candidate suppliers.

Supplier Communication Plan

Strong Communication: SEGER aims to establish strong and continuous communication with its suppliers to achieve its sustainability goals.

Information and Training: A comprehensive supplier communication plan has been created, including information and training processes on sustainability principles.

Sustainability Information Sharing: SEGER shared its "SEGER Gender Equality Best Practice Model" with all stakeholders in March 2023 and provided information on sustainability throughout the year.

<https://www.SEGER.com/tr/toplumsal-cinsiyet-esitligi-ornek-uygulama-modeli-1>

R&D and Innovation

Diverse R&D Team: In 2022 and 2023, SEGER's R&D and innovation departments had 3 female and 15 male employees, promoting diversity and different perspectives in innovation processes.

R&D Investments: R&D expenditure and investment ratios were determined in line with 2023 targets, and an R&D investment plan was created and implemented, taking into account sectoral averages.

New Product Revenue Targets: Targets for revenue contribution from new products were set and regularly monitored.

Future Goals:

2024: Allocate resources to new product development efforts and continue monitoring R&D activities.

2025: Update the R&D investment plan considering 2024 sector averages and allocate 2024 R&D revenues to new product development efforts planned for 2025.

Design Center and Patents

Strengthening R&D: SEGER has strengthened its R&D team since 2019 to develop electronic hardware and software. The company successfully carried out TÜBİTAK TEYDEB and KOSGEB projects.

SEGER Design Center: The SEGER Design Center became operational in 2023 and is currently running five active projects.

AVAS Production: The Acoustic Vehicle Alerting System (AVAS) developed by SEGER has started to be used in TOGG vehicles, and the new AVAS production line has an annual capacity of 750,000 units.

New Facility: SEGER plans to start the construction of its new facility in TEKNOSAB in 2025, which will increase production capacity and support sustainable growth.

Patents and Registrations: In 2023, 2 new patents were approved, 3 patent applications are under review, and SEGER has 4 design registrations and 2 trademark registrations.



Management Processes

Product Quality and Innovation: SEGER uses effective management approaches in product quality and innovation processes. The V-Cycle model ensures quality control at every stage, from requirements definition to integration.

Software and Tools: Ansys software tools and SourceTree are used for efficient product development and version management.

Functional Safety and Cybersecurity: SEGER has functional safety and cybersecurity management systems in accordance with ISO 26262 and ISO 21434 standards.

Electronic Component Design Process

High Standards: SEGER follows comprehensive processes to achieve high performance and reliability standards in electronic component design. These processes include PCB design, component selection, simulations, thermal analyses, EMC tests, and software integration.

Product Development Process

Customer-Centric Approach: The product development phase begins with the analysis of customer and market requirements. Hardware (HW) and software (SW) components are designed according to the identified requirements. After integration tests and validation processes, the product is launched, ensuring maximum customer satisfaction.

Functional Safety and Cybersecurity Management

Comprehensive Systems: SEGER's functional safety and cybersecurity management systems are implemented comprehensively to maintain the highest level of product safety. These systems provide effective protection against threats through risk analyses and security strategies.

Quality Laboratory

Quality Control: SEGER carries out a comprehensive quality control process to ensure superior product quality. All materials, from the supply chain to the production stage, undergo strict quality control procedures before production. Final products are meticulously inspected in accordance with international standards.

Testing and Evaluation: Various tests are conducted in SEGER's quality laboratory to evaluate the performance of products and parts.

- Acoustic tests measure the sound quality and levels of the products.
- Mechanical shock and vibration tests evaluate how products perform under harsh conditions.
- Life/durability tests simulate the service life of products to determine their durability.
- Electrical safety tests check whether the products comply with safety standards.
- Temperature, humidity, and shock tests test the performance of products under different environmental conditions.

Digitalization

Digitalization Strategy

SEGER's digital transformation efforts aim to increase operational efficiency, optimize processes, and contribute to sustainable growth.

Canias IAS Software: SEGER has been using Canias IAS software as its ERP program since 2003. The digitalization process started with material and production planning and has been integrated into all business processes over time.

Digitalization of Processes: With the contribution of two software developers, SEGER has moved all its processes to the digital environment, from order to shipment. In addition to production and logistics processes, business processes such as Change Management, Cost Management, Action Plans, Maintenance Management, Document Management, Accounting and Finance Management, E-FMEA, Scrap-Waste Management, Personnel Management, Invoicing, Supplier Evaluation, Performance Management, and the Suggestion System have been digitized.

Benefits of Digitalization: Digitalization has made all data instantly monitorable and analyzable, providing significant advantages in strategic decision-making processes.

Competitive Advantage: SEGER's digital transformation projects increase the company's competitiveness and contribute to its sustainable growth.

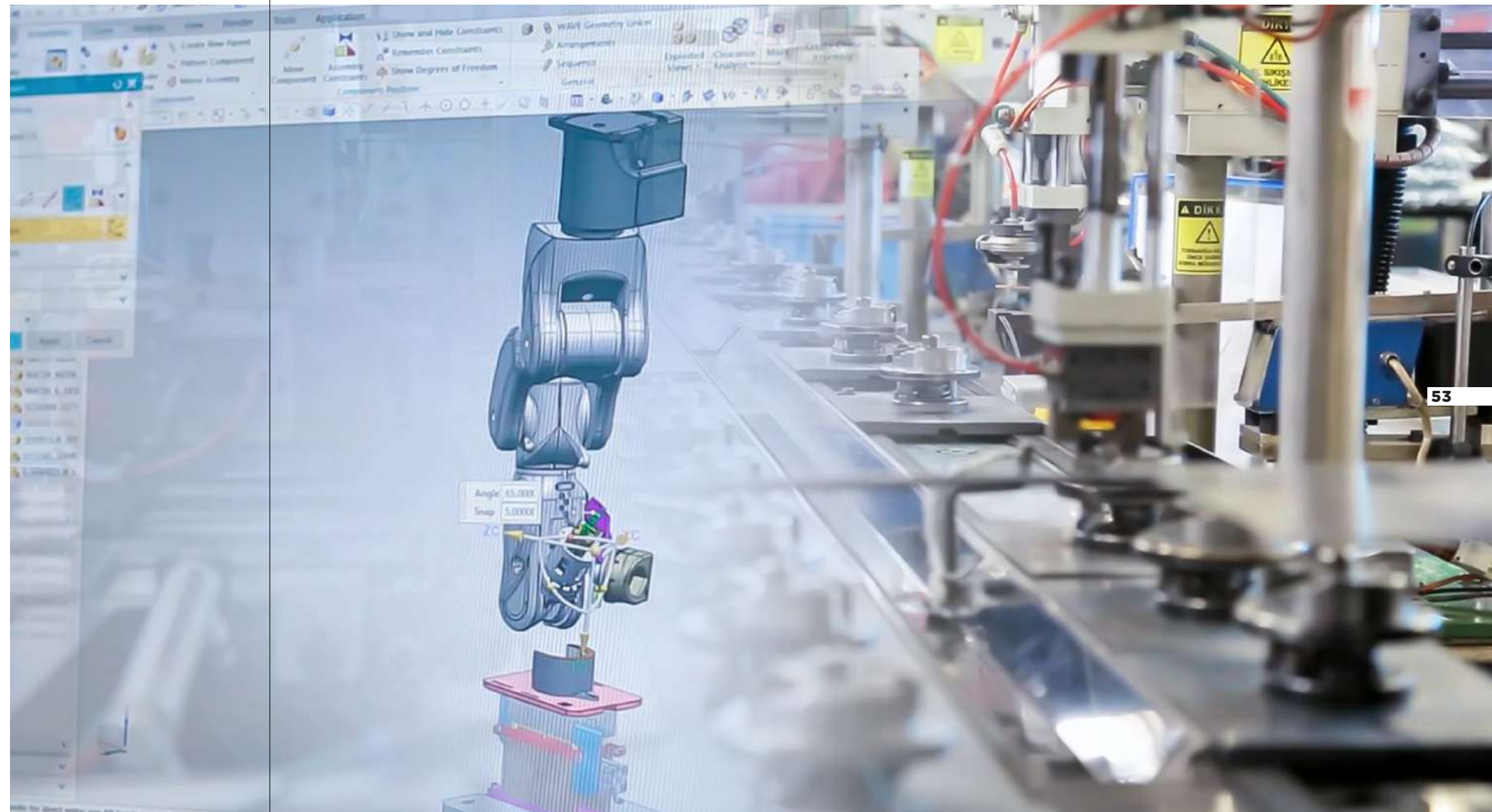
Good Practice Examples and Results

MES System: SEGER has been using the MES (Manufacturing Execution System) system in its press and plastic injection workshops since 2021. Real-time production data is collected from 20 machines, and inefficiencies are automatically transferred to the database.

Automation Systems: The automation level of SEGER's production lines is over 80%. Production data is collected and analyzed through PLC programming, sensors, cameras, and electronic units.

Machine Learning: SEGER is working on machine learning applications to make its production lines self-manageable, aiming to reduce scrap and downtime, and prevent waste and poor quality costs.

As SEGER, we are digitizing all our business processes in the digital transformation journey, enhancing operational efficiency, strengthening automation on our production lines, and making strategic decisions to support our sustainable growth, thereby increasing our competitive advantage.



Future Plans:

- Digitize the traditional Kanban system and integrate it with the MES system.
- Automate material transfers by establishing a communication system between warehouses and production machines.
- Continue working on the Digital Transformation Program in 2024, following digital maturity level determination studies conducted with Özyeğin University Technology Center.

Occupational Health and Safety

Priority on OHS: SEGER's Occupational Health and Safety (OHS) Policy is a priority in its sustainability goals. The company is committed to providing a safe and healthy working environment for its employees, customers, and suppliers.

Zero Accident Target: SEGER aims to achieve "zero occupational accidents" through risk assessments, performance measurements, training programs, emergency drills, and infrastructure improvement efforts.



Employee Health and Safety Practices

Physical and Mental Health: SEGER creates an ergonomic working environment and involves employees in the development of OHS processes to protect their physical and mental health.

Training and Awareness: Training and awareness-raising activities are organized to increase the knowledge and awareness of all stakeholders on occupational health and safety.

Key Practices:

- Ensuring the availability and accessibility of safety equipment.
- Providing training on working with chemicals.
- Preparing emergency plans and being prepared for situations such as fire, flood, earthquake, sabotage, and cyberattacks.
- Measuring performance and making continuous improvements through regular drills.

Occupational Health and Safety Committee

Monthly Meetings: The OHS Committee meets regularly every month to improve health and safety conditions in the workplace.

Committee Responsibilities:

- Overseeing the implementation of OHS policies.
- Conducting risk assessments and taking precautions.
- Planning training, reviewing emergency plans, and evaluating employee suggestions.

OHS Practices and Improvement Steps

- **Noise Reduction:** SEGER enclosed the horn sound analysis stations at the end of the lines with insulated cabins to prevent operators from being affected by noise during shift changes.
- **Working at Height:** Lifelines were installed for working at height, and lockable safety baskets were added to forklifts.
- **Eliminating Chemical Exposure:** Robotic painting was implemented in the paint shop to completely eliminate chemical exposure.
- **Ergonomic Workstations:** Workstations were ergonomically arranged to ensure a healthy and comfortable working environment for employees.
- **Continuous Improvement:** SEGER conducts on-site inspections every two months to analyze the current situation and identify areas for improvement.
- **Psychosocial Support:** SEGER carries out activities to provide psychosocial support and promote the mental health of its employees.

AVITA Employee Support Program

24/7 Support: The AVITA Employee Support Program, planned to be implemented in 2024, will provide 24/7 service to all employees and their first-degree relatives. This program has been developed to respond to the psychosocial support needs of employees.

OHS Training and Training Statistics

Training Categories and Durations

Various trainings have been organized to raise awareness and ensure safe working conditions for SEGER employees. These trainings contribute significantly to the establishment of a health and safety culture throughout the company.

TRAINING CATEGORY	2022	2023
General Training	6h basic OHS training for all employees	6h basic OHS training for all employees
Basic Fire Training	3 hours for the fire brigade	3 hours for the fire brigade
First Aid Training (OED)	3 hours for the first aid team	-
Workshop-Based Occupational Health and Safety Training	1 hour for all blue-collar workers	1 hour for all blue-collar workers
MYK Training	6 hours for forklift, assembly, crane, plastic injection, and press operators	-

Our Occupational Health and Safety Performance

SEGER has achieved significant results in occupational health and safety in 2022 and 2023. Here are the key highlights:

- **No Occupational Illnesses or Fatalities:** No cases of occupational illness or fatalities occurred in either year.
- **Lost-Time Accidents: 2022:** One lost-time accident resulting in 2 days lost. **2023:** Four lost-time accidents resulting in 7 days lost.
- **Total Working Hours: 2022:** 524,110 hours **2023:** 540,518 hours
- **Accident Frequency and Severity Rates:** While accident frequency rates remained below targets, the 2023 frequency rate of 11 and severity rate of 13 indicate a need to strengthen preventive measures.



- **Near-Miss Reporting:** Underreporting of near-miss incidents by employees poses a potential risk, as it may lead to overlooking potential hazards. SEGER is actively working to strengthen its safety culture and raise employee awareness to address this.

Overall, SEGER’s occupational health and safety policies proved effective in 2022 and 2023. The company is committed to maintaining this success and minimizing workplace accidents through continuous improvement and awareness-raising efforts.

