



NUROL HOLDING
SUSTAINABILITY REPORT
2022

NUROL
HOLDING



NUROL
CONSTRUCTION



NUROL
MAKINA



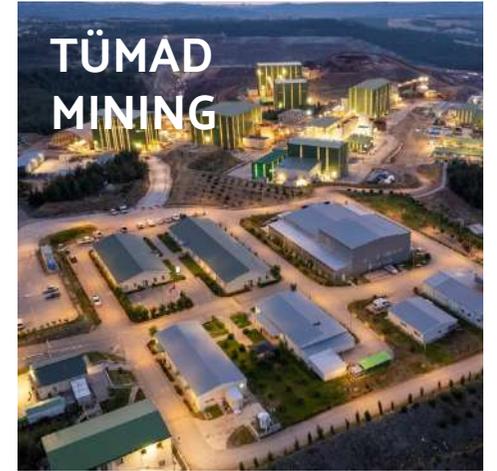
FNSS



NUROL
TEKNOLOJİ



TÜMAD
MINING



CONTENTS



ABOUT THE REPORT

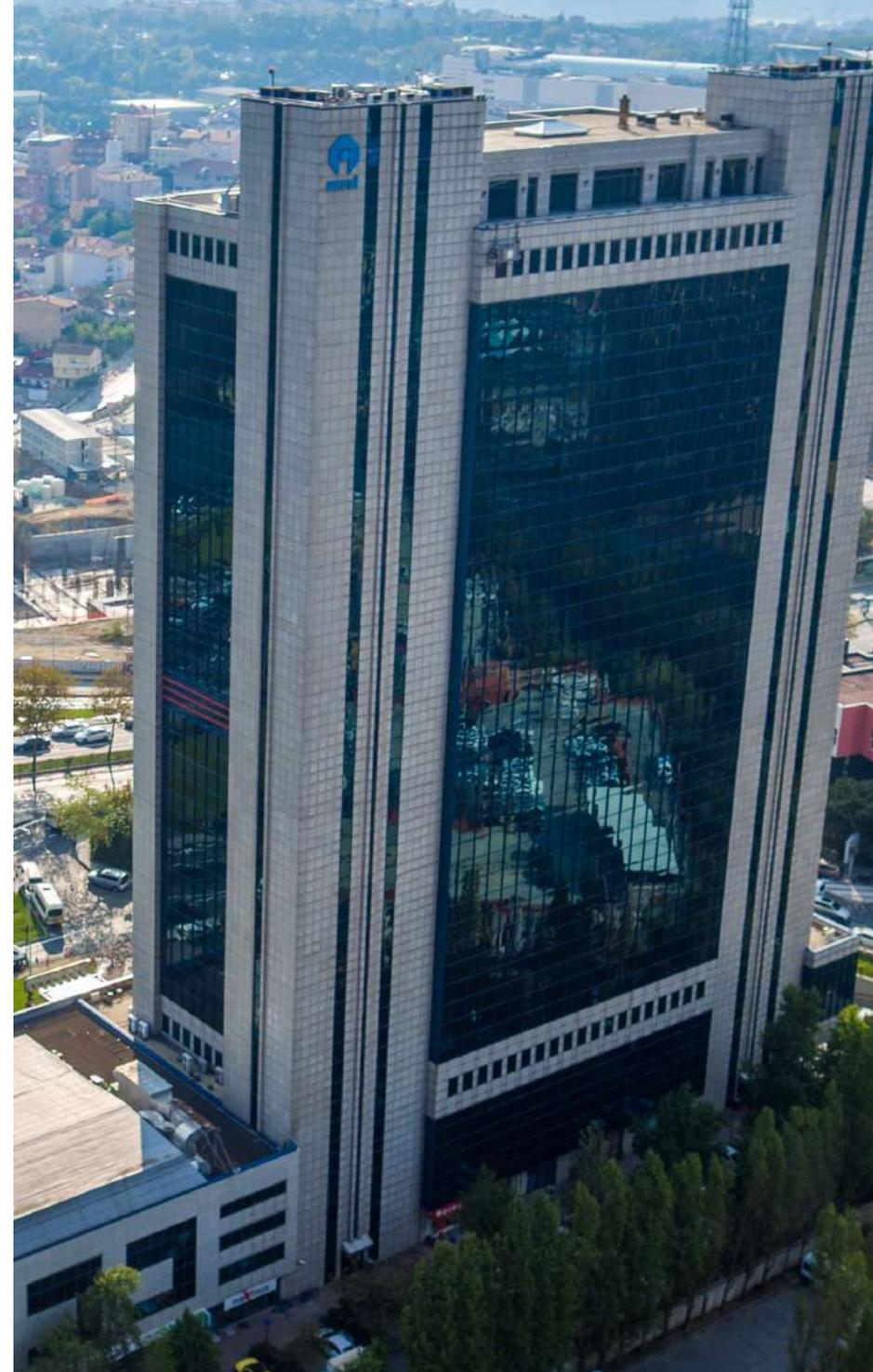
Nurol Holding Inc. presents its sustainability report to all stakeholders, including data for the period from January 1, 2022, to December 31, 2022. The report has been prepared based on data from the Nurol Construction, Nurol Makina, Nurol Teknoloji, FNSS and TÜMAD companies within Nurol Holding and the Nurol Group of Companies. Nurol Holding and the five companies mentioned above are referred to as “the companies within the scope of the Report”, while the other companies within the Nurol Group of Companies are referred to as “non-reporting companies” or “other companies”. In addition, the activities of “Nurol Education, Culture and Sports Foundation” and “Nurol Art Gallery” are reported as corporate social responsibility activities. Our economic data and financial indicators cover our companies included in the consolidated charts. The list of these companies can be found in our Corporate Profile section and on www.nurol.com.tr, where Nurol Holding 2022 Annual Reports are published as part of the external audit report. The names of all Nurol Group

Companies – whether included in the report or not – are given in the Corporate Profile section. These companies are referred to as “Nurol Holding Companies”, “Holding Companies”, “Nurol Group of Companies”, “We/Us”, “Group Companies”, “Enterprise”, “Group” and “Our Companies” within the report.

This report has been prepared in accordance with GRI Standards. Our sustainability report is intended to be a platform for the systematic dialog established together with our stakeholders. For this reason, we aim to publish our report every year, and to continuously improve its content. Any contributions in this respect, and any suggestions, comments or questions related to sustainability, can be sent to us by e-mail or through any other communication channels.

E-mail: info@nurol.com.tr

Nurol Holding Sustainability Report 2022 and PDF versions of all previous reports can be accessed at our website www.nurol.com.tr





MESSAGE FROM THE CHAIRMAN OF THE BOARD



Esteemed Shareholders, Business Partners and Distinguished Employees;

As Nurool Holding, we are aware that growth in the six different sectors in which we have been operating for more than 55 years depends on supporting the national and global economy by rapidly adapting to change and innovation, and that the future can only be managed in this way.

More than two years ago, the effects of the Covid-19 pandemic, the consumption of natural resources, the shortage of access to raw materials and the problems encountered in the supply chain caused a challenging period. Globally, inflation reached its highest levels both in Turkey and in many countries, especially in Europe. In addition to the effects of the pandemic, on the other hand, the economic, social and political problems that emerged with the Russia-Ukraine war created significant changes in the supply chain. The zero-covid policy in China has also had a negative impact on the global economy. These large fluctuations, coupled with weakening financial conditions, energy supply disruptions and declining purchasing power, brought with them the risk of economic stagnation.

During this challenging period, Nurool's more than half a century of experience and our robust digital and corporate infrastructure

enabled us to achieve great adaptation and we continued our steady growth.

Since the day it was founded, the main goal of Nurool Holding Group of Companies in its operation and management model is to improve the quality of life of our employees, consumers and customers and to protect them from potential negative impacts by reducing environmental impacts. We are happy to look back and realize that we have not only created economic value with all the projects we have realized, but also social, environmental and cultural added value to all the countries where we have a presence. As a conglomerate representing our country in international markets, we started our journey with the construction and contracting sector and have since expanded to include many other sectors such as defense industry, mining, advanced technology, real estate investment, finance, tourism, energy, trade and services. We have adopted the principle of continuing our activities in Turkey and abroad by understanding the needs of the market and customers and developing creative and innovative solutions.

In 2022, Nurool closed the year with a consolidated sales of TRY 26.8 billion, exceeding its growth and profitability targets. In light of our sustainable growth target, we aim to increase sales and exports

by expanding our production capacity and to carry out activities that will increase our brand awareness in the international arena. We continue our existence as a group that creates value for society and the world by managing the investments we create with the revenues we generate from different sectors with this vision.

For 2023, we have high hopes that investments will increase and financial growth capacity will increase with the positive effects of the normalization in the economy caused by the gradual decrease in the effects of the pandemic and the decrease in market fluctuations after the elections.