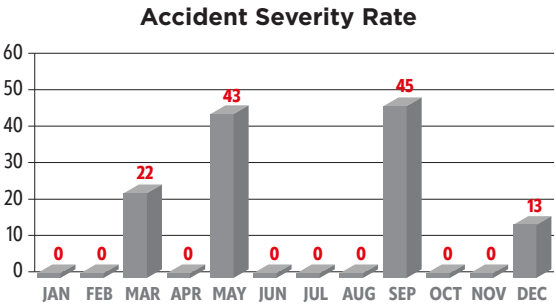
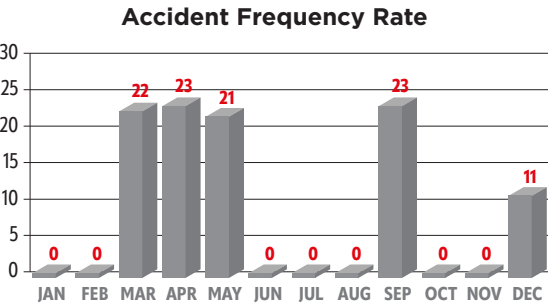
Future Goals:

- Enhance risk assessment processes.
- Expand employee training programs.
- Strengthen the safety culture.
- Continuously improve occupational health and safety standards.

OCCUPATIONAL HEALTH AND SAFETY ACCIDENT-INCIDENT TRACKING TABLE 2023

ACCIDENTS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Occupational Disease	0	0	0	0	0	0	0	0	0	0	0	0
Fatal Accident	0	0	0	0	0	0	0	0	0	0	0	0
Amputation	0	0	0	0	0	0	0	0	0	0	0	0
Serious Accident (>10 Days of Leave)	0	0	0	0	0	0	0	0	0	0	0	0
Moderate Accident (3-10 Days of Leave)	0	0	0	0	0	0	0	0	0	0	0	0
Minor Accident (1-2 Days of Leave)	0	0	1	0	1	0	0	0	1	0	1	0
First Aid Accident (Zero Days of Leave)	0	0	0	1	0	0	0	0	0	0	1	0
Near Accident (Near Miss)	0	0	0	0	0	0	0	0	0	0	0	0

WORK ACCIDENT EVALUATION RESULTS													TOTAL
Total Number of Accidents per Month	0	0	1	1	1	0	0	0	1	0	2	0	
Total Number of Lost Days per Month	0	0	1	0	2	0	0	0	2	0	2	0	TOTAL
Total Working Hours per Month	45.769	42.258	45.425	44.385	46.575	44.719	44.878	44.898	44.141	46.624	45.490	45.356	TOTAL
Total Number of Employees per Month	203	203	202	200	203	202	200	205	209	208	211	210	AVERAGE
Accident Frequency Rate (Number of Accidents / Total Working Hours) * 1,000,000	0	0	22	23	21	0	0	0	23	0	0	0	AVERAGE
Accident Severity Rate (Severity Rate) (Lost Workdays / Total Working Hours) * 1,000,000	0	0	22	0	43	0	0	0	45	0	0	0	AVERAGE



Commitment to "Zero Accidents"

SEGER is dedicated to achieving a "Zero Accident" goal in occupational health and safety. SEGER holds the OHSAS 45001 Occupational Health and Safety Management System certification, demonstrating its commitment to maintaining a safe and healthy work environment. Regular risk analyses are conducted to identify and address potential hazards. Risk analyses help identify high-risk areas, allowing SEGER to take necessary actions and improve safety levels in those areas.

Targets: 2024: Reduce the total risk analysis score by 2% and identify and address at least 3 near-miss incidents. 2025 & 2026: Continue to reduce the risk analysis score by 2% annually and identify and address at least 3 near-miss incidents each year.

ADAPTABLE for a Sustainable Future

At SEGER, we listen to the voice of nature and set sail for our sustainable product goals, guided by the awareness of responsible production and consumption. Each of our products is meticulously crafted, like a work of art reflecting the essence of sustainability standards. We carefully organize processes to maximize energy efficiency.

We orchestrate our production melodies to match the rhythm of energy. Our long-lasting product designs build a bridge that defies time, not only offering durability to our users but also conserving our planet's resources.

We align our raw material procurement with a robust infrastructure that ensures continuity. By effectively utilizing our local supplier network, we minimize the travel distance of our raw materials and products, significantly reducing our carbon footprint.

As SEGER, we take responsible steps every day with each product and decision, striving for a greener and more sustainable tomorrow. On this journey, together with all our stakeholders, we look to the future with hope, raising the melody of harmony and responsibility.

As SEGER, with our sustainable production approach, we design environmentally friendly products, ensure energy efficiency, and build a greener future by conserving our resources.

OUR PRIORITY SUSTAINABLE DEVELOPMENT GOALS



ADAPTABLE

FOR A SUSTAINABLE FUTURE

Environmental Responsibility

Inspired by Nature: SEGER actively implements environmentally friendly practices, taking inspiration from nature's cyclical models.

Focus on Reduction and Efficiency: These practices aim to reduce the use of natural resources and energy, prevent waste generation, and minimize SEGER's carbon footprint.



Environmental Investments: In 2023, SEGER invested a total of 58,719.00 TL in environmental initiatives, including wastewater treatment plant contributions, environmental management consulting services, energy efficiency studies, emission filter expenses, renewal of environmental permits, and disposal of hazardous waste.

Raising Awareness: SEGER organizes various projects and training programs to raise environmental awareness among its employees, stakeholders, and the community.

Addressing the Climate Crisis: SEGER acknowledges the global climate crisis and its potential consequences, taking its environmental responsibilities seriously and focusing on developing effective solutions.

Leadership and Responsibility: SEGER's senior management leads the determination and implementation of environmental policies. The Quality Manager oversees the environmental management system, while the Environmental Engineer conducts technical studies on environmental risk assessment and management, implementing ISO 14001 Environmental Management System standards.

No Environmental Penalties: SEGER has not received any environmental penalties in 2021, 2022, and 2023, demonstrating the effectiveness of its environmental management systems and full compliance with legal regulations.

ENVIRONMENTAL RESPONSIBILITY

Environmental Policy

The "People and Environment First" awareness forms the foundation of our Environmental Policy.

In accordance with the Environmental Management System standards, we discipline all our operations, identify risks and opportunities, monitor and measure our performance, and continuously improve.

Throughout our activities and product life cycle, we identify and implement continuous improvement activities for the efficient use and conservation of resources, the use of recyclable materials, the reduction of waste, and the prevention of pollution.

We evaluate reuse and recycling opportunities to reduce waste and utilize resources efficiently.

We participate in and incorporate into our business processes studies and practices aimed at protecting the environment. We value and support our employees in conducting business that is environmentally friendly, sensitive, and based on scientific foundations.

We take measures to minimize our impact on climate change.

We regularly monitor our GHG (greenhouse gas) and carbon emissions and manage our operational processes to become carbon neutral.

We follow all environmental laws and regulations and fulfill our legal and other obligations.

We incorporate environmental factors into our purchasing processes.

We encourage our supply chain to measure and reduce GHG (greenhouse gas) and carbon emissions, and we carry out the necessary work for them to be disciplined.

We inform all our stakeholders about our environmental performance.

We regularly inform and train all our employees on environmental compliance and our principles.

We expect our employees, customers, and suppliers to comply with environmental laws and other requirements.

We inform our suppliers about SEGER's environmental principles, provide training if necessary, and expect our suppliers to be sensitive and compliant with environmental issues.

Environmental Risks and Priority Issues

Focus Areas: SEGER continuously works on environment, energy, water, waste management, and biodiversity issues to achieve its sustainability goals.

Priority Risks and Issues in 2023:

- Emission risks from machine oils, electronic waste, contaminated packaging, and fluorescent lamps.

- Management of wastewater from industrial processes.
- Hazardous waste, including chemicals, paint filters, battery waste, and medical waste.
- Emergency risks, such as emissions, waste, and water use following emergencies like fire and earthquakes.
- Energy consumption and heat treatment emissions.
- Noise and air pollution from process ventilation emissions.



Mitigation Strategies:

- Obtaining emission permits.
- Conducting regular emission measurements.
- Taking wastewater samples and checking parameters.
- Separately collecting hazardous waste at the source.

Ecological Product Development and Industry 4.0 Efforts

Digitalization for Sustainability: SEGER aims to make its production processes more efficient and environmentally friendly by digitalizing them in line with Industry 4.0 initiatives.

Data Collection Systems: Data collection systems integrated into the press and plastic injection departments enable automatic monitoring of machine production data.

Benefits of Digitalization: These systems increase transparency and operational efficiency, allowing SEGER to identify and address inefficiencies in production processes, reduce waste, optimize energy consumption, and minimize environmental impact.



Energy and Emission Management

Awareness of Climate Change: SEGER acknowledges the current and future environmental threats posed by increasing greenhouse gas emissions globally. **Continuous Improvement:** SEGER continuously reviews its activities, evaluates potential improvement opportunities, and implements innovative projects to reduce greenhouse gas emissions.

Energy Consumption Monitoring: Energy consumption is regularly monitored and reported. In 2023, energy consumption was recorded for three main fuel types: natural gas, electricity, and fuel oil.

Energy Consumption Data:

- **Natural Gas:** Consumption decreased by 5% from 561,815 KWh in 2022 to 533,667 KWh in 2023.
- **Electricity:** Consumption decreased by 3% from 1,147,075 KWh in 2022 to 1,113,688 KWh in 2023.
- **Fuel Oil:** Consumption decreased by 35% from 25,933 liters in 2022 to 16,875 liters in 2023.

Emission Reduction Projects: SEGER has identified emission reduction projects for 2023 and beyond, playing a significant role in mitigating climate change risks.

Electricity Consumption per Horn Produced

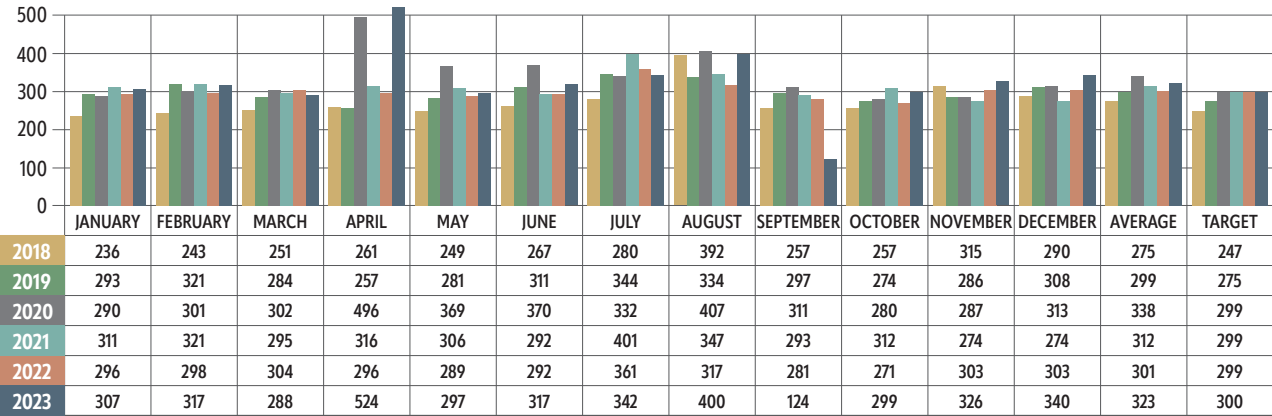
SEGER continuously monitors and analyzes the amount of electricity used in the production of each horn. Our 2023 data demonstrates the effectiveness of our energy management and showcases the results of our improvement efforts in this area.

Peak Consumption: In April, our electricity consumption reached its highest level at 524 Wh per horn. This increase was due to temporary changes in our production processes, which have since been re-optimized.

Improved Efficiency: In August and September, consumption was measured at 400 Wh per horn and 124 Wh per horn, respectively. These lower values reflect the successful outcomes of our energy efficiency projects.

In light of this data, we are continuing our efforts to make our electricity consumption even more efficient. We will continue to develop projects that optimize energy use, minimize our environmental impact, and enhance our sustainable production processes.

ELECTRICITY CONSUMPTION PER HORN PRODUCED
(kWh/HORN)



Green Energy Use and Facility Design Goals

Green Energy Procurement: In 2023, SEGER initiated efforts to purchase a portion of the energy used from the Organized Industrial Zone (OIB) as green energy. **I-REC Certificate:** SEGER purchased 50% of its energy as green energy with the 2023 I-REC certificate.

Targets: 75% green energy use in 2024.

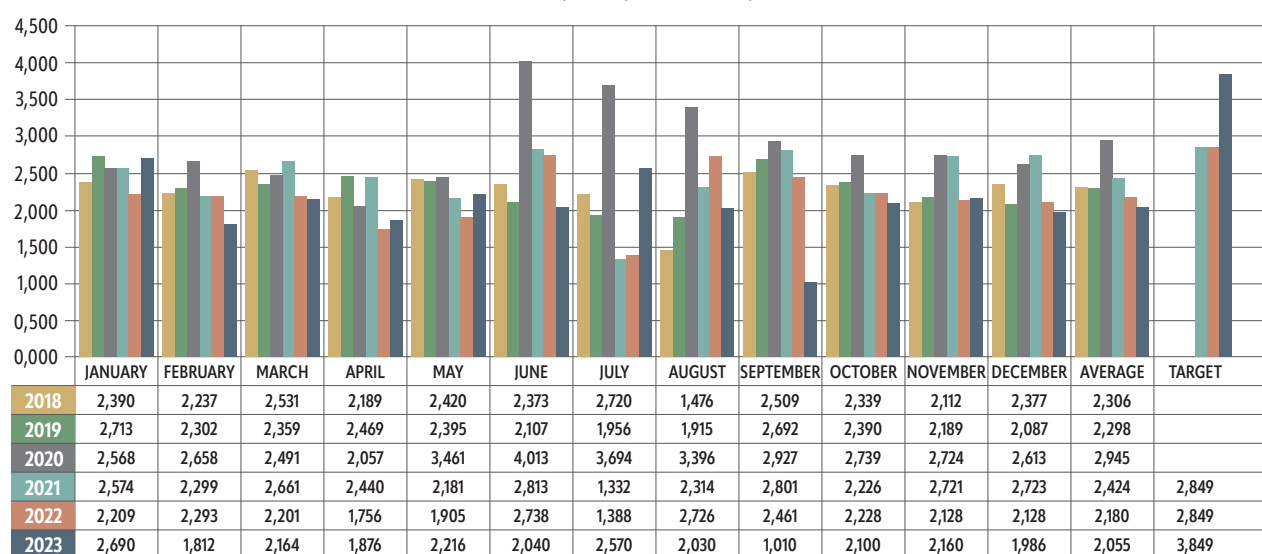
100% renewable energy use through a Solar Power Plant (GES) at the new Teknosab facility by 2026. **Sustainable Facility Design:** The new facility's machinery, equipment, and energy infrastructure will be designed to support the use of renewable energy sources.