In our constantly changing and evolving world, sustainability is one of the most important issues in tackling global challenges. As Nurool Holding Group of Companies, together with our sustainability teams, we are working hard against the impacts and risks of global climate change in order to sustain our economic, environmental and social growth. Based on the Paris Agreement and the UN Sustainable Development Goals, we are moving forward by identifying energy efficiency and carbon emission reduction strategies. As a company, we are turning to renewable energy investments in response to the energy crisis affecting the whole



MESSAGE FROM THE CHAIRMAN OF THE BOARD

world. In terms of resource efficiency, we are working to reduce our carbon footprint and water footprint at our facilities that reduce waste generation, separate waste at its source and recycle it, and operate with zero discharge principle.

Our company supports social, environmental, economic and cultural adaptation through sustainable approaches and transition to circular economy in order to combat climate change and minimize the risks on our planet. In order for our company to be financially prepared against the effects of climate change and global warming, Nurol is conducting feasibility studies by evaluating the risks or opportunities that may arise due to ETS (Emissions Trading System) and CCSM (Carbon Regulation Mechanism at the Border) within the scope of Turkey and EU strategies. Accordingly, Corporate Carbon Footprint management practices are being implemented within the scope of relevant international standards. In order to prepare our company for the impacts of climate change, preparation studies are also carried out with different scenarios covering all our employees, stakeholders and our ecosystem.

In order to ensure sustainable development, Nurol Holding aims to comply with the United Nations Sustainable Development Goals and the 10 principles on human rights, labor, environment and anti-corruption of the Global Compact (UNGC), which it signed in 2017, and to increase the level of implementation in these areas. We are committed to making the UN Global Compact and its principles part of our company strategy, culture and day-to-day operations, and to participating in joint projects that address the United Nations' broader development goals, in particular the Sustainable Development Goals. We attach importance to the continuity of the value chain interaction, being aware that the activities we carry out according to the principle of continuous improvement contribute not only to the group companies but also to the development of the national economy with a solid infrastructure.

Our corporate policy work, which is important in the field of gender equality, was completed with reference to the EBRD guidelines. As a company that pioneers and supports the advancement of women in business life, we are also pleased to sign

the Women's Empowerment Principles in 2023. Since its establishment, our company has acted in accordance with the principle of gender equality in employment and all human resources practices for every sector it has acquired. As a company that plans to prioritize an increase in the number of female employees and leaders compared to the total number of employees and leaders in order to take part in the global economy and be sustainable, we will continue our incentives in this area.

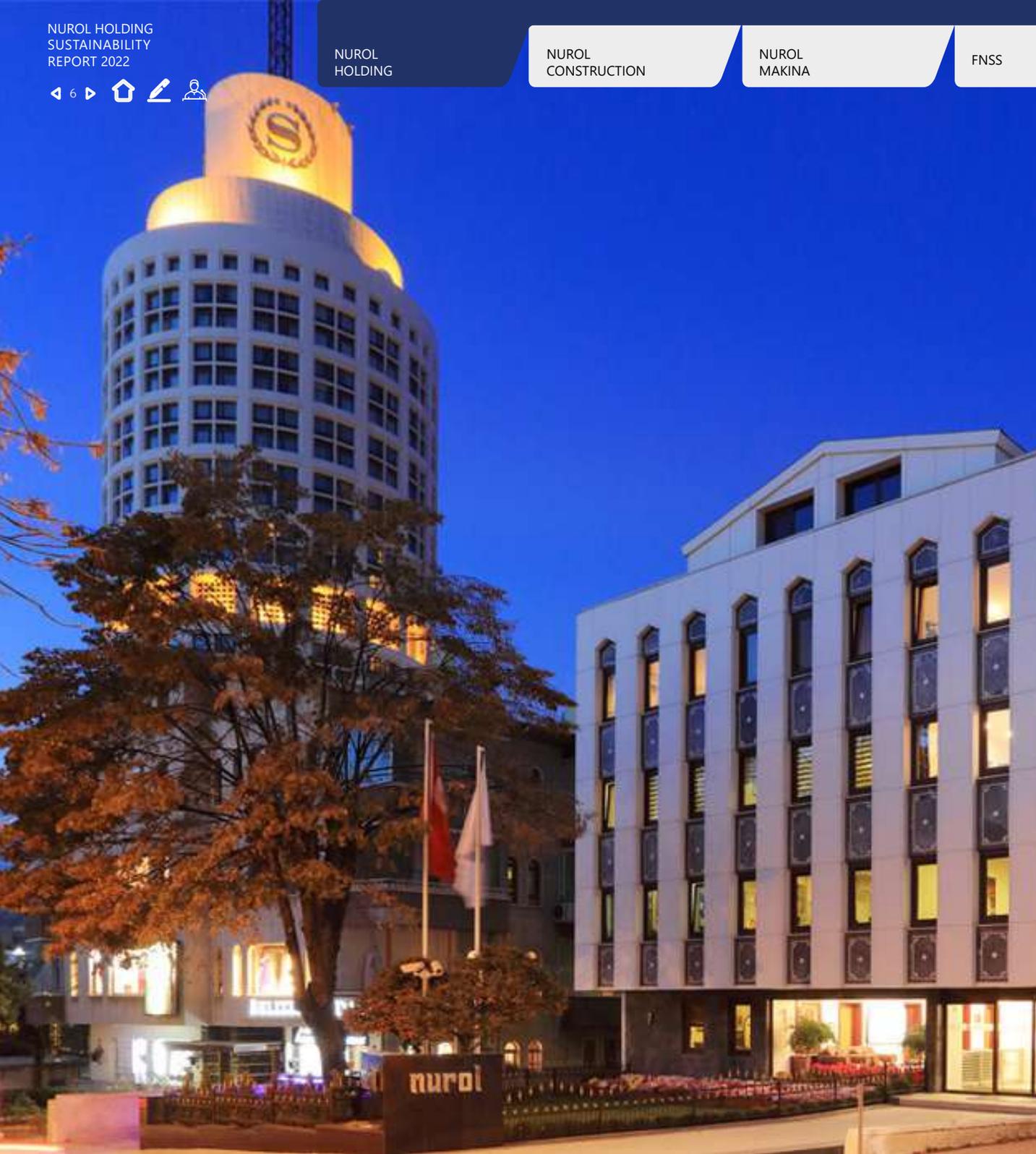
Our Group companies aim to reduce environmental impact as a fundamental principle of the sustainable economic model and continuously share this awareness with our suppliers and customers. National and international standards are followed in all projects we carry out in line with the needs and expectations of our stakeholders. At Nurol, which uses a risk-based management model, the results obtained by analyzing internal data are evaluated in the light of information obtained from international reports. A sustainability action plan is created and implemented in response to climate change, which has been a constant element in the World Economic Forum

Global Risks Report for years.

I would like to express my gratitude to my colleagues and to our customers, suppliers and business partners who always add strength to us. As in previous years, we transparently reported our social, environmental and corporate governance activities in 2022 according to GRI standards. Proud of the progress we have made, I present to you, our esteemed stakeholders, our consolidated report, which includes the sustainability performances of Nurol Holding group companies.

Sincerely yours,

Nurettin ÇARMIKLI
NUROL Holding
Chairman of the Board



CORPORATE PROFILE

Founded in 1966 as a construction and contracting company under the name Nurool Construction, Nurool Holding continues to grow and develop thanks to the investments made together with the affiliated companies operating in various sectors, all of which were founded with productivity and quality in mind.

NUROL Holding was established in 1989 under the leadership of its founders, brothers Nurettin ÇARMIKLI, Erol ÇARMIKLI and M. Oğuz ÇARMIKLI, and has been carrying out its operations continuously through companies structured within a variety of sectors, primarily construction and contracting, but also defense, mining, real estate investment, finance, tourism, energy, trade and services, both at home and abroad. Nurool has been carrying out its operations in Türkiye in a manner worthy of its reputation since its establishment, while striving to undertake successful projects abroad and to represent Türkiye in the best possible manner, without compromising on universal values. The Holding's primary objective, shared by close to 40 subsidiaries, affiliates, branches and project partnerships and around 15,000 employees, is to make maximum use of its capacity and to create jobs and added value to contribute to the national economy, while efficiently managing risks through a balanced portfolio. The Group of Companies is managed through the Coordination Offices affiliated to the Chairman and Vice-Presidents of the Board of Directors and the General Managers of the affiliated companies in line with corporate governance principles, while control, coordination and supervisory activities are steered from the Holding headquarters.



CORPORATE PROFILE

The headquarters of the Holding are located in Ankara, which is home also to the head offices of most of the Holding companies, including those engaged in mining, energy, tourism, trade, services, and, in particular, defense, where as Nurol CONSTRUCTION, Nurol GYO and Nurol BANK are headquartered in Istanbul. Having achieved sustainable growth by renewing its short-, medium- and long-term goals in line with its strategic targets in all of its business lines, Nurol now aims to continue its investments in the domestic and foreign markets with a stronger structure, preserving its solid presence in the sectors in which it operates.

In addition to its commercial activities, Nurol has been mapping out strategies and taking part in various projects with a view to resolving social problems and improving contemporary living standards. Drawing upon its sense of corporate social responsibility, the Group of Companies has made it its mission to serve society together with its employees, with priority given to people and the environment. Thanks to the high-ranking brand quality they have create with more than 50 years of experience in business, the ÇARMIKLI Family continues to oversee the activities of one of Türkiye's leading groups, and continues to act in line with the requirements of the era, while

preserving its commitment to traditions and synchronizing its corporate and family values.

Since the day of its establishment, the Nurol Education, Culture and Sports Foundation, founded by the ÇARMIKLI Family, has persistently strived to develop our nation's values by supporting the development of education, culture and the arts, all of which play an important role in the development of a country. Since the day of our foundation, the Nurol Group of Companies has been acting in accordance with its corporate policies and has fulfilled its responsibilities in regards to the environment, working

standards and human rights, as set out in the United Nations Global Compact, while continuing to increase the level of implementation in these areas. In this context, it became a member of Sustainable Development Association (SKD), an organization at the forefront of sustainability studies in our country. Recognizing that our activities and our pursuit of continuous improvement contribute not only to our Group of Companies, but also to the radical transformation of the national economy, we attach great importance to continuity in the value chain.

VISION

As the Nurol family, we are fully aware of our responsibilities. We aspire to be the best in the sectors in which we operate in terms of quality and in the creation of the highest social and economic value for our country.

MISSION

Our mission is to pass on to future generations the robust structure we have established over the last half-century, which is an outcome of our adherence to our principles and the business experience we have gained in our country and in many other parts of the world. We have developed a structure that is loyal to tradition, yet open to innovation and development, and one that produces goods and services in the best way possible with the strength and fortitude we draw from our society and our employees.



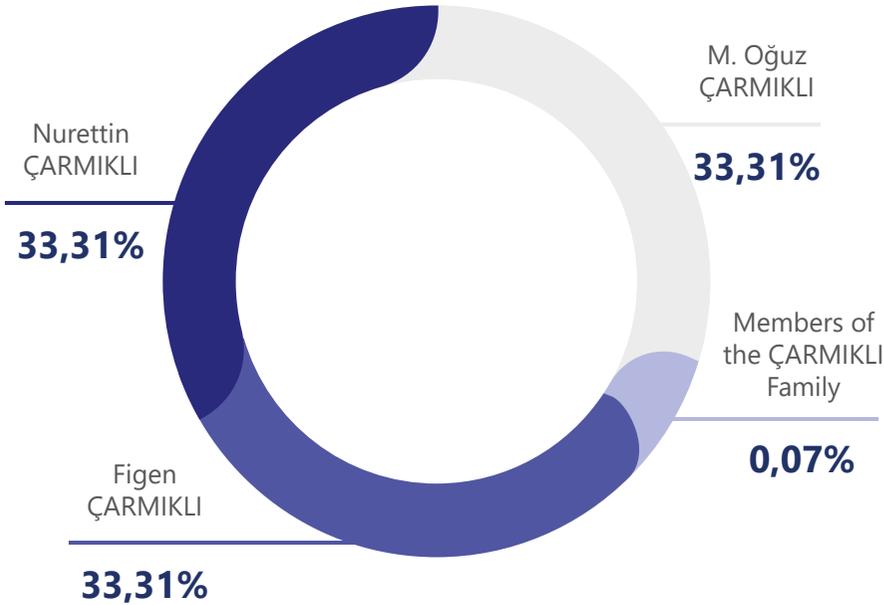
CORPORATE STRUCTURE

NUROL Holding is committed to ethical values, fair and transparent management, accountability and responsibility. The Company's Board of Directors is responsible for the management and representation of Nurol Holding, and is made up of nine people with appropriate levels of education and working experience. The Board of Directors makes decisions based on a simple majority vote, and if there is an equal number of votes, the issue is deferred to the next meeting. If the votes remain equally divided in the second meeting, the proposal is considered rejected. Nurol Holding Companies are managed by General Managers and Coordinators affiliated with the Chairman and Vice Chairman of the Board of Nurol Holding. The Holding carries out the auditing and corporate communication activities of the companies from its headquarters.

Our organizational chart can be accessed at <https://www.nurol.com.tr/en/organization>

PARTNERSHIP STRUCTURE

The paid-in capital of Nurol Holding is TRY 776 million. The distribution of the capital between the shareholders is presented below. There is no legal personality among the partners.



BOARD OF DIRECTORS AND COORDINATORS

The Ordinary General Assembly dated November 12, 2021 approved the members of the Board of Directors who will serve until November 12, 2024, as shown in the table below.

Position	Name and Surname
Chairman of the Board	Nurettin ÇARMIKLI
Vice Chairman of the Board	M. Oğuz ÇARMIKLI
Board Member, Trade and International Relations Coordinator	Eyüp Sabri ÇARMIKLI, Ph.D.
Board Member, Corporate Development and Human Resources Coordinator	Gürol ÇARMIKLI
Board Member	Oğuzhan ÇARMIKLI
Board Member	Gürhan ÇARMIKLI
Board Member, Senior Domestic Legal Counselor	Ad. Cumhur BOZKURT
Board Member, Chief Financial Officer (CFO)	Kerim KEMAHLI
Board Member	Murat SEZGİN
Tourism Group Coordinator	Gaye ÇARMIKLI
Business Development Coordinator	Ceyda ÇARMIKLI

Nominations and elections of the members of the Board of Directors are regulated in accordance with Article 13 of the Articles of Association of the Company.



NUROL HOLDING FIELDS OF ACTIVITY



12.000+
EMPLOYEES

56 YEARS
EXPERIENCE

35+
COMPANIES

26.799.269 THOUSAND TRY
CONSOLIDATED SALES AMOUNT

~43 BILLION \$
PROJECT VOLUME

646
NUMBER OF PROJECTS

Construction and Contracting Group

Nurol Construction and Trading Co Inc.
Nurol Real Estate Investment Trust Inc.
Otoyol Yatırım ve İşletme A.Ş.
Nurol LLC (UAE)
Nurol Georgia LLC
SGO Construction and Trading Inc.
RIZE Construction and Trading Inc.

Defense Industry

Nurol Makina Sanayi A.Ş.
FNSS Savunma Sistemleri A.Ş.
Nurol Technologies Industry and Mining Trade Inc.
Nurol BAE Systems Air Systems Inc.
Nurol İleri Teknoloji Savunma Ürünleri
Madencilik Sanayi Ticaret A.Ş.

Mining and Energy

Nurol Energy Generation and Marketing Inc.
Nurol Göksu Energy Production Inc.
Enova Energy Wholesale Inc.
Nurol Grup Elek. Topt. Sat.
Nurol Solar Energy Production Inc.
Enova Energy Production Inc.
Tümada Mining Industry & Trade Inc.
Gemad Mining Industry & Trade Inc.
Bahçeşehir Gaz Dağıtım A.Ş.

Trade and Service

Botim Business Management and Trading Inc.
Nurol Aviation Inc.
Nurol İşletme ve Gayrimenkul Yönetim A.Ş.
Rockland Inc.

Tourism

Nurol Hotel and Tourism Management Inc
Türser Tourism Publishing and Trade Inc.
Bosfor Tourism Management Inc.

Finance

Nurol Investment Bank Inc.
Nurol Insurance Brokerage Services Inc.
Nurol Varlık Kiralama A.Ş.
Nurol Portföy Yönetimi A.Ş.

Foundation Services

Nurol Education, Culture and Sports Foundation
Nurol Art Gallery



ECONOMIC OUTLOOK

We offer here some financial statistics that provide insight into the economic outlook of the Nurool Group of Companies. As of December 31, 2022, the Group's consolidated assets totaled TRY 79.2 billion while the sales was approximately TRY 26.8 billion. The turnover target for 2023 is TRY 37.2 billion.

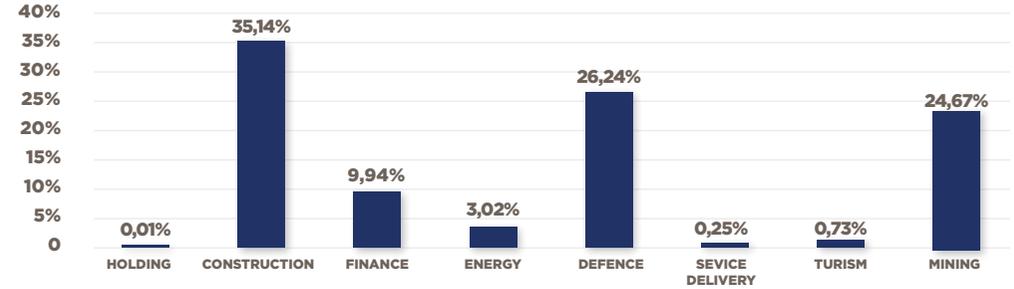
FINANCIAL INDICATORS

Consolidated Summary Balance Sheet (Thousand TRY)

	2020	2021	2022
Total Assets	29.064.473	48.413.872	79.107.621
Total Equity	3.512.995	8.275.534	19.964.275