Electricity Consumption per Working Hour and Our Efficiency Efforts

SEGER closely monitors energy efficiency by tracking electricity consumption per working hour each month. In 2023, our electricity consumption reached its highest level in December at 3,849 Wh. This increase was due to changes in our production processes during December, indicating a temporary rise in consumption.

On the other hand, consumption decreased to 1,010 Wh in August, demonstrating the impact of improvements in production processes and our energy efficiency projects. These fluctuations show that our energy consumption is effectively managed and that our efforts to increase efficiency are yielding results.

ELECTRICITY CONSUMPTION PER WORKING HOUR (Wh/HOUR)



Emission Management

SEGER recognizes the environmental and climate threats posed by increasing greenhouse gas emissions globally. To minimize our carbon footprint, we implement effective emission management and reduction projects. We continuously improve our processes to reduce our environmental impact and take steps towards a sustainable future.

Category 1 (Direct) Emissions We regularly monitor and manage our carbon footprint. Our Category 1 emissions were measured as follows: **2021:** 180.92 tCO₂e, **2022:** 180 tCO₂e, **2023:** 155.67 tCO₂e.

Category 2 (Indirect Energy) Emissions Our Category 2 emissions have shown a significant decrease: **2021:** 562.7 tCO₂e, **2022:** 513 tCO₂e, **2023:** 233.75 tCO₂e. This reduction demonstrates the effectiveness of our energy efficiency efforts.

Category 3 (Other Indirect) Emissions Our Category 3 emissions have shown an increase: **2021:** 858.3 tCO₂e, **2022:** 550 tCO₂e, **2023:** 1065.27 tCO₂e. This increase indicates that we need to intensify our efforts in managing the carbon footprint of our supply chain and other indirect activities.

Emission Distribution

	2021		2022		2023	
Category 1 Direct GHG Emissions	180,9	4,2%	180	3,8%	155,67	2,6%
Category 2 Indirect GHG Emissions from Imported Energy	562,8	13,0%	513	10,9%	233,75	4,0%
Category 3 Indirect GHG Emissions from Transportation	858,3	19,8%	550	11,7%	1.065,27	18,1%
Category 4 Emissions from Products Used by the Company	2733,0	63,0%	3397	72,1%	4.372,93	74,3%
Category 5 Indirect GHG Emissions from the Company's Products/Services	3,5	0,1%	15,4	0,3%	24,71	0,4%
Category 6 Emissions from Other Sources	0,0	0,0%	53,1	1,1%	35,09	0,6%
TOTAL	4338,4		4708,5		5887,42	

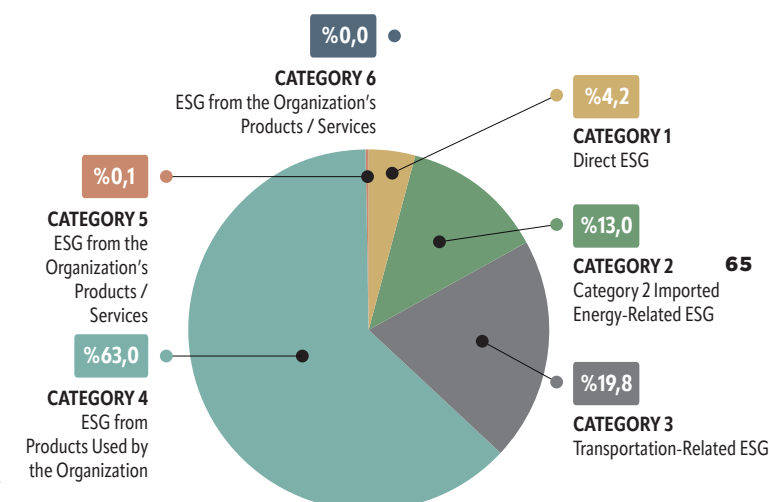
This table presents a breakdown of SEGER's greenhouse gas (GHG) emissions by category over three years. SEGER Greenhouse Gas Emissions (t-CO₂e) data reflects our efforts to manage and reduce our carbon footprint by identifying our emission sources. The reductions in Category 1 and Category 2 emissions demonstrate that we are making significant progress towards our energy efficiency and sustainability goals. However, the increase observed in Category 3 emissions indicates that we need to make extra efforts to manage our carbon footprint more effectively in our supply chain and other indirect activities. This situation presents an opportunity for us to further strengthen our sustainability strategy and develop comprehensive solutions.

In 2024 and the following years, the regular measurement and monitoring of our company's emissions will continue. In this process, carbon footprint measurement results will be obtained from our suppliers, and this data will be updated periodically with repeated measurements.

As of 2026, a comprehensive carbon footprint measurement will be carried out at our new factory in Teknosab. At the same time, our strategies for managing emissions will be continuously reviewed by regularly monitoring the carbon footprint measurement results of our suppliers.

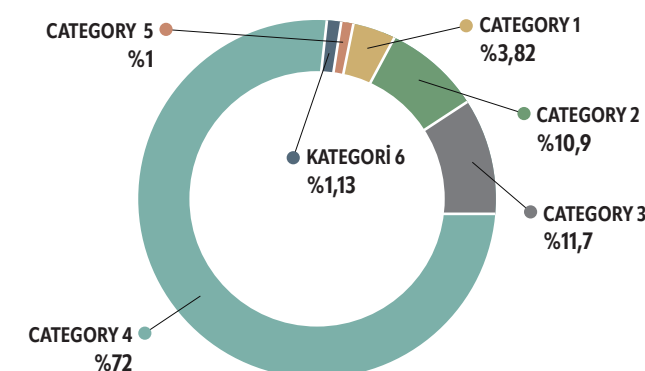
Our goal for 2030 is to reduce Scope 1 and 2 emissions by 50% and to be carbon neutral by 2050.

2021 Value (tons CO₂ eq.)



SEGER Corporate Carbon Footprint (ISO-14064-1)

Category	Value, tons CO ₂ eq.	%
Category 1	180	%3,82
Category 2	513	%10,9
Category 3	550	%11,7
Category 4	3397	%72
Category 5	15,4	%1
Category 6	53,1	%1,13



Energy Consumption Outside
the Organization (Scope 2)

At SEGER, we maintain our commitment to monitoring and managing our energy consumption.

Energy Consumption by Fuel Type

In 2022, our SEGER service vehicles traveled a total of 285,000 kilometers. In 2023, this figure increased to 290,000 kilometers, indicating an increase of approximately 1.75% in vehicle use. This increase reflects the increased use of service vehicles in line with our operational needs. We are undertaking continuous improvement efforts to minimize our environmental impact by maintaining a balance in fuel consumption and our carbon footprint.

These types of analyses enable us to progress towards our energy efficiency and sustainability goals and help us better manage our environmental impacts.

Greenhouse Gas Emissions and Intensity

As SEGER, we regularly monitor and report our greenhouse gas emissions.

	2021		2022		2023	
Category 1 Direct GHG Emissions	180,9	4,2%	180	3,8%	155,67	2,6%
Category 2 Indirect GHG Emissions from Imported Energy	562,8	13,0%	513	10,9%	233,75	4,0%
Category 3 Indirect GHG Emissions from Transportation"	858,3	19,8%	550	11,7%	1.065,27	18,1%
Category 4 Emissions from Products Used by the Company	2733,0	63,0%	3397	72,1%	4.372,93	74,3%
Category 5 Indirect GHG Emissions from the Company's Products/Services	3,5	0,1%	15,4	0,3%	24,71	0,4%
Category 6 Emissions from Other Sources	0,0	0,0%	53,1	1,1%	35,09	0,6%
TOTAL	4338,4		4708,5		5887,42	

SEGER conducts comprehensive assessments of its greenhouse gas emissions, demonstrating significant progress toward its sustainability commitments. These assessments highlight the impacts of strategic actions taken in areas such as energy management, direct emissions, and supply chain management.

Category 1: Direct Emissions

In 2021, direct emissions were 181.24 tons of CO₂e. By 2023, these emissions were reduced by 14% to 155.67 tons of CO₂e. This reduction reflects the positive results of SEGER's efforts to improve energy efficiency and optimize fuel consumption. Projects focused on more efficient ener-

gy use in production processes and steps taken to reduce fossil fuels are among the main reasons for this significant decrease in direct emissions.

Category 2: Indirect Emissions (Electricity Consumption)

Indirect emissions, reported as 562.76 tons of CO₂e in 2021, decreased to 233.75 tons of CO₂e in 2023. This decrease of approximately 58% demonstrates the success of SEGER's strategic moves towards making its energy sources more sustainable. The shift towards renewable energy sources, operational improvements that increase energy efficiency, and investments in low-carbon energy solutions form the basis of this achievement.

Category 3: Other Indirect Emissions

Category 3 emissions, which were 858.25 tons of CO₂e in 2021, increased by 24% to 1065.27 tons of CO₂e in 2023.

Total Greenhouse Gas Emissions

Total greenhouse gas emissions, which were 4338.36 tons of CO₂e in 2021, increased by 36% to 5887.43 tons of CO₂e in 2023. This is due to the addition of electronic products to SEGER's product range in 2023, which led to an increase in both production volume and purchased resources.



Future Focus: In the future, SEGER will focus on developing more environmentally friendly solutions in supply chain management and logistics operations to further reduce its carbon footprint. Low-carbon transportation alternatives and carbon-reducing strategies in the supply chain will be prioritized. Investments to increase energy efficiency will continue, and the transition to renewable energy sources will be accelerated.

Energy Saving and Greenhouse Gas Reduction Projects

SEGER recognizes the importance of responsible use of natural resources and focuses on implementing effective solutions in energy management. Through projects aimed at increasing energy efficiency, SEGER has made its operations more sustainable. These efforts not only reduce environmental impact but also contribute to achieving sustainability goals, creating value for both the company and society.

Energy Efficiency Efforts

Energy Audit and Improvements: SEGER conducted an energy audit to analyze the current situation and initiated improvement efforts based on the results. This included replacing fluorescent lamps with more efficient LED lamps in its facilities and eliminating air leaks to prevent energy waste. A compressor replacement is planned for the new factory to further increase energy efficiency.

Data Collection and Action Plans: In 2024, SEGER will start collecting energy data from selected machines and create action plans to reduce energy consumption. In 2025, energy data collection will be expanded, and the scope of action plans to reduce energy consumption will be broadened.

Energy Management Policy Review: By 2026, SEGER's energy management policy will be reviewed and adapted to the new conditions at the Teknosab facility. The active participation of all employees will be encouraged to strengthen the sustainable energy management culture.

Targets: Reduce energy consumption per horn produced by 5% in 2024. Further reduce energy consumption by an additional 2.5% in 2025. Increase energy efficiency and ensure sustainable energy use by utilizing a Solar Power Plant (GES) at the new Teknosab facility by 2026.

Energy Savings

Significant Progress: SEGER made significant progress in energy saving efforts during the 2023 reporting period.

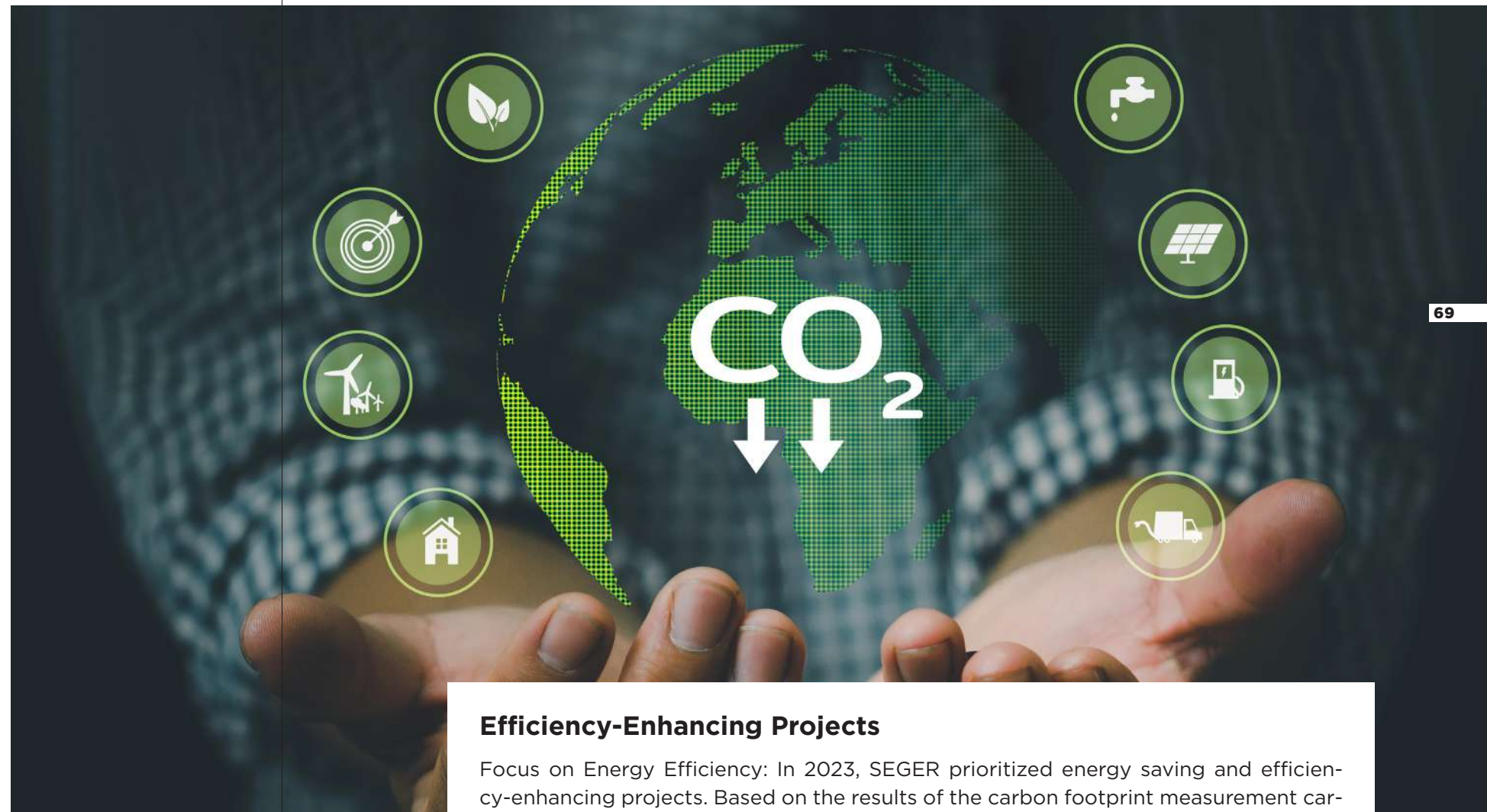
Reduced Consumption: Energy consumption decreased significantly with the decrease in production volume. Energy savings were 97,253 KWh in 2022 and 33,388 KWh in

2023. These results demonstrate the effectiveness of SEGER's energy efficiency projects and its progress towards environmental responsibility goals.