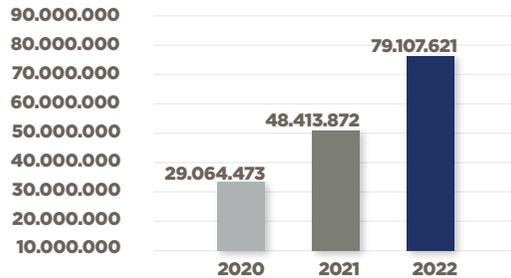
Consolidated Summary Income Statement (Thousand TRY)

	2020	2021	2022
Sales Revenues	8.953.405	12.265.328	26.799.269
Cost of Sales	-6.520.281	-8.020.548	-16.068.833
Gross Profit/(Loss)	2.433.124	4.244.780	10.730.436
Operating Profit/(Loss)	1.921.659	2.887.859	8.683.133
Net Profit (Loss) For the Period	327.262	2.286.301	9.947.917

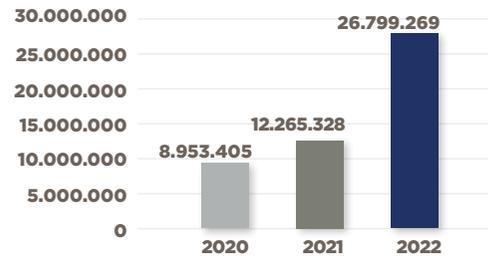


SALES REVENUES ON A SECTORAL BASIS

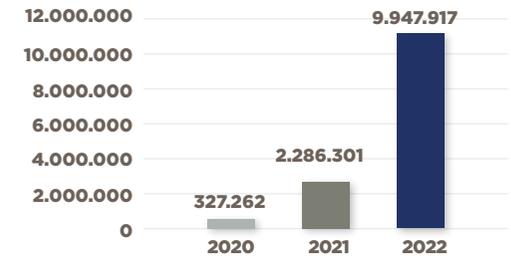
As of December 31, 2022, the Group's consolidated assets totaled TRY 79.2 billion while the sales was approximately TRY 26.8 billion. The turnover target for 2023 is TRY 37.2 billion.



TOTAL ASSETS



SALES REVENUES



NET PROFIT (LOSS) FOR THE PERIOD



ECONOMIC OUTLOOK

428

NUMBER OF DOMESTIC PROJECTS

29,1

DOMESTIC SALES AMOUNT (BILLION USD)

218

NUMBER OF FOREIGN PROJECTS

13,9

FOREIGN SALES AMOUNT (BILLION USD)

CONSTRUCTION



DEFENCE



MINING



FINANCE

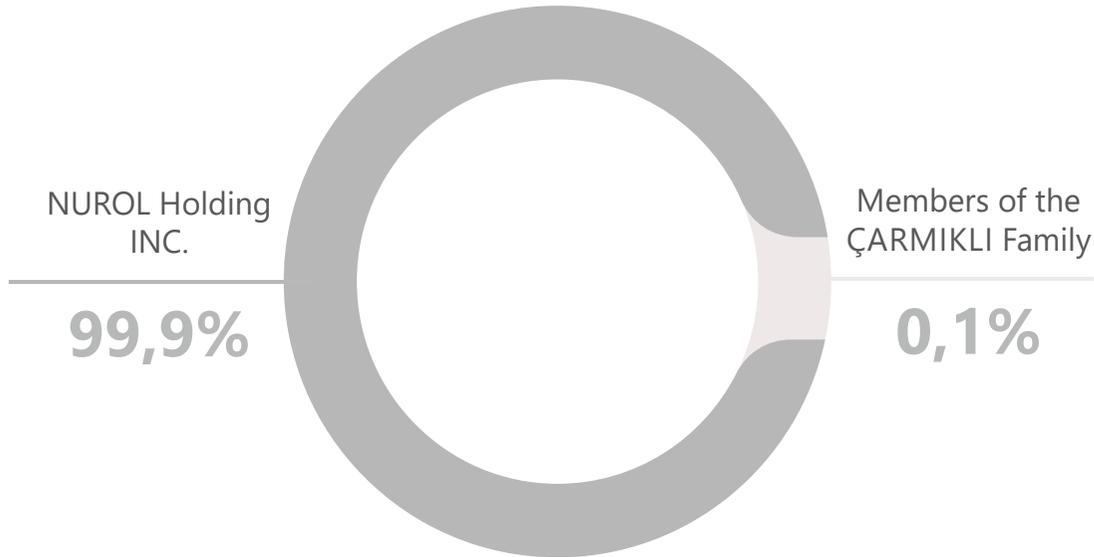


NUROL CONSTRUCTION

We are a world-class company with our construction projects for roads, bridges, viaducts, tunnels and dams. We are a role model in our sector as a signatory of the United Nations (UN) Global Compact and "Women's Empowerment Principles (WEPs)". We have been ranked in the "World's 250 Largest International Contractors" list of "Engineering News Record" magazine in the "Largest Global Contractors" and "Largest International Contractors" categories for 19 years.

ABOUT NUROL CONSTRUCTION

PARTNERSHIP STRUCTURE



KEY INDICATORS

AVERAGE NUMBER OF EMPLOYEES



TOTAL ASSETS (Thousand TRY)



SALES REVENUES (Thousand TRY)



EBITDA (Thousand TRY)



ABOUT NUROL CONSTRUCTION

Nurol Construction is a member of Nurol Holding Group of Companies. The majority shareholder of the company is "Nurol Holding INC.," which is ultimately managed by the "ÇARMIKLI" family. It was established in Ankara in 1966 and moved its Headquarters to Istanbul in 2015. In the years of its establishment, it contributed to agriculture through irrigation projects and to heavy industry with turkney industrial facility constructions.

Nurol Construction that have always applied the most efficient and innovative technologies in its projects became the first company to use the New Austrian Tunneling technology in Turkey, during the construction of Ayaş Tunnel in 1976.

Nurol Construction is justifiably proud of the global endorsements it has received for its contributions to the construction and contracting sector. With its well-established corporate culture and accomplished staff, Nurol has successfully completed many major infrastructure projects, including roads, bridges, viaducts, tunnels and dams, and superstructure projects for industrial facilities, hotels, shopping centers, and housing and residential units.

Nurol Construction, which has completed satellite city and luxury housing projects that impress with their quality and design in Turkey and around the world, has always applied architectural and engineering solutions in accordance with the requirements of modern life in its projects.

Ilisu Dam, Turkey's second largest dam in terms of volume of fill, and the associated HPP project, with its 11 billion m³ reservoir volume, 1,200 MW installed power and 4.1 billion kWh annual power generation capacity, contribute to overcoming Turkey's energy deficit.

Within the scope of the Marmaray Bosphorus Tube Transit Project, it has connected the two sides of Istanbul with a railway line 60 meters below sea level by using all the possibilities of technology.

Thanks to the "Gebze-Orhangazi-Izmir Motorway", which has gone down in history as the largest Build-Operate-Transfer Project in the history of the Republic of Turkey, with a value of \$7.5 billion, the journey by road between Istanbul and Izmir has been decreased from 9 hours to 3.5 hours. Osmangazi Bridge, which is the most important pillar of the project, has become the fourth largest middle

span bridge in the world and the second bridge in Europe, with a middle span of 1,550 meters and a length of 2,907 meters including connection decks. In the Southern Approach Viaduct, with a total steel content of 33,000 tons, a world record was broken when a 22,500 ton steel structure was completed with the 1,123 meter push and slide method, and the Turkish record was broken when the last deck of 2,600 tons was lifted.

Our construction work, which started in Algeria in North Africa, has expanded to include Morocco. In this context, infrastructure projects such as dams, bridges and highways are included.

Our business development efforts that were concentrated in Eastern Europe paid off with our undertaking of our first motorway project in Romania.

From the past to the present, Gulf countries have been an important part of the overseas construction activities of Nurol Group of Companies.

The ongoing projects in the United Arab Emirates with leading investors in the region have exceeded 500,000 m²



ABOUT NUROL CONSTRUCTION

of housing area built within the framework of satellite cities in Dubai while urban infrastructure and technological steel manufacturing projects also contribute as references.

On the other hand, our projects in Abu Dhabi include sea bridge crossings and canals, infrastructure constructions including various bridge and tunnel structures, and luxury hotels and residences.

Nurol Construction prides itself on having featured on the “ENR Top International Contractors List” for the last 19 years.

The Nurol Real Estate Investment Trust, which stands out with its significant investment expenditures among the other parts of our Group of Companies serving in the construction and contracting sector, continues to provide services with housing and office projects in Istanbul (Nurol Park, Nurol Tower, Nurol Life), and transfers its experience in the fields of marketing to the sector through its provision of land development, project design, construction and consultancy services.

The public offering of Nurol Real Estate Investment Trust was realized in 1999 and the company was listed on Borsa Istanbul.

The value of Nurol Construction’s completed and ongoing works has reached \$30,9 billion.

Nurol Construction conducts all its activities in accordance with ISO 9001 Quality Management System, ISO 14001 Environmental Management System and 45001 Occupational Health and Safety Management System standards, is audited by independent auditing organizations and ensures the continuity of its national and/or internationally valid certificates crowning its

high standards. In 2022, Nurol Construction successfully completed the recertification audit conducted by the independent certification body BSI (British Standards Institution) and extended the validity period of its certificates for another 3 years.

Nurol Construction, which carries out occupational health and safety as an integral part of its business, established the ISO 39001:2012 Road Traffic Safety Management System in 2022 to bring its road traffic safety practices to international standards with a culture of continuous improvement, and was awarded the Road Traffic Safety Management System Certificate as a result of comprehensive audits conducted by the internationally recognized certification firm Bureau Veritas. With this system, Nurol Construction, which aims to improve road traffic safety practices in its operations and prevent traffic accidents, has taken its place among the few companies in the sector that have received ISO 39001 certification.

Nurol Construction, which improved the Covid-19 measures with the Safe Service Certificate by exceeding the legal requirements, successfully completed the year 2022 audits.

Nurol Construction fulfills the requirements of the “NATO Secret and National Secret Facility Security Certificate” with the security management system it has established and has started the application for the re-certification process in 2023 as of the end of the year. According to the feedbacks to be conveyed by the Ministry of National Defense, it will be audited again in 2023 and its certificate validity will be renewed.

As Nurol Construction we have been in the “Top 250 International Contractors” list of the “Engineering News Record” (www.ENR.com) magazine, headquartered in the USA, for 19 years in the “Top Global Contractors” and “Top International Contractors” categories. As of 2022, Nurol Construction has been awarded the ISO 39001 Road and Traffic Safety Management System Certificate in its sector.

Total Employment	+8.000 Staff
Net Sales	8.365.698.000 TRY
Total Assets	27.521.611.000 TRY

EBITDA	1.321.559.000 TRY
Total Project Amount	30,9 Billion \$
Total Construction Area	3,6 Million m²

Total Road Construction	1.500 km+
Total HEPP Capacity	1.900 MW+
Total Tunnel Construction	110 km+
Villa and Residence	14.000 Units+

OPERATION MAP OF NUROL CONSTRUCTION

As of the end of 2022, our activities by country are listed below.

TÜRKİYE

Provisional acceptance for the construction works of the Gebze - Orhangazi - İzmir Motorway Project and Balıkesir - Kırkağaç - Akhisar Section Project was made in 2019, and the manufacturing within the scope of the warranty period was completed in 2020. The provisional acceptance of the construction works of the Ilisu Dam and Hydroelectric Power Plant Project was made in 2020, the provisional acceptance of the construction works of the Hasankeyf Group Bridges Project in 2021 and provisional acceptance of Yusufeli Dam Reservoir Viaducts and Eğiste Hadimi Viaduct was made in 2022. In our country, where we have been operating since 1966, our ongoing projects in 2022 are as follows:

- Supplementary Works of Ordu Ring Road Project
- Eğiste Hadimi Viaduct Project
- Yusufeli Dam Reservoir Viaducts Supply Project
- Silifke-Mut Road Project
- Ümraniye-Ataşehir-Göztepe Metro Project
- Yeşilyaka Project
- İzmir Çiğli Tram Line Construction Project
- TAI B1070 Test Building Construction Works Project



ROMANIA 3B5 MOTORWAY PROJECT

ROMANIA

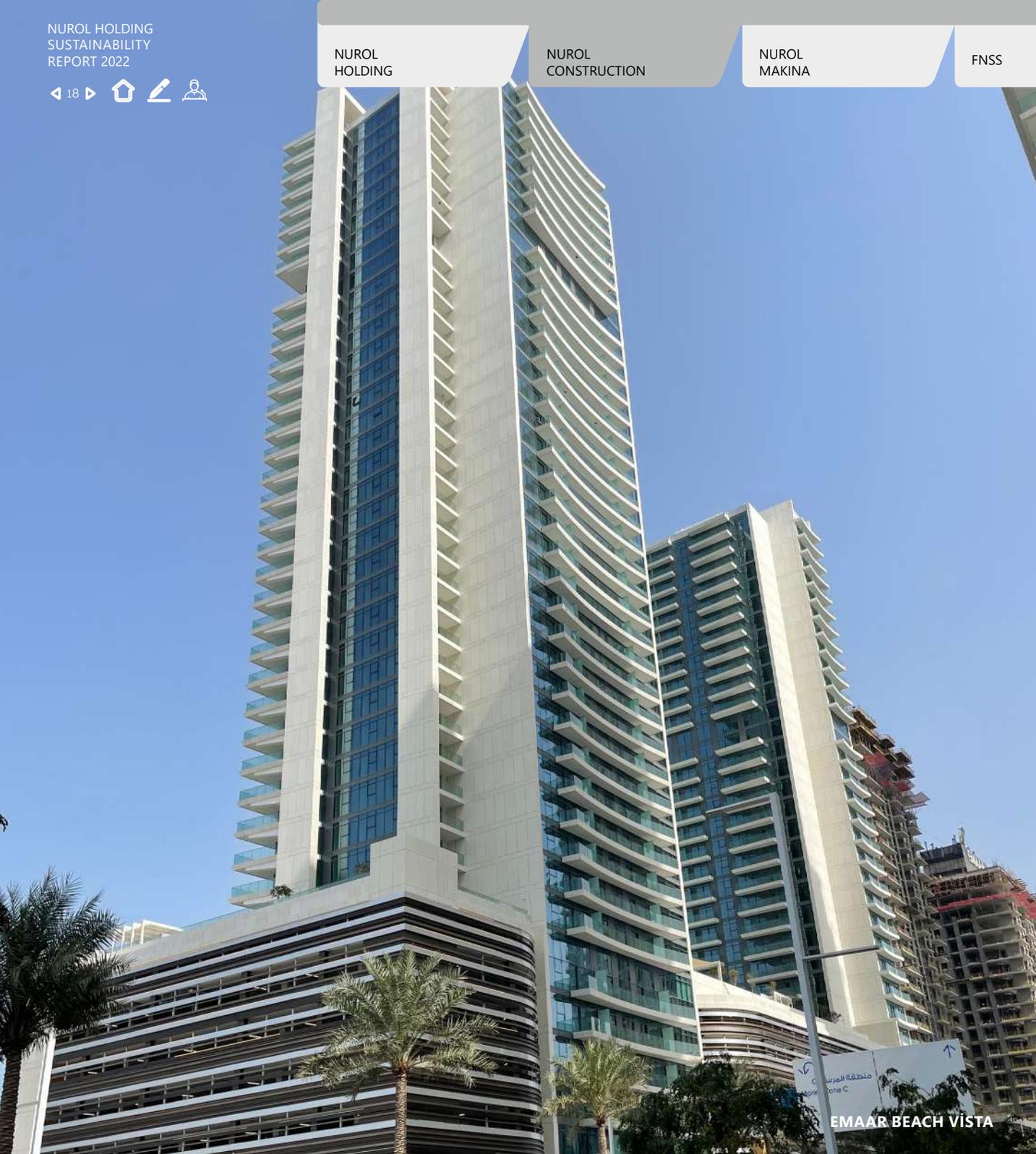
The work to establish the Romanian office of Nurool Construction started in 2017 and was completed at the beginning of 2018. Business development efforts, especially for infrastructure projects, bore their first fruit with the Nusfalau - Suplacu de Barcau Motorway Project, the contract for which was signed in 2020. Our ongoing project as of the end of 2022 are as follows:

- Nusfalau – Suplacu de Barcau 3B5 (km 66 + 500 – km 80 + 054.044) Motorway Design and Construction

ALGERIA

As of the end of 2022, the ongoing projects within Nurool Construction Algeria, which was established in 2003, are as follows:

- Souk Tleta Dam Project
- Boukhroufa Dam Project
- Tizi Ouzou Bourra Intersection Motorway Project



GEORGIA

Nurol Construction Georgia was established in April 2007 in Batumi, Georgia with the aim of operating in the construction sector. Nurol Construction Georgia has completed the Tbilisi Ministry of Internal Affairs Complex Project, the Sheraton Hotel and Convention Center Project in Batumi and the headquarters of the company. Batumi Sheraton Hotel, operated by Nurol Georgia, was completed in the spring of 2010. Nurol Construction Georgia completed the Paravani Hydroelectric Power Plant Regulator, Valve Room, Powerhouse Clock and Hydromechanical Equipment Supply Project in 2015.

UNITED ARAB EMIRATES (U.A.E.)

Nurol B.A.E. was established in April 2003 in the Emirate of Abu Dhabi, the capital of the United Arab Emirates, with the status of a local company. A Dubai branch was opened in 2004. The purpose of its establishment is to realize large-scale projects by evaluating the potential in the construction sector in the region. The number of completed projects in the Emirates reached 29 with the provisional acceptance of P20 The Cove Dubai, P32 Dubai Creek Building and Beach Vista projects in 2022. Below are our ongoing projects as of the end of 2022.