Energy Intensity

Continuous Improvement: SEGER focuses on continuously improving its energy efficiency by regularly monitoring its energy intensity. Energy intensity is an indicator that shows the ratio of energy consumption to workload and plays a critical role in evaluating energy performance. Data for 2022 and 2023 clearly demonstrate the results of SEGER's efforts to increase energy efficiency.

Reduced Consumption and Increased Efficiency: In 2022, total energy consumption was 1,147,075 KWh, which decreased by 2.91% to 1,113,688 KWh in 2023. During the same period, total working hours increased from 524,109 hours to 540,058 hours, a 3.05% increase. SEGER's energy intensity improved by 5.78%, from 2.1886 KWh/working hour in 2022 to 2.0622 KWh/working hour in 2023.



Efficiency-Enhancing Projects

Focus on Energy Efficiency: In 2023, SEGER prioritized energy saving and efficiency-enhancing projects. Based on the results of the carbon footprint measurement carried out in 2022, comprehensive actions were planned to increase energy efficiency and reduce greenhouse gas emissions.

Energy Audit and Implementation: Following the energy audit conducted in March 2023, concrete steps were taken to increase energy efficiency, particularly in production processes. These included replacing fluorescent lamps with energy-saving LED lamps in SEGER's facilities and eliminating air leaks in production processes. Various measures will be implemented in the new factory to further increase energy efficiency.

Air Emissions

Throughout 2022, our air emissions reflect our commitment to achieving our environmental sustainability goals and the effective emission control measures we have implemented. The measurements taken have shown that our emission values are below legal limits. These results demonstrate that we minimize our negative impact on the environment and fully comply with relevant regulations.

This success in emission control highlights the effectiveness of our sustainability strategies and our diligence in fulfilling our environmental responsibilities.

Pollutant	2022 Emission Value (kg/hour)
Particulate Matter	0.0051
NOx (NO ₂ + NO)	0.3154
CO	0.0324

We undertake energy efficiency projects, renewable energy use, and other improvement efforts to reduce emissions. We continue to continuously monitor our emissions and work on reduction efforts.

2022 Stack Gas Measurement Results

We measured and reported our air emissions throughout 2022. Stack gas measurements conducted at our facility demonstrate compliance with the limit values set by the Industrial Air Pollution Control Regulation.

Emission Source Name / Code	SDG Indicator (Group in Annex-5)	Parameters (mg/Nm³)									
		CO		NO		NO ₂		SO ₂		Particulate	
		Avg.	S.V.	Avg.	S.V.	Avg.	S.V.	Avg.	S.V.	Avg.	S.V.
Wet Paint Booth Ventilation Stack/1	EK-5.V.2	-	-	-	-	-	-	-	-	0,127	20
Powder Coating Booths 1-2 Common Ventilation Stack/2	EK-5.V.2	-	-	-	-	-	-	-	-	22,237	20
Paint Drying and Baking Ovens Burner Stack/3	EK-5.V.2	5,417	-	20,536	-	32,173	-	0,000	-	0,038	20

[illegible]

***: Emission Sources: SDG Indicator Annex-5 CC. TWENTY-SIXTH GROUP FACILITIES: Included under Other Facilities; the limit values for dust concentrations are provided according to Article-1 and SDG Indicator Annex-1 Diagram-1.





Water Management

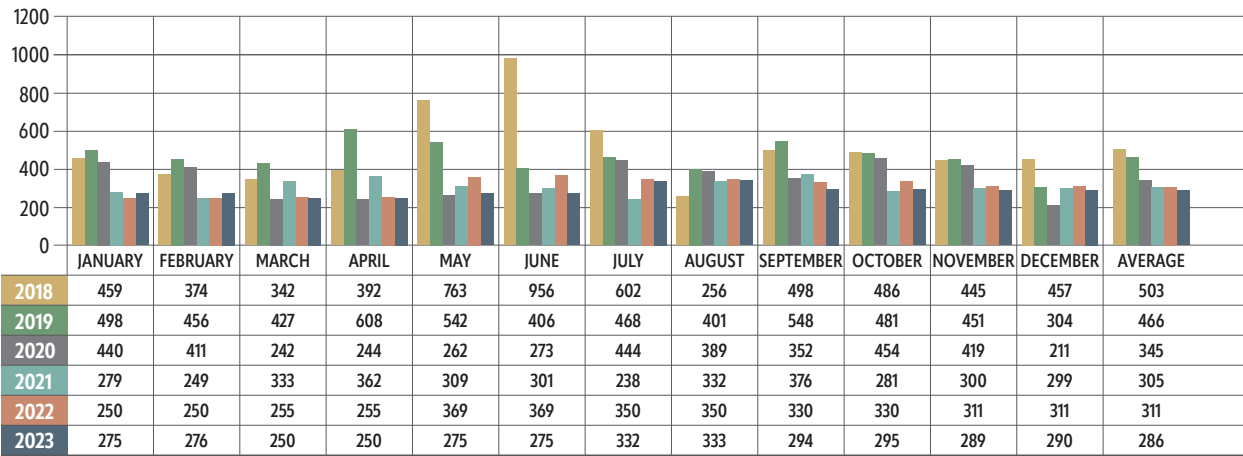
We believe that rapid and collective action must be taken to protect existing water resources and prevent pollution against water scarcity, which is one of the biggest threats of the climate crisis. Water is a critical resource for the continuation of our lives and activities, and its sustainable management is our priority in line with our responsibility to our stakeholders and the environment.

As SEGER, we develop projects aimed at reducing pollution, optimizing water use, and implementing alternative wastewater treatment methods in the management of water resources. With these efforts, we meet the legal requirements of our sector and aim to offer proactive solutions to the problem of water scarcity. Recognizing, measuring, and incorporating the value of water resources into decision-making processes is seen as a fundamental element of both our company's and global sustainability goals (United Nations Sustainable Development Goals for 2030).

As of 2023, water consumption is being monitored per employee hour and per horn produced, and water conservation is targeted. This monitoring will continue in the coming years and water consumption will be kept under control. By 2026, our new facility in TEKNOSAB will enable the reuse of wastewater, and efforts on water conservation and sustainable water management will be improved.

Significant improvements have been made in SEGER's water consumption in the last five years. While our average monthly water consumption was 503 m³ in 2018, this figure decreased to 466 m³ in 2019 and 345 m³ in 2020. In 2021 and 2022, consumption was recorded as 305 m³ and 311 m³, respectively, and decreased to 286 m³ in 2023. Especially with the efficiency-increasing measures we implemented after the 956 m³ consumption in June 2018, we have achieved a steady decline in our water consumption. Our water consumption, which has followed a stable course since 2021, shows that the measures we have taken have turned into sustainable success.

WATER CONSUMPTION (M3)



Water Usage Intensity and Wastewater Management

In 2022, our water usage intensity was 0.0071 m³/working hour, while in 2023 this value was recorded as 0.0064 m³/working hour. This decrease indicates that efficiency in water use has been increased and water savings have been achieved in our operations. In the same period, our wastewater amount was measured as 3,730 m³ in 2022 and 3,434 m³ in 2023. These values reveal that a large part of the water used turns into wastewater and show that our water use efficiency efforts are yielding results.

In the future, we aim to further develop our projects to increase water conservation and efficiency. After the water footprint measurement study planned to be carried out in 2025, we aim to further optimize our water consumption by taking the necessary actions in line with the data obtained. In addition, the wastewater in our facility is measured in accordance with the DOSAB sewerage discharge limit values and is allowed to be discharged as long as it does not damage the sewer lines.

There is no pre-treatment unit in our facility, and wastewater is discharged directly to the sewer without being treated. Continuous monitoring is carried out with instant sampling during discharge operations.

In the coming years, it is aimed to inform employees within the scope of effective control strategies to reduce water consumption. In addition, water management and afforestation studies will be carried out in cooperation with companies in TEKNOSAB and other organized industrial zones. In this direction, afforestation projects will be implemented in areas as large as our lands.



Waste Management

As SEGER, we focus on preventing and effectively managing waste generated after resource use in order to contribute to global environmental, social and economic sustainability goals. While minimizing our environmental impacts in the processes of reducing, recycling and disposing of waste, we carry out our product and service development activities within a sustainable framework.

In our waste management processes, we precisely apply storage, transportation and disposal methods in accordance with legal requirements. We adopt the understanding of sustainable consumption to minimize the waste generated as a result of our activities and develop projects in this area. In accordance with the global waste management hierarchy, we first try to prevent waste generation, and if this is not possible, we effectively manage recycling or disposal processes by reducing the amount of waste.

According to the waste management data we obtained in 2022, the amounts of hazardous and non-hazardous waste and recycling rates were specified, and waste reduction and recycling efforts were successfully continued. As of 2023, among the important projects carried out within the scope of waste management, a project aimed at reducing contaminated cloth waste per working hour stands out. Within the scope of this project, contaminated cloth waste was reduced by 2% and a total of 0.093 tons of waste reduction was achieved. In addition, according to the project results, a 13.8% reduction in contaminated cloth waste per working hour was achieved.

Life Cycle Analysis and Recycling Strategies

As of 2023, information has been added to our packaging boxes regarding the disposal processes of products, stating that waste should be directed to recycling centers. In addition, current situation assessments are made with suppliers on reusable materials.

As of 2024, studies on life cycle analysis will be initiated in cooperation with an expert consultant firm. Based on the results of these analyses, the projects to be implemented in 2025 and 2026 will be shaped in line with the life cycle analysis outputs and sustainable recycling strategies will be developed.

We are focusing on reducing, recycling, and effectively managing waste to achieve global sustainability goals. By complying with legal requirements, we minimize environmental impacts and aim to use resources efficiently through waste management projects.



Hazardous and Non-Hazardous Waste Management

As SEGER, we focus on minimizing our environmental impacts by continuously improving our hazardous and non-hazardous waste management processes. Our waste management data for 2022 and 2023 clearly demonstrate the results of our efforts.

In 2022, the amount of waste recovered for energy purposes was 3.045 tons, while in 2023 this amount was recorded as 2.405 tons. These wastes consist of wastes coded 070704, 120109, 120112, 120114, 130110, 150110 and 150202 and were sent to recovery facilities. Electronic waste increased from 0.06 tons in 2022 to 0.18 tons in 2023. This waste is electronic waste coded 200135. In addition, fluorescent waste coded 200121 was recorded as 0.02 tons in 2022 and 0.024 tons in 2023.

The total amount of hazardous waste decreased from 3.125 tons in 2022 to 2.609 tons in 2023. In terms of non-hazardous waste, while the waste going to regular storage or solid waste landfill is not weighed, the amount of recycled non-hazardous waste increased from 117.085 tons in 2022 to 152.677 tons in 2023. These wastes are wastes coded 200101, 200139 and 200140.

Biodiversity and Protected Areas

The impacts of the climate crisis on biodiversity, such as adverse weather conditions, rising sea levels, climate migrations and epidemics, pose a major threat worldwide as interconnected global problems. These effects deeply affect the economy and geography of every country.

SEGER is committed to protecting biodiversity and ensuring the sustainability of natural habitats. Our current factory area is 6,650 m², while the area of our new SEGER Teknosab factory is 28,973 m². We carry out various projects and improvement works to minimize our environmental impacts and increase our efforts to protect biodiversity in these wide areas.

Recycling Rates of Materials

One of the steps we take on the way to achieving our sustainability goals is to continuously monitor and improve our recycling rates. Our recycling data for 2023 has been analyzed as an important indicator of our business' environmental performance. Our analyzes have revealed that recycling rates vary for different materials.

In particular, achieving a 100% recycling rate in materials such as N66 Broken Material, Dowel Broken Material, General Separator Group, Intermediate Cardboard Clio and Karsan Separator Group indicates that these materials are completely recycled and our recycling processes are quite effective in these areas.

This success is a concrete indicator of SEGER's commitment to environmental sustainability goals and reinforces its determination to use resources more efficiently and minimize waste. These materials with high recycling rates represent an important achievement in our sustainability journey and we aim to increase these rates even more in the future.