- Riyadh City Phase-4, Infrastructure Works Project (Abu Dhabi)

ONGOING AND REPORTED PROJECTS

In our 2022 report, Nurol Construction's ongoing projects include Algeria Souk Tleta Dam Project, Algeria Boukhroufa Dam Project, ÜAG Metro Project, İzmir Çiğli Tram Line Project, Nusfalau - Suplacu De Barcau 3B5 Motorway Design and Construction Project and our Headquarters. Our Nusfalau – Suplacu De Barcau 3B5 Motorway Design and Construction Project, which started its activities in Romania in 2022, is included in the scope of the report. Our Eğiste Hadimi Viaduct project was not included in the scope of the report for this year, as it ended in 2022. The environmental, social and economic performances of these projects clearly reflect Nurol Construction's approach to sustainability issues.

İZMİR ÇİĞLİ TRAM LINE PROJECT

The site delivery of the project, which was tendered on November 05, 2020 by İzmir Metropolitan Municipality Rail System Department, was made on December 21, 2020. Within the scope of the project, the tram line with 15 stations with a length of approximately 12 km, a total of 6 transformer buildings (5 above ground and 1 underground), a tram bridge with a length of approximately 710 meters, electromechanical works and the extension of the platform lengths of the Konak tram stops in operation will be completed. The project financing is provided by the external loan to be provided by the İzmir Metropolitan Municipality. The project is planned to be completed in December 2023.

NUSFALAU – SUPLACU DE BARCAU 3B5 (km 66 + 500 – km 80 + 054.044) MOTORWAY DESIGN AND CONSTRUCTION PROJECT

The project is the construction of a 13.5 km 2x2 motorway with 5 bridges and 7 overpass structures. Main work items

include design, earthworks, art structures, infrastructure transfers, sub-base, foundation and bituminous hot mix, bridge and overpass works. The contract was signed on September 30, 2020, and the start of the design works is due in February 2021. The project is scheduled to be completed in September 2023.

ALGERIA BOUKHROUFA DAM PROJECT

Boukhroufa Dam is being constructed by Nurol Construction on the Boukhroufa Stream, which flows 9 km south of the city of Bouteldja in El Tarf province of Algeria, to provide 125 hm³ of irrigation water to the agricultural lands in the region. The dam is 87 m high from the foundation and of clay core earth embankment type and will have a storage volume of 86.000.000 m³ in its reservoir when completed. The project is scheduled to be completed in February 2024.

ÜMRANIYE ATAŞEHİR GÖZTEPE METRO PROJECT

Within the scope of our Ümraniye-Ataşehir-Göztepe Metro Project, which is under our contract with the contract

signed with Istanbul Metropolitan Municipality in 2017, 13 km long double tube, single line TBM tunnel, 2 train storage tunnels (NATM) and 1 connection tunnel (NATM) will be constructed. The project includes a total of 11 station, including five main shaft-tunnel type stations, four cut-and-cover stations and two tunnel stations. With the completion of the metro route under the contract, three districts on the Anatolian side of Istanbul will be connected to each other. The project is scheduled to be completed in January 2025.

ALGERIA SOUK TLETA DAM PROJECT

Souk Tleta Dam is being constructed by Nurol Construction on the Bougdoura Stream, which flows 8 km south of the city of Draa Ben Khedda in the Tizi Ouzou province of Algeria, to provide 90 hm³ of irrigation and drinking water to the Tizi Ouzou and Boumerdes regions. The dam is of clay core earth embankment type with a height of 95 m from the foundation and will have a storage volume of 90.000.000 m³ in its reservoir when completed. The project is scheduled to be completed in November 2024.



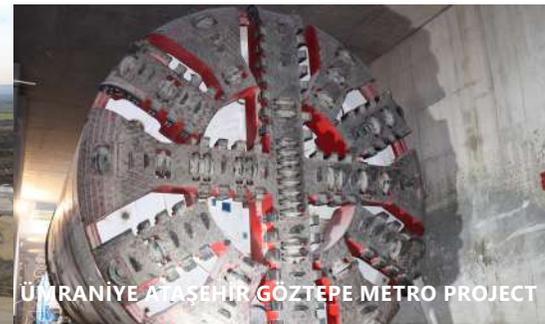
İZMİR ÇİĞLİ TRAM LINE PROJECT



SOUK TLETA DAM PROJECT



ROMANIA 3B5 MOTORWAY PROJECT



ÜMRANIYE ATAŞEHİR GÖZTEPE METRO PROJECT

ONGOING PROJECTS OUTSIDE THE REPORT

PTO TIZI MOTORWAY PROJECT

The 48 km long connection motorway between Tizi Ouzou-Bouira in Algeria is being executed by Özgün-Nurol Partnership and the project scope includes 48 km of motorway, 2 x 1,670 meters long double tube tunnels, 21 viaducts and other engineering structures, infrastructure and drainage system. The sections of the project between kilometers 0+000-20+000 and 4+500-10+000 have been opened to traffic and the remaining sections are under construction. The project is scheduled to be completed in December 2027.

B1070 TEST BUILDING PROJECT

Pursuant to the B1070 Test Building contract signed with TAI in September 2022, the turnkey construction works of the steel construction test building with a closed area of 14,258 m² and a height of 60 meters and the reinforced concrete administrative building were included under our contract. The project is expected to be delivered in November 2023.

YEŞİLYAKA PROJECT

This project includes the construction of villas, a social facility, a sales office and a commercial area on a 1,008,732 m² area in the Büyükçekmece Sirtköy district of Yeşilyaka. A Mesa-Nurol Joint Venture was established for the Yeşilyaka Project. The project is planned to be completed in 2024.

YUSUFELİ DAM RESERVOIR VIADUCTS PROJECT

The Yusufeli Dam Reservoir Viaducts Project was undertaken by the Nurol-Gülsan Partnership in 2017, for which three balanced cantilever bridges and one push-slide road bridge will be built on the Yusufeli (Artvin-Erzurum) Junction State Road. The bridges include the 530 m-long Şilenkar Viaduct, the 644 m-long Tekkale (Hazuket) Viaduct, the 340 m-long Yusufeli Dam Viaduct. The project was completed in June 2022.

YUSUFELİ DAM RESERVOIR VIADUCTS SUPPLY WORKS PROJECT

The contract for the works remaining from the Yusufeli Dam Reservoir Viaducts Project Yusufeli Dam Reservoir Viaducts Supply Works contract has been signed. The construction works under the contract and the construction of the 695 m-long Yusufeli Viaduct to by push-slide construction method continue in accordance with the work schedule. The project is planned to be completed in December 2023.

SİLİFKE-MUT ROAD PROJECT

Within the scope of the Silifke-Mut Road Project under Nurol Construction, the construction of a 14.2 km long 2x2 lane motorway with tunnels and art structures is ongoing. The project includes a double tube motorway tunnel with a total length of 6,870 m and the 410-meter-long Kılıç Arslan II Bridge, which will be constructed with the inclined suspension and balanced cantilever method. The project is planned to be completed in 2024.

SUPPLEMENTARY WORKS OF ORDU RING ROAD PROJECT

Within the scope of the supply project under the contract of Supplementary Works of Ordu Ring Road Project Nurol - YDA - Özka Ordinary Partnership, the Supplementary Works of Ordu Ring Road Project is under construction. The project is planned to be completed in 2024.

UNITED ARAB EMIRATES PROJECTS

Nurol B.A.E.'s ongoing projects in Abu Dhabi, Riyadh City South Phase-4 Project, includes infrastructure works for 3,199 villas. The planned completion date of the project is November 2023.

KONYA EĞİSTE HADİMİ VIADUCT PROJECT

Construction of Eğiste Hadimi Viaduct on Belören Hadim State Motorway at Konya Karaman Junction started with the delivery of the site to us at the end of 2016 as a result of the tender held by the General Directorate of Highways. Within the scope of the project, one of the world's largest balanced cantilever viaduct constructions with a length of 1,372 m and a total width of 25 m was built. The viaduct has two side abutments and eight median abutments with lengths ranging between 31 meters and 155 meters. The project was completed in November 2022.



ORDU RING-ROAD SUPPLY PROJECT



YEŞİLYAKA PROJECT



YUSUFELİ DAM RESERVOIR VIADUCTS PROJECT



SİLİFKE-MUT ROAD PROJECT



SUSTAINABILITY

Nurol Construction cares about the value of its local and global projects on society and the world and approaches all its activities from a life cycle perspective. In this direction, it works to spread the social impact created on the society and the world to the entire value chain, with a good governance structure and activities aimed at protecting the ecosystem.

Nurol Construction emphasizes resource and energy efficiency by acting with a responsible production and consumption approach in the intensive use of resources and energy in infrastructure projects, and gives priority to efforts to increase energy efficiency in particular.

Nurol Construction Integrated Management Systems, which have been in place for all activities for many years, serve as a major lever for the successful management of the sustainability business model, and the inclusion of environmental and social risks in the current risk management ensures the integration of sustainability principles into the business model.

Nurol Construction, which has been advancing with this vision and approach for years, signed the United Nations (UN) Global Compact in August 2017 and included the 10 basic principles within the scope of the contract in its works carried out with great motivation. It has become a signatory to the "Women's Empowerment Principles (WEPs)" in 2020, taking on the agenda the goal of empowering women, which it particularly prioritizes among the Sustainable Development Goals.