DESCRIPTION	RECYCLING RATE (%)
N66 Crushed Material	100%
Plastic Nut Crushed Material	100%
General Separator Group	100%
Intermediate Cardboard Clio	100%
Factory Separator Group	100%
Intermediate Cardboard	100%
Karsan Separator Group	100%
Intermediate Cardboard 60BK1245	100%
50F Single Box with Seger Image	97%
50F/60B Box Unprinted	80%
Factory Box	80%
0.50x12mm (Pl. Spring) Spring Steel	70%
M6 Nut	65%
M6 Flanged Nut	65%
Box Punch Wire - 35/15	47%
0.275x78 DIY. Sheet (60BK) CK75 Brown	25%
0.40x100mm Diaphragm Steel	25%
0.30x100mm Diaphragm Steel	25%
1x226 mm / EN 10327-DX54D+Z120-M-B Galvanized (Economic)	22%
1.50 x 30 mm Washer Roll Steel	22%
1.00x238 mm (50F) Roll Steel	22%
0.70x77mm Roll Steel	22%
0.9x38 mm 50F Washer Roll Steel	22%



Material Usage and Recycling Rates

Studies conducted on SEGER products began with calculating the recycled material content of two products. This study aimed to optimize material usage and increase recycling rates. Recycling rates are a cornerstone of our efforts to increase resource efficiency in our sustainable production practices.

Thanks to the steps we have taken in sustainable material management, calculating and optimizing recycling rates reduce our environmental impact and increase our economic efficiency. In the future, we aim to increase the use of recyclable materials and minimize non-renewable materials. This process will play a critical role in achieving our sustainability goals.

According to the recycled material data from our suppliers, 14% of the raw materials used consist of recycled materials. This rate is an important milestone in SEGER's sustainability journey. Increasing the use of recycled materials will reduce our environmental impact while increasing our economic efficiency. Increasing these rates will contribute to more sustainable production processes in the future, and we will continue to continuously improve our recycling processes by strengthening our cooperation with our suppliers.

Increasing the Use of Recycled Materials

Currently, we use crushed materials in our plastic products and prefer recyclable materials in packaging. To increase the use of recycled materials, we initiated research and development in 2023. We also included recycled raw material usage as a criterion in our supplier sustainability performance calculation system to encourage our suppliers to use recycled materials.

In the coming years, we will continue our efforts to increase the use of recycled materials. During this process, we will make supplier selection criteria more sustainability-oriented and increase the use of recycled materials.

Weight Reduction and Efficiency Studies

We are actively conducting R&D to reduce the weight of our products. In process design, we prioritize selecting

We aim to increase the use of recyclable materials, reduce non-renewable materials, achieve sustainability goals by minimizing environmental impacts, and develop more eco-friendly production processes in the future by enhancing economic efficiency.



equipment that minimizes energy and air consumption. These practices play a critical role in achieving our goals of reducing our environmental footprint and increasing energy efficiency.

We plan to expand these studies to a wider product portfolio from 2024-2026. Development work on a product basis each year will increase the efficiency of production processes and help us achieve our environmental sustainability goals.



RELIABLE for a Sustainable Future

At SEGER, we provide a safe and continuous working environment by creating working conditions that respect human rights. We diligently strive to create an atmosphere where each employee feels valued and safe. Our working conditions are built upon principles that respect the rights of every individual.

We carry out various activities to emphasize the importance of gender equality to all our stakeholders and raise awareness on this issue. With these efforts, we aim to increase social awareness by advocating for equality and justice on every platform.

Within the scope of our Gender Equality program, we develop and expand in-house practices. Every step we take reflects our efforts to create a working environment where our female and male employees have equal rights and are free from discrimination.

As SEGER, we take confident steps every day toward a sustainable and equal future. Together with our stakeholders, we look to the future with hope by promoting trust and equality. On this journey, we listen to every individual and grow stronger together at every step.



OUR PRIORITY SUSTAINABLE DEVELOPMENT GOALS



RELIABLE

FOR A SUSTAINABLE FUTURE

Human Resources Strategic Approach

At SEGER, we aim to provide quality products and services by adopting a human-oriented approach. We create an innovative and learning corporate culture, implement the best human resources practices in the automotive supply chain sector, and add value to all our stakeholders. We closely follow the developments in the sector, integrate technological innovations into our business processes, and lead in this field. We shape our human resources strategy within the framework of laws, company values and ethical rules, and adhere to the principle of inclusiveness and equal opportunity in all our processes.

In addition to social sustainability and ethical policies, we aim to adopt a comprehensive approach to human rights. Currently, although there is a formal Human Rights Policy, this policy has been created in full compliance with the Universal Declaration of Human

Rights and current legislation. The prepared policy has been announced to all employees. In addition, our human rights policy has been published on our website and shared with our suppliers and customers.

In addition, important steps have been taken such as disseminating the violence hotline of the Mor Salkım Women's Solidarity Association, keeping informative materials for our female employees in the dressing rooms, and encouraging the use of KADES (Women's Support Application).

In line with our 2024 targets, a system will be established to evaluate our suppliers within the scope of our Human Rights Policy, and evaluations will begin to be made within the framework of this system. As of 2025, improvement plans will be prepared for suppliers whose development areas are determined, and necessary development activities will be carried out in this direction.

In our recruitment processes, we select qualified and innovation-oriented candidates for certain positions in line with objective criteria, and we support the professional and personal development of our employees with our career and talent management policies. With our performance management system, we monitor the performance of our employees and provide suitable environments for them to reveal their potential. We create annual training programs in line with career plans and increase their knowledge and skills through these programs.

In our remuneration policy, we follow a system based on the value of the job, fair and in line with market conditions. With our efforts on gender equality, we carry out studies to increase the rate of female employees. At the same time, we carry out practices that comply with national and international standards regarding the health and safety of our employees, and we develop our systems in line with the goal of continuous improvement.

We offer programs to ensure work-life balance for our employees, and we carry out studies to increase employee satisfaction and loyalty with suggestion systems and satisfaction surveys. With our fair, transparent and participatory management approach, we support the career development of our employees within the company and create a productive working environment. Our Human Resources Policy covers all these principles and processes.

You can visit our website to access this policy.

Employee Demographics and Dynamics

From 2022 to 2023, our employee count increased by 1.6% to 196. During this period, the rate of female employees increased from 23.8% to 26%. In particular, the rate of white-collar female employees increased to 30%, while the rate of blue-collar female employees increased to 24.1%. Looking at the age profile, SEGER's average age is 41.4 as of 2023.

Increasing the Rate of Female Employees

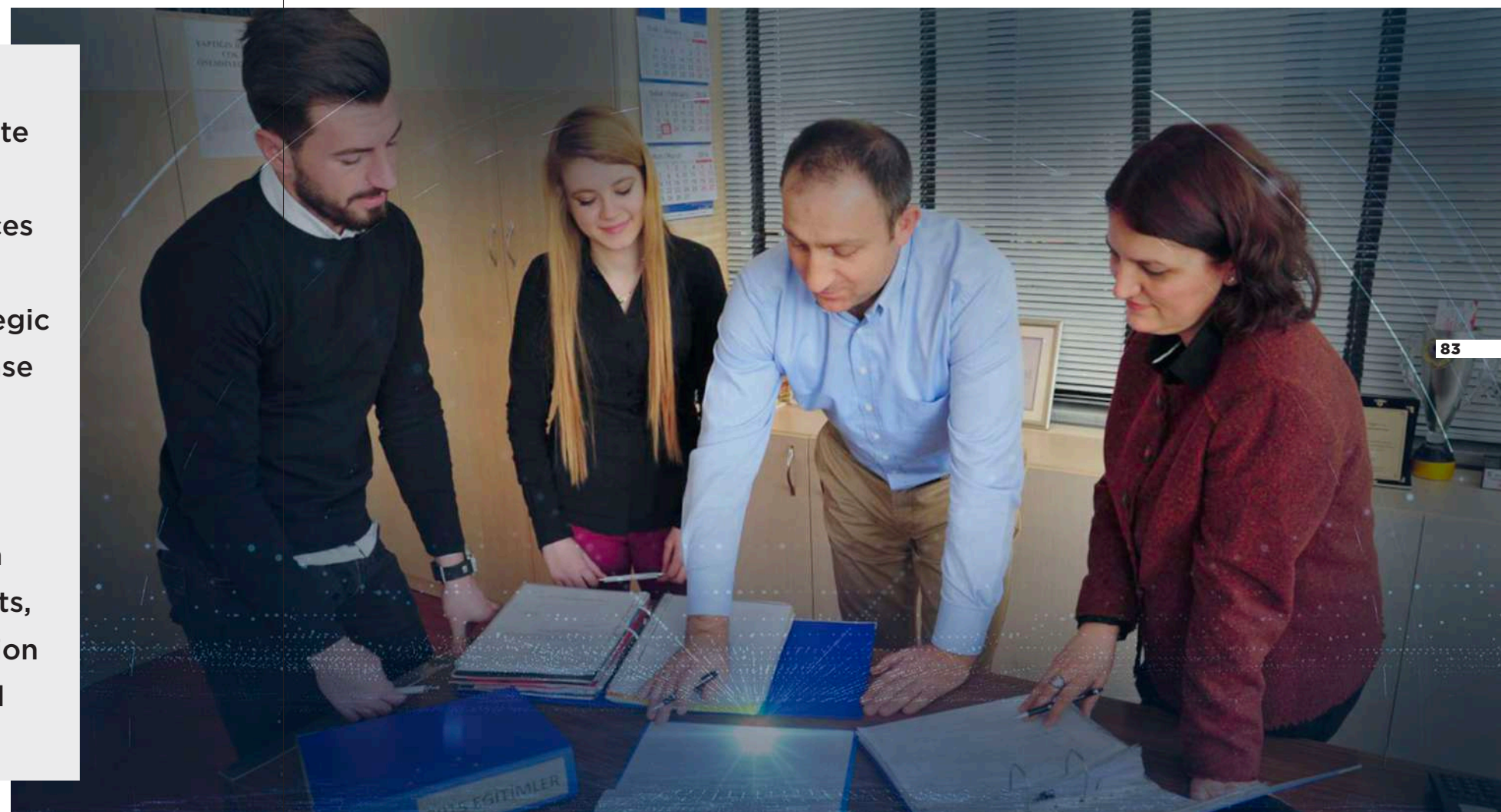
Data on the rate of female employees in our company is regularly monitored and analyzed. The rate of female employees on our board of directors is 40%. Targets have been set to increase the rate of female employees, and various strategic studies are being carried out in this direction.

In 2023, analyzes were carried out to increase the rate of female employees, especially in the production field. Action plans were created to maintain and increase the current rates. In 2024 and beyond, it is aimed to implement the created action plans.

Our average age decreased to 40.7 in 2022, while it was 41.1 in 2021, and increased to 41.4 in 2023. This change shows that we have struck a balance between the integration of young talent and the retention of experienced employees. The average seniority decreased from 11.7 in 2021 to 11.4 in 2023, reflecting the dynamism of the renewed workforce and the stability provided by the experienced staff.

The increase in the turnover rate in the last three years indicates that employee dynamics need to be monitored more closely.

**As SEGER,
we aim to create
a sustainable
human resources
structure that
balances strategic
goals to increase
the proportion
of female
employees,
the integration
of young talents,
and the retention
of experienced
staff.**



Remuneration Policies

Our job-value-based remuneration system, which was established 20 years ago and is constantly updated at SEGER, applies to our blue-collar and white-collar employees. This system is regulated by taking into account market conditions and economic indicators.

The remuneration process is reviewed annually by human resources and management and adapted to market conditions. The performance management system

envisages the distribution of performance bonuses according to the rate of employees reaching their individual goals.

The salary increase rates were applied as 55% for blue-collar workers and 50% for white-collar workers in the first half of 2023, and 34% for blue-collar workers and 30% for white-collar workers in the second half.

In addition, by implementing a fair remuneration policy above the minimum wage, we offer equal and fair wages based on the value of the job, without gender discrimination.



Employee Development

As SEGER, we give great importance to the professional and personal development of our employees. Our average seniority is 11.4 years, which is a strong indicator of our employee loyalty. The average age of our employees was measured as 41.4, which shows that we have an experienced and experienced workforce.

Our employee engagement index is 0.75, and each of our employees contributes to the company with an average of 1.5 innovative suggestions. This is an indication that employees are willing to actively add value to the company.

Performance Evaluation

	2022			2023		
	Female	Male	Total	Female	Male	Total
Number of white-collar employees who underwent a regular performance and career development review	15	36	51	15	36	51
Number of blue-collar employees who underwent a regular performance and career development review	24	95	119	24	109	133

Performance Evaluation Management

In line with the 2023 targets, annual performance reviews were conducted with all white-collar employees, and the general evaluation of the year, the goals for the next year, and merit assessments were completed fully. In addition, action plans were created and implemented in line with the data obtained throughout the process.

White-Collar Performance Evaluation System

Our White-Collar Performance Evaluation System, which we carry out within the framework of individual goals that we set every year to achieve company goals, is a comprehensive system that includes merit survey results consisting of 45 questions under 9 main headings and company goals. With this system, we adopt a fair and objective approach when evaluating the performance of our employees.

Blue-Collar Performance Evaluation System

We evaluate the performance of our blue-collar employees under headings such as job knowledge, responsibility, efficiency, quality, compliance with regulations, occupational safety, self and team development, result-orientedness, intra-group and inter-group cooperation, and communication. We make evaluations based on a five-point scale to ensure objectivity. The number of suggestions given to all employees, determined by senior management every year, is also among our evaluation criteria.





Company's Employee-Related Goals within the Scope of Human Resources

As SEGER, we set individual goals for our blue-collar and white-collar employees every year in order to contribute to the individual development of our employees and ensure their compliance with the strategic goals of our company. These goals form the basis of performance evaluations and are regularly reviewed with both monthly and year-end evaluations.

White-Collar Employees: We set individual goals for our white-collar employees in line with the strategic goals of our company. We provide the necessary training and resources for the realization of these goals. We monitor the progress of our employees with regular performance evaluations and create career development plans according to the results obtained.

Blue-Collar Employees: We set goals to increase the efficiency of operational processes and regularly monitor the realization of these goals. As a result of the improvement works, we evaluate the contribution of our employees to the processes and support their development. We also empower our blue-collar employees with the necessary training and support to achieve the goals we have set in occupational health and safety.

As SEGER, we set individual goals to support employees personal development and ensure alignment with strategic objectives, while regularly evaluating their performance.



Diversity and Equal Opportunity

We support the professional and personal development of each of our employees, value their ideas, and provide opportunities for them to showcase their creativity. While protecting employee rights, we are committed to preventing discrimination, promoting diversity, ensuring equal opportunity, and creating an inclusive work environment.

We shape the composition of our governance bodies and employee categories without any discrimination based on diversity indicators such as gender, age group or minority group membership. In accordance with the Personal Data Protection Law (KVKK), we do not collect such information from our employees and do not discriminate.

As of 2023, we have made significant progress in gender diversity by increasing our female employee rate to 26%.

While there was only one female member in our management team of four in 2021, we increased this number to two in 2022. As of 2023, we maintain a balanced structure with two female and three male members on our five-member board of directors. This diversity encourages different perspectives in our company's strategic decision-making processes, while also reflecting the importance we attach to inclusivity.

As of 2023, there are six disabled employees at SEGER. In this context, we will develop new programs to support the development of our employees and diversify our workforce.

Fringe Benefits Offered to Employees

SEGER offers a wide range of fringe benefits to increase the motivation of its employees and strengthen their loyalty to the company. These rights include:

- Support provided at certain periods, such as Ramadan and Sacrifice food vouchers, shoe vouchers, New Year's vouchers, and school aid,
- Supplementary health insurance to meet the health needs of our employees,
- A suggestion system where our employees can share their ideas and contribute,
- Plaques and awards at seniority year celebrations,
- Performance bonuses to encourage success,
- Absenteeism awards given to support regular attendance,
- Financial assistance to our employees and their families who are experiencing serious health problems,
- DOSAB scholarships provided to students who are in the top 5,000 in the university exam or who have won a four-year university, for the children of our employees.

With these comprehensive fringe benefits, we aim to contribute to the personal and professional lives of our employees and strengthen their loyalty to SEGER.

Annual Training Plans and Performance Management

In line with the goal of developing talents and increasing sectoral qualifications, which is among our priority focus areas, currently, training requests from all employees are collected by Human Resources under the leadership of department heads every year, submitted for approval, and approved trainings are carried out during the year.

Our training programs, based on the principles of talent management and lifelong learning, were carried out with a duration of 20.5 hours, close to the planned target of 21 hours. The purpose of these trainings is:

- To strengthen the professional competence and knowledge of our employees in the sector,
- To increase their personal development, such as leadership skills and work efficiency.

Our goal for 2024 is to achieve at least 80% compliance with the training plan and to increase the training effectiveness evaluation result to at least 85%. Our goal for 2025 is to achieve at least 85% compliance with the training plan and to achieve the training effectiveness evaluation result as at least 90%.

Thanks to the Performance Management System, we conduct regular performance and career evaluations for all our employees; We align these plans with our company strategies by setting training goals according to the needs of each position.

Between 2022 and 2023, the number of our personnel receiving training increased by 1.6% from 193 to 196. While the rate of our female employees receiving training increased by 10.9%, this rate decreased by 1.4% for our male employees. The rate of white-collar women receiving training increased by 12.5%, while there was a 10.6% decrease in men. The rate of our blue-collar female employees receiving training increased by 10% from 30 to 33, while the rate of men remained constant.



Volunteering

As SEGER, our employees with a sense of social responsibility contribute to society by actively participating in various social projects. As of 2023, four of our employees volunteer in different social projects and strengthen our social responsibility through these projects. We encourage our employees to engage in volunteer activities and attach great importance to such initiatives being a part of our corporate culture.

Employee Satisfaction and Loyalty

The Employee Satisfaction Survey (ESS), which is held every year in our company, measures the satisfaction level of our employees with a total of 29 questions under 5 main headings. The survey results are shared with all our managers, the reasons for dissatisfaction are analyzed in detail, and action plans are created accordingly. The process is communicated to all our employees in a transparent manner, ensuring continuous improvement.

Our goal for 2024 and beyond is to ensure continuous development by increasing the employee satisfaction rate by 2% every year.

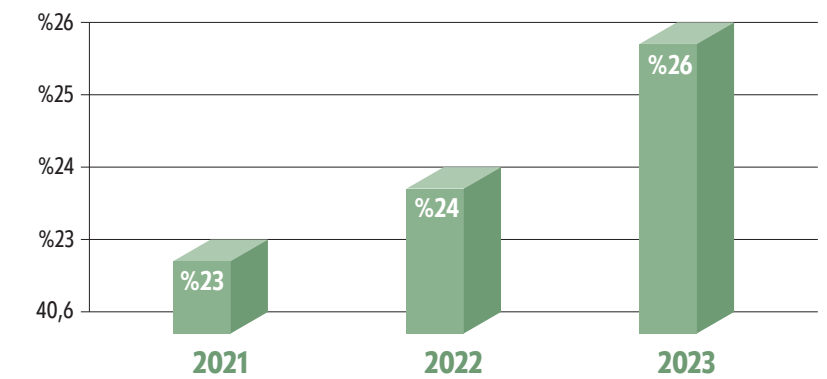


By sharing the summary results regarding dissatisfaction at the MRM (Management Review) meetings every year, we aim to increase employee satisfaction by 2% compared to the previous year. While the Employee Satisfaction Index was 71.9% in 2022, it increased to 75.5% in 2023 with the strategic improvements made. These developments clearly reveal that our improvement efforts have yielded positive results and their contribution to employee satisfaction.

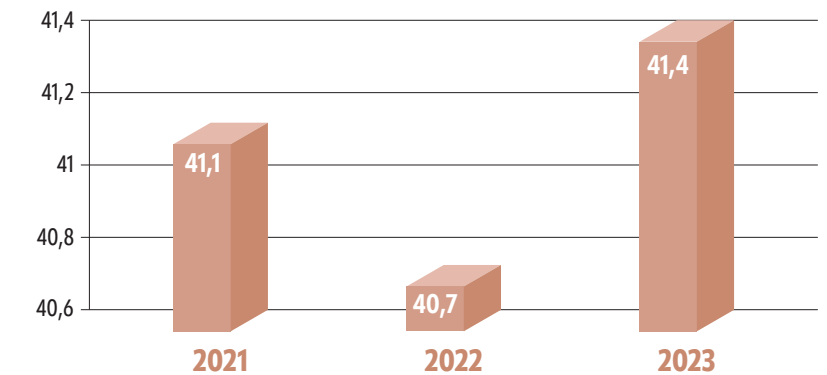
Management and Employee Relations

In 2023, with the recruitment of 47 new personnel, the personnel turnover rate was recorded as 24%. Management and employee relations have been strengthened with the social assistance provided to all our employees and the full protection of legal rights. This supports the transparent and regular functioning of our company and increases employee loyalty.

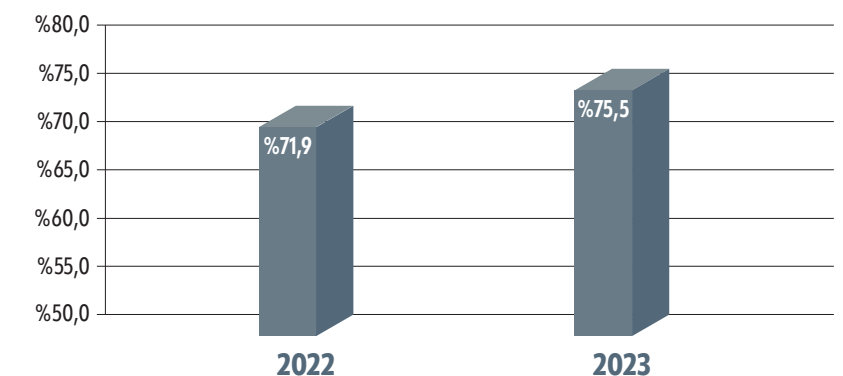
Female Workers Rate



Age Avarage



Employee Satisfaction Index



Workforce Practices and Complaint Mechanisms

At SEGER, we provide a confidential mechanism for our employees to report complaints regarding their working conditions. All our employees can share their problems or concerns via etik@seger.com and 02242567271 phone number. Emails sent to this address are evaluated by the General Manager, Human Resources Manager, and our company lawyers.

Thanks to this mechanism, our employees can easily convey their complaints about working conditions on a confidential basis, and we can effectively evaluate these complaints.

One complaint was received in 2018 and 3 complaints were received in 2020, especially expressing concerns about pay equity between female and male employees. In order to address these concerns, we explained the MIDS system booklet in detail and shared it with all our employees. As a result of the briefings, it was agreed that our wage system is equal regardless of gender.



Customer Health and Safety

As SEGER, we fully comply with regulations and voluntary rules regarding the health and safety impacts of our products and services throughout their lifetime. During the reporting period, there have been no fines, warnings, or voluntary non-compliance cases due to violations of regulations regarding the health and safety impacts of our products and services.

To date, no verified complaints have been received regarding the loss or breach of confidentiality of customer data. Within the scope of socioeconomic compliance, no significant penalties or non-monetary sanctions have been imposed for non-compliance with laws and regulations. There have also been no fines due to non-compliance with laws and regulations regarding the supply and use of our products and services.

Currently, market and customer targets are determined every year during the strategic planning process, and sales and marketing strategies for OEM, market and After Market commercial products are created on a sales quantity and turnover basis in line with these targets. These strategies are monitored with monthly meetings and product sales profitability is regularly evaluated in order to ensure the continuity of product and service supply. Necessary actions are taken to maintain business continuity.

Within the scope of our 2023 targets, an annual sales target of 4,000,000 horns has been set, and in addition to the sales and marketing performance targets set for commercial products, it is aimed to achieve at least 80% of the general company targets.

Achieving at least 80% of the general company targets for 2024 and 2025 has been set as a strategic goal in terms of sustainability.

Marketing and Product Labeling

As SEGER, we fully comply with the current legislation on product labeling. To date, we have not experienced any cases of non-compliance regarding the labeling of our products and the accurate presentation of our service information, and for this reason, we have not received any penal sanctions or warnings.

We also fully comply with the relevant regulations in our marketing communication activities such as advertising, promotion and sponsorship. No complaints or notifications have been received on these matters. This data is a strong indicator of our legal compliance and sense of responsibility in marketing and product labeling processes.

SHARING for a Sustainable Future

SEGER precisely plans social responsibility projects that will contribute to social change and prosperity thanks to the strong partnerships we have established with our stakeholders. With every step we take, we aim to help society achieve a better future. Every step we take together carries hope for a brighter tomorrow.

In line with our leading brand identity, we produce innovative solutions that best meet consumer needs. With our innovations, we aim to provide our customers with the best experience by offering products that make life easier and add value. Each new invention is shaped with confidence and pride, as a step towards a better future.

We use technology in the most effective way in product accessibility and customer experience. With the opportunities offered by the digital world, we aim to maximize customer satisfaction by providing the highest quality service to our customers.

We continue to grow as a large family with our stakeholders by using the power of technology to create a better world.

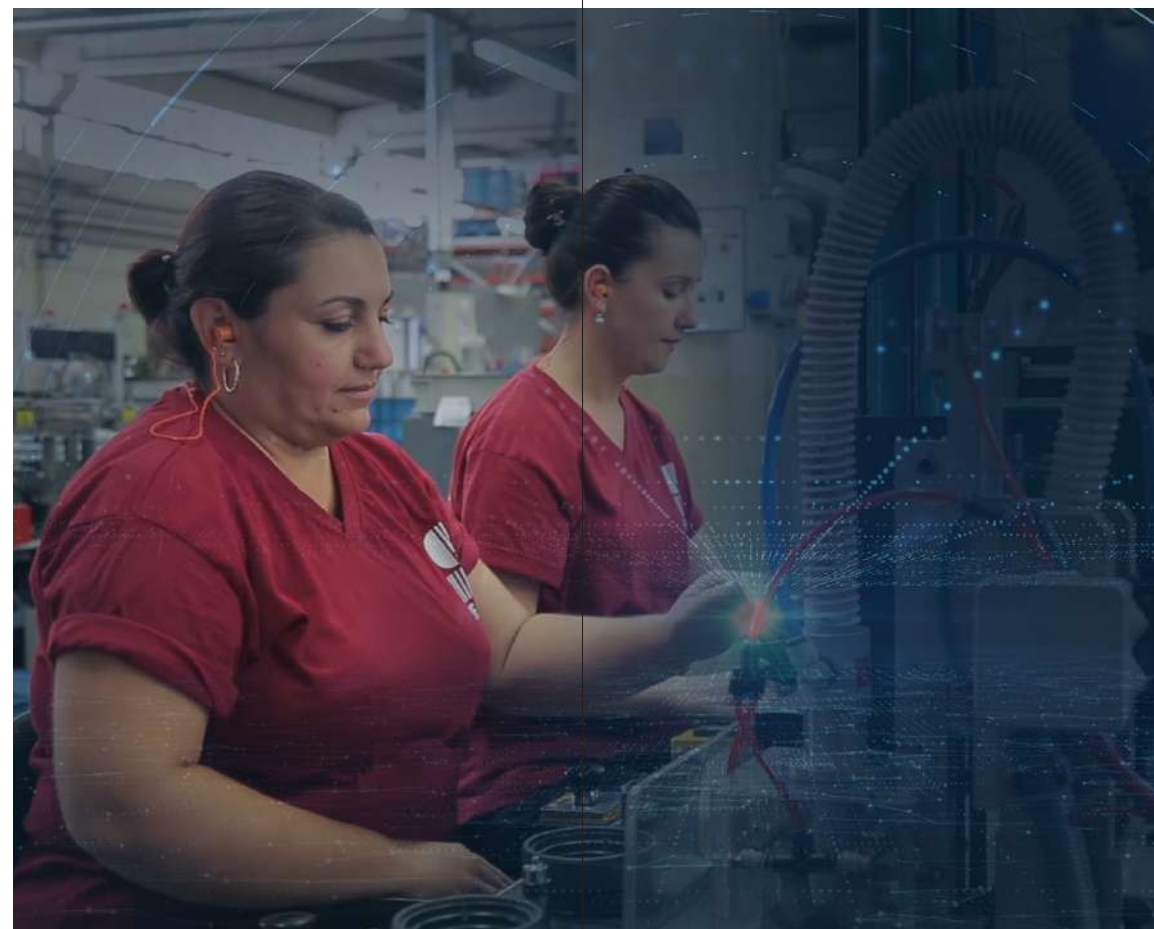
SEGER takes new steps every day for a sustainable and participatory future. Together with our stakeholders, we look to the future with hope by raising the melody of solidarity and innovation. On this journey, we get stronger together and we succeed together.