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SUSTAINABILITY GOVERNANCE

As Nuro Construction, we believe that the realization of a successful understanding of sustainability will only be possible if it is adopted by the entire organization and is made a part of the corporate culture. The determination and implementation of the strategy carried out within the scope of sustainability in our company, our responsibilities towards Nuro Holding and all other stakeholders, our sustainability approach and performance are under the leadership and responsibility of the Board of Directors, the highest level of management of Nuro Construction. In this context, sustainability is owned by the highest management authority of the Company and sustainability actions are guaranteed by the Board of Directors.

By establishing the Sustainability Committee in 2019, Nuro Construction aimed to realize a sustainability management that permeates the entire effective business model. The purpose of the Committee is to ensure and monitor the alignment of the business and sustainability strategy. The main inputs of the committee are the significant risks and opportunities identified within the organization, "Mega Trends" and their results, and the company's performance in social, environmental, governance and ethical issues. The Committee convenes under the chairmanship of the member of the Board of Directors in charge, and the Deputy General Managers, Integrated Management Systems Manager, Project Control Manager, Human Resources and Administrative Affairs Manager, Finance Manager and Business Development Manager are members of the Committee. The Sustainability Committee, which meets periodically, aims to effectively address the issue of sustainability with a broader vision, to improve performance in this area, and to add to the leading and exemplary steps taken in the sector.

PRIORITIZATION MATRIX

Strategic Importance	low	<ul style="list-style-type: none"> Ethics and Compliance Studies Employee Rights and Employee Satisfaction Customer Satisfaction Employee Training and Development Eco-Friendly Materials, Equipment and Buildings Energy Efficiency Human Rights and Security Practices 	<ul style="list-style-type: none"> Socio-Economic Impact on Locals Environmental and Social Compliance of Suppliers Diversity and Equal Opportunities Waste Management Water Management Combating Climate Change and Emissions Biodiversity Community Investment Programs
	high	<ul style="list-style-type: none"> Economic Performance Occupational Health and Safety 	
		Stakeholders Importance	



NUROL CONSTRUCTION

8 DECENT WORK AND ECONOMIC GROWTH



To foster stable, inclusive, and sustainable economic growth, as well as to provide full and productive employment along with decent work for all

Branches and Partnerships, Social Investments, Subcontractor and Supplier Databases, Subcontractor and Supplier Performance Assessments, Subcontractor and Supplier Second-Party Audits, Subcontractor Contractual Processes, Subcontractor Legal Responsibility Audits

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



To establish resilient infrastructure, encourage inclusive and sustainable industrialization, and bolster innovation

Stakeholder Engagement and Management Activities, Employer Satisfaction Surveys, Integrated Management Systems Certification Activities, Sustainability Committee Initiatives, Corporate Memberships, Local Community Supplier Selection, Local Personnel Hiring, Communication Networks for Local Community Needs, Social Responsibility Projects

5 GENDER EQUALITY



To promote social gender equality and empower women and girls

Social Gender Equality Efforts

13 CLIMATE ACTION



To promptly take action to address climate change and its impacts

Energy and Emissions Management, Waste Management, Biodiversity Activities

10 REDUCED INEQUALITIES



To address and mitigate inequalities, both within the country and among nations

Ethics, Compliance, and Human Rights Practices, Process Risk Assessment Procedures, Employee Participation and Counseling Practices, Human Resource Management, Employee Learning and Development, Subcontractor Employee Management

6 CLEAN WATER AND SANITATION



To guarantee accessible water and wastewater services and foster sustainable water management for all

Water and Wastewater Management



SUSTAINABILITY TARGETS

TARGET AREA	TARGET YEAR	GOALS
Sustainability Management	2023	Holding meetings on sustainability at least four times a year.
Management System	2023	Introducing 2 new modules in M-Files in 2023.
Stakeholder Engagement	2023	Organization of family conversations at least 4 times a year.
Environmental Management	2023	Meeting with subcontractors on environmental issues in quarterly periods.
	2023	Reporting with improvement report format by making improvements on environmental issues in head office and projects.
OHS-E Trainings	2023	The per capita training rate of the staff of headquarters is 140 minutes/month.
	2023	3 hours/year of traffic road safety training per person.
	2023	60 minutes/month of OHS-E training per person in projects.
OHS Operational Controls	2023	12 occupational safety field tours per year with the participation of project management.
Accident Performance	2023	The accident severity rate does not exceed 1.3. Accident Severity Rate = Total Workdays Lost x 1,000 /Total Work Hours
	2023	The accident frequency rate does not exceed 13. Incident Frequency Rate = Total Number of Incidents with Lost Work Days / Total Work Hours x 1.000.000
Emergency Management	2023	Organizing at least 4 emergency drills per year (At least one evacuation, environment, road traffic safety drill).
Employee Loyalty	2023	Organizing events every 3 months in order to increase the motivation of the workforce and their compliance with the company working principles.
Corporate Communications	2023	Organizing seminars to be attended by professionals in the fields of education, health, technology, literature, etc. in 3-month periods.

RISK MANAGEMENT

The Process Risk and Opportunity Assessment studies, which were initiated in 2017 in order to try to spread risk-based thinking to all processes in our company, continued to be developed and implemented in 2022.

The activities of identifying risks, assessing identified risks, determining risk mitigation or prevention methods and ensuring monitoring are carried out within a certain methodology and importance rating for all our processes. Following these studies, the methods to be used to manage the relevant risks and opportunities are determined. In order not to experience similar risks again, it is aimed to carry out preventive activities.

“The Process Risk Assessment Teams” established in our centers and projects meet quarterly to review the “Risk and Opportunity Management Plan” prepared for the project, evaluate the planned activities and update the plan when necessary.

Risks and opportunities identified for the business development and procurement phases are also examined, taking into account cost, time, scope, operational, environmental and social impacts.

The measures to be taken for the risks determined on a process basis are defined within the “Risk and Opportunity Management Plan” and actions are taken in accordance with the determined deadlines. We do not have any significant or very important process-based risks identified in 2022.

MEMBERSHIPS IN ORGANIZATIONS

LIST OF ASSOCIATIONS, INITIATIVES AND MEMBERSHIPS	MEMBERSHIP OVERVIEW	MEMBERSHIP-RELATED ACTIVITIES
TÜSİAD	As a member of TÜSİAD, we participate in the Energy Efficiency Task Force and the Environment and Climate Change Working Group activities and follow the decisions taken. TÜSİAD has formed three sub-working groups under the Climate Change Working Group. These sub-groups are Climate Change and Low Carbon Economy Sub-Working Group, Financing Models and Incentives Sub-Working Group and Zero Waste Sub-Working Group. As Nurol Construction; By being included in the aforementioned studies of TÜSİAD, we express our opinion on the preparation of our country's environmental legislation.	TÜSİAD's studies for the private sector are monitored and participation is provided in working groups and events which will provide progress. We participate in working groups on energy, environment and climate change and take active role in studies on this subject.
World Water Council	It works for the conservation, development, planning and management of water availability, water level utilization, including taking the most effective decisions at all levels to promote awareness of equitable water use around the world, and to realize political commitments where necessary to ensure the global sustainability of critical life resources.	The studies carried out by the Council are followed closely and we are provided with access to international communication networks.
Foreign Economic Relations Board (FERB/DEİK)	FERB has undertaken the task of "executing the foreign economic relations of the Turkish private sector". It is a voluntary "business diplomacy" organization formed by Turkey's leading entrepreneurs and business world representatives, together with its Founding Organizations, members and Business Councils.	As Nurol Construction, we have business council representatives in Romania, Algeria, Qatar, United Arab Emirates, Hungary and the United States of America, which operate under the umbrella of FERB.
Istanbul Chamber of Industry – ICO	As an effective stakeholder that steers the industrial climate, it is an organization that develops the Turkish industry on a global scale by increasing the sustainable competitiveness and competencies of our industrial companies.	The works carried out by the institution are followed, and we are provided with the latest news from our memberships to the relevant communication networks. Participants participate in the programs invited by the institution and benefit from free education opportunities.
Istanbul Chamber of Commerce – ICC/ITO	It encourages the rapid development and expansion of trade, small industry and service sectors. It works to create new markets abroad. It identifies the obstacles to the development of the business world and takes action to remove them.	The works carried out by the institution are followed, and we are provided with the latest news from our memberships to the relevant communication networks.
Turkish Asphalt Contractors Association – TACA/ASMUD	As a non-governmental organization representing the private sector in the asphalt industry, it has been maintaining effective communication with the Ministry of Environment, Urbanization and Climate Change and the General Directorate of Highways, which has a very important role in the development of the asphalt industry in our country with its decisions and initiatives, since its establishment, organizing various activities in cooperation and conducting joint studies.	The works carried out by the institution are followed, and we are provided with the latest news from our memberships to the relevant communication networks.
Turkish Construction Industrialists Employer Association – TCIEA/ INTES	The aim of TCIEA is to contribute to the development of the sector with its activities and to help the country's economy to grow and develop accordingly. The members of TCIEA, defined as "Construction Industrialists", are companies that have adopted the principle of building their businesses in accordance with the rules of science and art and with qualified employment, and of being in the formal economy. TCIEA members increase the brand value of the Turkish construction industry with the projects they implement in the country and abroad. In addition to construction, TCIEA members support the development of our country with their investments in different sectors such as energy, agriculture, food and tourism.	The works carried out by the institution are followed, and we are provided with the latest news from our memberships to the relevant communication networks. Training programs provided by the institution are utilized.
Turkish Exporters Assembly – TEA/TİM	TEA is the only umbrella organization of Turkish exports, representing more than 90 thousand exporters, including 85 thousand goods exporters and 5 thousand service exporters, in 27 sectors and 61 exporter associations. It acts as a bridge between the private sector and the public sector in the activities to be carried out in order to increase the sustainable foreign trade volume, to develop bilateral commercial, social and cultural relations with the trade partner countries we cooperate with and to achieve the goal of carrying Türkiye to a foreign trade surplus.	The works carried out by the institution are followed, and we are provided with the latest news from our memberships to the relevant communication networks.
TMMOB Chamber of Civil Engineers	It carries out all activities deemed necessary in terms of the benefits of the public and the country, the development of the profession, the honor and dignity, authority and interests of the members of the profession.	The works carried out by the institution are followed, and we are provided with the latest news from our memberships to the relevant communication networks.
PERYÖN	It is a non-governmental organization operating to shape the future of human resources and to create a good working environment. Contributes to the professional development of HR professionals with its research and expertise in the field of Human Resources.	It benefits from discounted and advantageous vocational trainings and contributes to network development by participating in association organizations.