OUR PRIORITY SUSTAINABLE DEVELOPMENT GOALS



SHARING

FOR A SUSTAINABLE FUTURE



Social Impact and Social Contribution

As SEGER, we increase our social and economic development efforts in areas where poverty is concentrated. Providing local employment and contributing to the growth of our suppliers by expanding business volume with them are among our strategies. Since we started AVAS production, we have experienced an increase in the number of our suppliers, and more than 80% of this increase covers local suppliers. This strengthens local employment.

We support the education and development of students by cooperating with universities, and we ensure that the young generation enters the sector more prepared. Our projects and collaborations aimed at improving social and environmental conditions contribute to the local economy. With the expansion of our supply and distribution chain, the business volume of our suppliers increases, and this situation supports economic development with the increase in employment.

Social Sustainability

Our company's current social sustainability policies are in full compliance with the International Labor Organization (ILO) labor standards. In order to strengthen our social sustainability approach, we share our policy with all our stakeholders and clearly communicate our expectations with our suppliers.

In line with our 2024 target, we will continue to be in contact with our suppliers on sustainability. In 2023, we shared information with face-to-face and online Sustainability sharing meetings, and shared our goals and expectations. In accordance with our Sustainability Policy, we will continue to evaluate our suppliers in 2024 as we did in 2023. We will carry out these evaluations by evaluating the answers they give to the

Supplier Sustainability Surveys that we will send to our suppliers every year. At the same time, we aim to verify the answers given to these surveys with the audits and visits we will carry out to our Suppliers, to create development plans for our suppliers open to development and to carry out activities in line with these plans.

Corporate Social Responsibility Projects and Sponsorships

SEGER acts with the vision of adding value to society and building a sustainable future in its Corporate Social Responsibility (CSR) projects and sponsorship activities. These projects and sponsorships span a wide range, focusing specifically on crisis management, gender equality, education, environment and health.

1. Social Support and Crisis Management

SEGER stands out with its ability to intervene quickly and effectively in social crises.

- **Disaster Relief:** In the February 6 earthquake, basic necessities such as hygiene materials, clothes and medicine were collected with the support of its employees and delivered to AFAD. In addition, volunteer teams went to the earthquake zone and contributed directly to the aid work.
- **Support for the earthquake aid campaign** was provided in cooperation with TEKNOSAB.

2. Gender Equality and Women's Empowerment

SEGER leads the way with projects aimed at empowering women in business life.

- **Gender Equality Studies:** SEGER has organized many online and face-to-face seminars and held special events for female employees in order to raise awareness of gender equality even in times of crisis.
- **Leadership of the Bursa Women's Empowerment Platform:** SEGER continues to chair the Event Committee of the Bursa Women's Empowerment Platform within the scope of the Global Compact. It leads the organization of the "Our Strength is Our Equality" summit every September and provides a collaborative environment by organizing benchmarking meetings for the "Gender Equality studies of the platform member companies.
- **BADV Business World Against Domestic Violence Companies Network Membership:** As a member of the strategy committee of the "Companies Network Against Domestic Violence", SEGER participates in benchmark studies, webinars and training programs; It aims to increase social sensitivity by carrying out company visits.
- **Support for the Fight Against Violence Against Women:** SEGER cooperates with the Mor Salkim Women's Solidarity Association to provide 24/7 free psychological and legal support to its employees and their relatives.
- **Gender Equality Report:** The "SEGER Gender Equality Sample Practice Model" report, which covers the gender equality studies carried out since 2010, has been shared with the public.

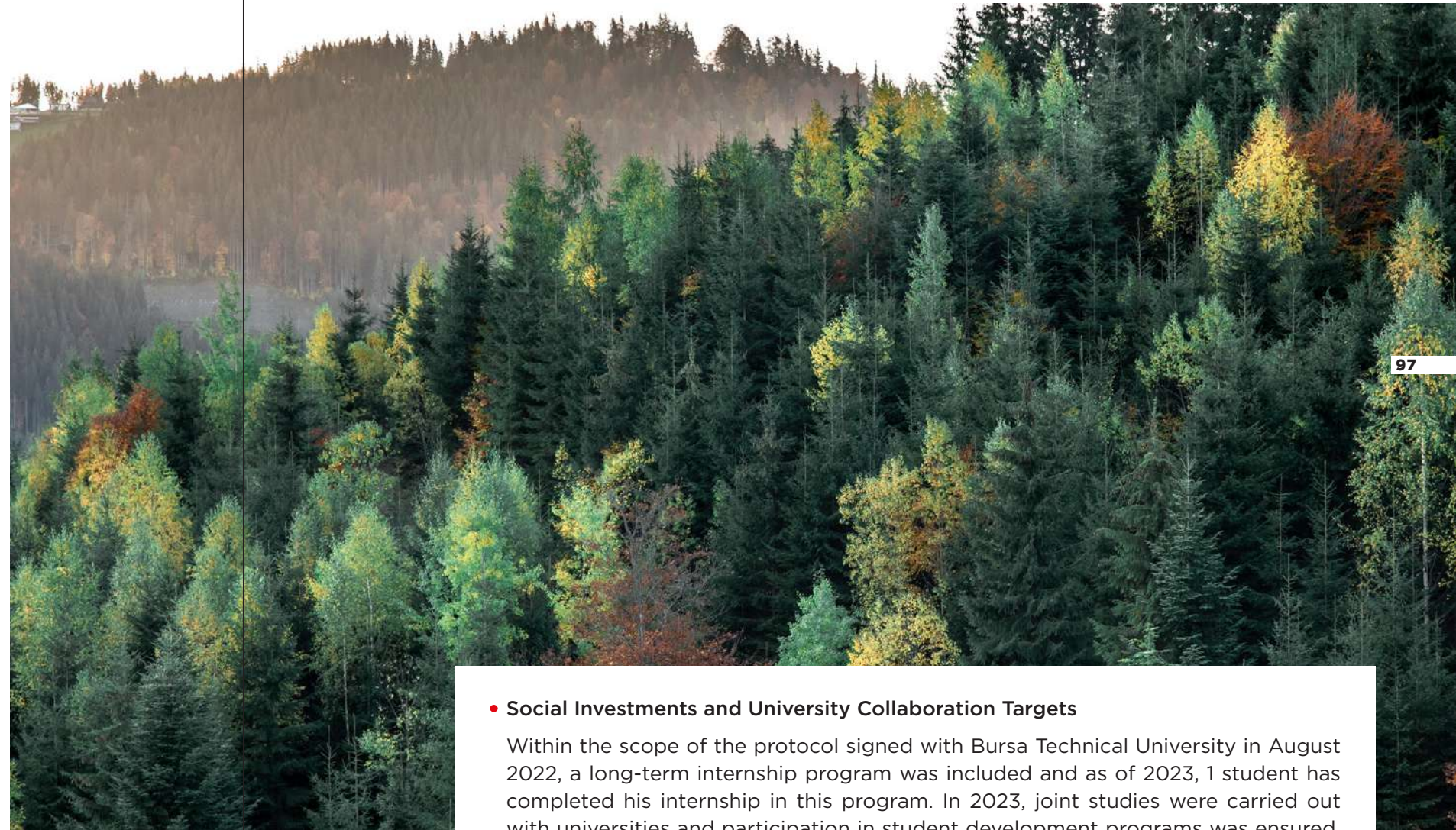
<https://www.SEGER.com/tr/toplumsal-cinsiyet-esitligi-ornek-uygulama-modeli-1>

3. Education and Youth Support

SEGER aims to support the development of young talents in the field of education.

- **SEGER Management Scholarship** was awarded to three students for 12 months.
- **Internship and Career Development:** It aims to contribute to the development of young talents in the sector by offering long-term internship opportunities to university students.

Our goal for 2024 is to continue joint student development programs with universities, to include 3 more students in the long-term internship program, and to implement at least 1 social responsibility project. Our goal for 2025 is to continue these projects, to research new opportunities for social responsibility projects and to determine the projects to be participated in.



• Social Investments and University Collaboration Targets

Within the scope of the protocol signed with Bursa Technical University in August 2022, a long-term internship program was included and as of 2023, 1 student has completed his internship in this program. In 2023, joint studies were carried out with universities and participation in student development programs was ensured. In addition, social responsibility projects have been researched and projects to be participated in have been determined.

4. Environment and Sustainability

SEGER attaches great importance to environmental sustainability efforts.

- **Centenary Forests Project:** We participated in the "Centenary Forests" project of the Aegean Forest Foundation in order to celebrate the 100th anniversary of our Republic in a meaningful way and to leave a green legacy to the future of our country. Within the scope of this project, we donated 500 saplings on behalf of Seger

employees to the memorial forest created in Bursa Os-mangazi. With this initiative, we aimed to support impor-tant environmental goals such as protecting biodiversity, preventing erosion and reducing carbon emissions.

- **Carbon Free Flight Project:** As Seger, we prioritized re-ducing the environmental impact of our overseas busi-ness trips in 2023. We calculated the carbon emissions from our employees' air travel from the carbon-free flight section on the "Aegean Forest Foundation" website and donated 207 saplings to the Aegean Forest Foundation in order to neutralize a total of 75.675 tons of carbon emissions. With this initiative, we have once again demonstrated our commitment to minimizing the en-vironmental footprint of our busi-ness trips and contributing to a sustainable future.

Sponsorships, Donations, Events

SEGER adopts social responsibility principles in its sponsorship activities and contributes to various projects.

- **Eker I Run Race:** The SEGER Run-ning Team participated in the Eker I Run race in 2022 to support the "Contemporary Education Cooper-ative / Let Wildflowers Read" project and in 2023 to support the "Women Rebuilding Life" project with a sense of social responsibility.
- **KALDER Excellence Symposium Sponsorship Support:** SEGER con-tributed as an event sponsor to the 19th and 20th Excellence Symposi-ums organized by KalDer Bursa.
- **Women's Day Events:** SEGER organized special breakfast events for female employees within the scope of March 8 International Women's Day and carried out activities to support women. At the end of the event organized with the theme of "Two Women, Same Life" in 2023, a donation was made to the Mor Salkim Women's Solidarity Association.
- **Vocational High School Visits:** On-site visits were organ-ized at SEGER facilities for vocational high school teach-ers and students across Turkey. These visits were carried out to encourage young people to acquire sectoral knowledge and gain professional experience.

We promote
local employment,
support
sustainable
development with
eco-friendly
projects, and add
value to society
through education
and gender
equality initiatives,
fulfilling our
responsibilities
for the future.



With our social sustainability strategy, we empower local suppliers and support the preparation of younger generations for the industry through collaborations with universities. We make a difference with projects focused on the environment, gender equality, and crisis response, working towards a sustainable future.

- **Breast Cancer Awareness Project- Pink Horn:** Pink horn production was carried out within the scope of the "Pink Horn Project" to raise awareness of breast cancer. The income from these horns, which are offered for sale on SEGER's e-commerce site, was donated to the Bursa Cancer Fighting Association for the treatment of women and children with cancer.
- **SEGER Children's Painting Competition:** In 2023, the traditional children's painting competition was held with the theme "Journey to Atatürk's Ideas" in honor of the 100th anniversary of the Republic. With this event, children were supported to discover Atatürk's ideas and develop their artistic expression skills. The Seger Paint-ing Competition is held every year within the scope of the themes of "The Moment You Are Happiest at Home" in 2020, "Transportation in My Dream" in 2021, "Where Do You Want to Go with What" in 2022, and "Journey to Atatürk's Ideas" in 2023.
- **Father's Day Event:** SEGER aimed to increase employee satisfaction by giving special gifts to its male employees on the occasion of Father's Day.

Performance and Indicators

Economic Performance Indicators

PRODUCTION	2023	Unit
Production Quantity	4.000.000	pc

TOTAL ALES INCOME	2022	2023
Domestic	74.523.773 TL	186.081.259 TL
Abroad	116.263.357 TL	154.795.346 TL
Total Sales Income	190.787.130 TL	340.876.606 TL

ENVIRONMENT	2023	Unit
Expenditures for environmental investments	58.719	TL

OCCUPATIONAL HEALTH AND SAFETY	2023	Unit
Budget/investments allocated to occupational health and safety	336.856	TL

R&D AND INNOVATION	2023	Unit
Budget/investments allocated to R&D and Innovation	4.171.421	TL

SOCIAL INVESTMENTS	2023	Unit
Donations within the scope of charity	617.618	TL
Sponsorships	35.000	TL

SUPPLIERS	2023
Total number of suppliers (Level 1-2)	106
Total number of local suppliers	92
Total payments to suppliers	6.508.241
Total payments to local suppliers	4649871
Total number of new suppliers	5
Percentage of payments to local suppliers within total supplier payments	71,45%

DOMESTIC DEALERS	2023
Total number of dealers	15

Environmental Performance Indicators

IN-HOUSE (SCOPE 1) ENERGY CONSUMPTION

Energy consumption by fuel type	2022	2023	Unit
Natural gas	561815	533667	KWh
Electricity	1147075	1113688	KWh
Fuel	25933	16875	lt

OUT OF INSTITUTION (SCOPE 2) ENERGY CONSUMPTION

Energy consumption by fuel type	2022	2023	Unit
Service Tools	285000	290000	Km

ENERGY DENSITY	2022	2023	Birim	Explanation
Total energy consumption	1.147.075	1.113.688	KWh	According to electricity consumption
Density annual total	524109	540058	Total working hour	
Energy density (total energy / working hours)	2,188619	2,062164	KWh / working hour	Energy density is calculated according to working hours

ENERGY SAVING	2022	2023	Unit	Explanation
Total annual energy savings	97.253	33.388	KWh	Annual electricity consumption is calculated according to the difference. Energy was saved due to the decrease in production quantities.
				2021 - 4.052.331 pcs
				2022 - 3.825.677 pcs
				2023 - 3.694717 pcs

GREENHOUSE GAS EMISSIONS

Scope 1 (direct) greenhouse gas emissions	2021	2022	2023	Unit
CO2e	180,9	180	155,67	ton CO ₂ e

Scope 2 (indirect) greenhouse gas emissions	2021	2022	2023	Unit
CO2e	562,8	513	233,75	ton CO ₂ e

Scope 3 emissions	2021	2022	2023	Unit
CO2e	858,3	550	1065,27	ton CO ₂ e

GREENHOUSE GAS DENSITY

	2021	2022	2023	Unit
Total greenhouse gas emissions	4338,4	4708,5	5887,4	ton CO2e
Density annual total	512985	524109	54005	Çalışma saati
Greenhouse gas density (total release/total production)	0,80%	%0,9	%1,1	tonCO ₂ e/working hour

AIR EMISSIONS

	2021	2022	2023	Unit	Explanation
Particulate Matter	Not measured	0,0051	Not measured	kg/hour	
Nox	Not measured	0,3154	Not measured	kg/hour	NO2 + NO
CO	Not measured	0,0324	Not measured	kg/hour	

WATER USE

Water usage amounts according to their sources	2022	2023	Unit	Explanation
Water to the water	3.730	3.434	m ³	
Total Water Consumption	3.730	3.434	m ³	
Water use density (total use/worked hours)	0,00711684	0,006358576	m ³ /...	Water usage intensity is calculated according to working hours

REUSED WATER AND WASTE WATER QUANTITY

Amount of water reused and amount of waste water	2022	2023	Unit	Explanation
Amount of wastewater	3.730	3.434	m ³	

WASTE MANAGEMENT

Amount of Hazardous Waste	2022	2023	Unit	Explanation
Recovered for energy purposes	3,045	2,405	Ton	Wastes coded 070704, 120109, 120112, 120114, 130110, 150110,150202 are sent to the recovery facility.
Electronic waste	0,06	0,18	Ton	Electronic waste with code 200135
Other (please specify)	0,02	0,024	Ton	Fluorescent waste with code 200121
Total Amount of Hazardous Waste	3,125	2,609	Ton	

Non-hazardous Waste Quantity*	2022	2023	Unit	Explanation
Going to the landfill / solid waste site	0		Ton	Does not weigh
Recycled	117,085	152,677	Ton	
Total Non-hazardous Waste Amount	117,085	152,677	Ton	200101, 200139, 200140 coded waste

*Please enter the waste type in the additional information section

Social Performance Indicators

EMPLOYMENT

	2021			2022			2023			Unit
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
Total number of employees	-	-	-	-	147	147	51	145	196	Person
Number of white-collar employees	-	-	-	-	47	47	18	42	60	Person
Number of blue-collar workers	-	-	-	-	104	104	33	104	137	Person

	2021			2022			2023			Unit
	Full Time	Part Time	Total	Full Time	Part Time	Total	Full Time	Part Time	Total	
Number of employees by working time (Total)	-	-	-	193	0	193	196	0	196	Person
Number of white-collar employees	-	-	-	63	0	63	60	0	60	Person
Number of blue-collar employees	-	-	-	134	0	134	136	0	136	Person

	2021			2022			2023			Unit
Employees by age	Female	Male	Total	Female	Male	Total	Female	Male	Total	
Under 30 years old	-	-	-	-	-	-	2	25	27	Person
Between 30-50 years old	-	-	-	-	-	-	41	89	130	Person
Over 50 years old	-	-	-	-	-	-	8	31	39	Person

	2021			2022			2023			Unit
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
Number of newly hired employees during the year	-	-	-	5	19	24	10	20	30	Person
Under 30 years old	-	-	-	1	13	14	1	12	13	Person
Between 30-50 years old	-	-	-	3	5	8	9	8	17	Person
Over 50 years old	-	-	-	1	1	2	0	0	0	Person

	2021			2022			2023			Unit
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
Number of employees in R&D, innovation, digitalization departments	-	-	-	3	15	18	3	15	18	Person

Employee Cycle	2021			2022			2023			Unit
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
Total number of employees who leave the job	1	20	21	4	22	26	49	140	189	Person
Employees under 30 who left the job	0	12	12	3	8	11	2	19	21	Person
Employees aged 30-50 who left the job"	1	6	7	2	10	12	5	22	27	Person
Employees over 50 who quit the job	0	2	2	0	3	3	0	1	1	Person
Employee turnover rate calculated by covering employees who left their job voluntarily	%2	%13	%15	%8	%14	%22	%14	%30	%44	Person
Number of positions filled with internal candidates	0	0	0	2	8	10	3	5	8	Person

Birth/Parent Leave	2021			2022			2023			Unit
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
Number of employees benefiting from maternity/parental leave	1	0	1	1	0	1	0	0	0	Person
Number of employees returning to work after the end of maternity/parental leave	1	0	1	1	0	1	0	0	0	Person

DIVERSITY AND EQUAL OPPORTUNITY	2021			2022			2023			Unit
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
Number of women and men in the Board of Directors	1	3	4	2	3	5	2	3	5	Person

	2021			2022			2023			Unit
	Female	Male	Total	Female	Male	Total	Female	Male	Total	
Indicate the number of disabled employees according to gender	0	7	7	0	7	7	0	6	6	Person
The Minimum Number of Disabled Employees You Are Legally Required to Employ	6									Person
Indicate the number of foreign employees, if any	0	0	0	0	0	0	0	0	0	Person

WORKFORCE APPLICATIONS AND COMPLAINT MECHANISMS

	2021	2022	2023	Unit	Explanation
Number of feedback / complaints received from employees	0	0	0	0	1 piece in 2018. 3 pieces in 2020 The complaint came to etik@seger.com
Number of complaints resolved	0	0	0	0	

TRAININGS

	2022			2023			Unit
	Female	Male	Total	Female	Male	Total	
Total number of personnel receiving training (OHS training is not included)	46	147	193	51	145	196	Person
White-collar employees trained (OHS training is not included)	16	47	63	18	42	60	Person
Blue-collar employees trained (OHS training is not included)	30	104	134	33	104	137	Person

Training Hours	2022			2023			Unit
	Female	Male	Total	Female	Male	Total	
Total training hours (OHS trainings not included)	14	14	28	13	13	26	Person * Hour
Average annual training hours per employee (OHS training not included)	14	14	28	13	13	26	Person * Hour

	2022	2023	Unit
Number of employees trained in ethical principles	193	0	Person
Training hour on ethical principles	0,5	0	Person * Hour
Number of employees trained on anti-bribery and anti-corruption	193	0	Person
Hours of training provided on anti-bribery and anti-corruption	0,5	0	Person * Hour
Number of employees trained in environmental issues	193	196	Person
Training hours given on environmental issues	1	1	Person * Hour
Sustainability, UN Sustainable Development Goals, etc. Number of employees who received training on topics	72	196	Person
Sustainability, UN Sustainable Development Objectives, etc. Training hours given on the subjects	3	2	Person * Hour

Performance Evaluation	2022			2023			Unit
	Female	Male	Total	Female	Male	Total	
Total number of employees subject to a regular performance and career development evaluation WHITE COLLAR	15	37	52	15	36	51	Person
Total number of employees subjected to a regular performance and career development evaluation BLUE COLLAR	24	95	119	24	109	133	Person

GRI Content Index

SEGER has reported in accordance with GRI Standards for the period January 1, 2021 - December 31, 2023.

GRI Standard	Notification	Description
GRI 1: Core 2021		
GRI 2: General Disclosures 2021		
GRI 2: General Disclosures 2021	2-1 Corporate Profile	About Seger (Pg. 9) 2023 Highlights (Pp. 10-12)
	2-2 Organizations included in sustainability reporting About the Report	About the Report (Pg. 4)
	2-3 Reporting period, frequency and contact information	About the Report (Pg. 4)
	2-4 Information revised compared to previous reports	Information revised compared to previous reports "This is the first sustainability report prepared by SEGER. Therefore, there is no revised or updated information compared to previous reports.
	2-5 External Audit	No external audit was received within the scope of this report
	2-6 Operations, value chain and other business	About Seger (Pg. 9) Supply Chain Management (Pp. 46-49)
	2-7 Employees	Employees (pp.82-86) 91, 103-105
	2-8 Employees of the subcontractor company	This report does not include information on subcontracted employees.
	2-9 Governance structure	Corporate Governance (Pp. 30-32) Strategy and Governance (Pp. 34-35) SEGER Sustainability Committees and Working Groups (Pp. 21-23)
	2-10 Process for determining the competencies and qualifications of the members of the highest governance body.	Restriction SEGER does not share this information publicly due to the organization's confidentiality policies.
	2-11 Chairman of the highest governance body	Corporate Governance (Pp. 30-31)
	2-12 The role of the highest governance body in managing the impacts of the organization's activities	SEGER Sustainability Committees and Working Groups (Pp. 21-23)
	2-13 Will to take responsibility for managing the impacts of operations	SEGER Sustainability Committees and Working Groups (Pp. 21-23)
	2-14 Role of the highest governance body in sustainability reporting	SEGER Sustainability Committees and Working Groups (Pp. 21-23)
	2-15 Processes to prevent conflicts of interest	Corruption struggle and ethical management (Pg. 42)
	2-16 Process of escalating critical issues to the highest governance body	SEGER Sustainability Committees and Working Groups (pp.21-23)

GRI Standard	Notification	Description
GRI 2: General Disclosures 2021	2-17 Competencies of the highest governance body	SEGER Sustainability Committees and Working Groups (Pp. 21-23)
	2-18 Assessing the performance of the highest governance body	Restriction SEGER does not share this information publicly in accordance with the organization's privacy policies
	2-19 Wage policies	Remuneration Policies (Pg. 83)
	2-20 Process for determining wages	Remuneration Policies (Pg. 83)
	2-21 Annual total remuneration rate	Restriction SEGER does not share this information publicly in accordance with the organization's privacy policies
	2-22 Statement on sustainable development strategy	United Nations Sustainable Our Contribution to the Development Goals (Pg. 25) Relationship between Our Strategy and Sustainability Model (Pg. 26-27)
	2-23 Policy commitments	Our Policies (Pg. 38)
	2-24 Implementation of policy commitments	Our Policies (Pg. 40-44)
	2-25 Processes to ameliorate negative impacts	Occupational Health and Safety (Pg. 54-55) Our priorities (Pg. 29), SEGER Sustainability Committees and Working Groups (Pp. 21-23) Risk Management (p.32-33)
	2-26 Mechanisms for receiving suggestions and raising concerns about issues related to ethical and legal behavior	Anti-Corruption and Ethical Management (Pg. 42) Human Rights (Pg. 43)
	2-27 Compliance with legal regulations	Anti-Corruption and Ethical Management (Pg. 42)
	2-28 Corporate memberships	Our Global Commitments (Pg. 18-19) Our Gender Equality Activities (Pg. 39-41)
	2-29 Stakeholder engagement	Stakeholder Management and Interaction (P.44-45)
	2-30 Proportion of employees subject to collective labor agreements	
GRI 3: Material Issues		
GRI 3: Material Issues 2021	3-1 Process for identifying priority issues	Our priorities (Pg. 29)
	3-2 List of priority issues	Our Material Sustainability Issues (Pg. 24-27)
	3-3 Management of the priority issue	Our Sustainability Story (Pp.20-27)
Use of reliable materials		
GRI 3: Material Issues 2021	3-1 Management of the priority issue	Material Use and Recycling Rates (Pp.78-79)
Increasing user satisfaction & Protecting user health and safety		
GRI 3: Material Issues 2021	3-2 Management of the priority issue	Customer Health and Safety (Pg.93) Relationship between Our Strategy and Sustainability Model (Pg.26-27)
Strengthening the supply chain		
GRI 3: Material Issues 2021	3-3 Management of the priority issue	Our Priorities (P.29) Main Risks and Management Strategies (Pp32-33) Operational Excellence and Process Management (Pp37) Procurement (Pp. 46-49)

2023

Sustainability Report



**SOUND AND ELECTRICAL
DEVICES INDUSTRY INC.**

Demirtaş Dumlupınar OSB Mah.
Mustafa Karaer Cad. No:22 16110
Osmangazi - BURSA / TÜRKİYE
Telephone: +90 (224) 261 03 11

E-Mail: info@seger.com

www.seger.com