CORPORATE GOVERNANCE CERTIFICATES

STANDARDS, CERTIFICATES AND DOCUMENTS

ISO 9001 Quality Management System

ISO 14001 Environmental Management System

ISO 45001 Occupational Health and Safety Management System

ISO 39001 Road Traffic Safety Management System

NATIONAL CONFIDENTIAL Facility Security Certificate

NATO SECRET Security Document

TSE Covid-19 Safe Service Certificate

ENVIRONMENTAL AWARENESS

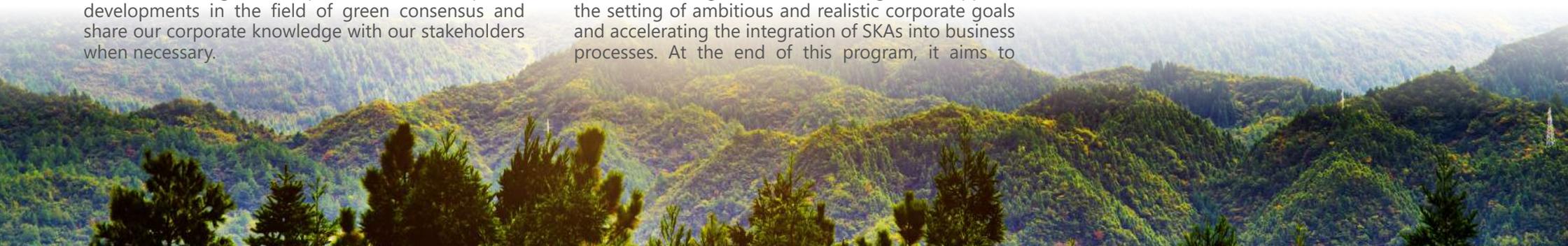
Nurol Construction advances its environmental policies in an integrated manner with its sustainability development goals. In this context, the issues of clean water, accessible and clean energy, sustainable cities and living spaces, sustainable cities and living spaces, and climate action, which it prioritizes in this context, shape its sustainability strategy and contribute to its goals with a proactive approach to reduce or completely eliminate the environmental impacts arising from its activities.

Nurol Construction cares about the protection of the regions in the impact area of its projects while realizing its operations with the best quality, and carries out waste, water and energy management at every location with a management systems perspective in addition to legal requirements. Nurol Construction reviews its management system through periodic internal audits and aims to improve its environmental practices through target programs. Our company, which addresses environmental performance from a value chain perspective, conducts periodic audits for subcontractors and suppliers, and provides them with information and experience support to improve their performance.

Training Courses on Environmental Issues	Total Training (employee x hours)			Training Per Employee (hours/employee)		
	2020	2021	2022	2020	2021	2022
ENVIRONMENTAL TRAININGS	2.243,3	11.774,5	2.224,5	7,6	20,5	69,11

ENVIRONMENTAL AWARENESS

- Nurol Construction creates competent teams in its projects, plans trainings to raise their awareness, and ensures their participation in effective seminars and meetings on sustainability issues. However, the company's point of view is to raise this awareness on environmental management for all of our employees, and waste and environmental awareness trainings are planned for employees at the beginning of their employment, and the trainings are reviewed periodically. In projects, subcontractors are subject to daily, weekly field tours and 2nd party inspections and controls. The detected findings are followed up according to the corrective action systematic, and if the non-compliances are not corrected, warnings are made in an official letter and they are subject to administrative fines when necessary.
- "Monthly Integrated Management Systems Bulletin" is published with the aim of increasing awareness regarding the quality, occupational health and safety (OHS), and environmental practices within Nurol Construction projects. It serves as a channel for informing our other project teams about these practices and facilitating their adaptation to their respective projects.
- In January 2022, we participated in the "Green Consensus and Sustainability Working Group" established by the Turkish Contractors Association and the Turkish Union of Consulting Engineers and Architects. Through this cooperation, we follow specific developments in the field of green consensus and share our corporate knowledge with our stakeholders when necessary.
- The "Preliminary Research Report on Circularity Potential in Five Sectors in Turkey", prepared in cooperation with BCSD Turkey, KPMG Turkey and KPMG France, was published in 2022. The report, which includes the current situation assessments of the plastic packaging, textile, white goods, automotive and construction sectors in terms of circularity strategies, good practice examples and obstacles in the transition to circular economy, also includes Nurol Construction's good practices in circular economy activities.
- Nurol Construction participated in the "Climate Goal Acceleration Program" organized under the leadership of the Global Compact in 2022 with the aim of drawing a roadmap for science-based goals, and in the 6-month period of the program, Greenhouse Gas Emissions Management, Scope 1, 2 and 3 emissions measurement and reduction activities were focused on in order to set science-based goals. In the program, the factors that motivate companies to set science-based targets, the challenges and the opportunities they bring were evaluated. At the end of the program, Nurol Construction has completed the infrastructure of its efforts to draw the roadmap and clarify its targets on emission management. It will enable the improvement of emission management by clarifying the roadmap in 2023.
- In September 2022, Nurol Construction participated in the 6-month Sustainability Development Goals Acceleration Program, which encourages and supports the setting of ambitious and realistic corporate goals and accelerating the integration of SKAs into business processes. At the end of this program, it aims to create stronger and faster improvement in sustainable development goals and continues to take more confident steps forward in the field of sustainability. The program will end in June 2023 and its outputs are expected to be finalized by the end of 2023. Nurol Construction, which continues to work for the world and Turkey to fulfill its responsibilities in parallel with the 2050 carbon zero targets, participated in the training on designing a low carbon economy. The 6-module training includes topics such as Changing Business Environment, Obligations and Opportunities with the Climate Crisis, Designing a Low Carbon Economy, Climate Change and Risk Management, Technology and Innovation in Transformation, Sectoral Examples from the Decarbonization Process and Financial Practices in Transformation. Nurol Construction has increased the competencies of its sustainability teams in this regard and has made a great contribution to the company's emission management system roadmap through training.
- We participated in the training organized by the Sustainable Development Association (SDA) on the Management and Oversight of ESG Risks, which can be defined as environmental, social and governance risks (ESG) and/or opportunities that may affect an organization, and provided information and experiences on how to integrate corporate risk management principles and approaches into ESG risks.



ENERGY MANAGEMENT

In line with the priorities set in its sustainability development goals, Nurol Construction identifies emission sources at all its locations and plans the necessary actions to minimize emission sources. Concrete batching plants subject to emission permits, which are under the management of our subcontractors in Turkey projects, are measured every 2 years to check whether there is any deviation from the data stipulated in the permit area. Dust emission from the concrete batching plant, particulate matter 10 (PM10) and settleable dust values are measured and controlled at regular intervals. Dust barriers are created to prevent dusting, watering is done with sprinkler in the working areas, pulverized systems (dust reduction systems) are used. The crushing and screening unit covers the conveyor and conveyor belt tops to minimize dust. Periodic maintenance of the cement silos of the concrete plant is carried out regularly and the filter system is renewed.

- At the Romania TM3B5 Project, SO₂, NO₂, NO_x, PM₁₀, VOC and settleable dust analyses from Nurol Construction's concrete, mechanical and asphalt

plant facilities are carried out monthly by contracted institutions, and dust is minimized by closing the areas where dust is generated to prevent dust. Considering the prevailing wind and the location of receiving environments, storage areas were planned and positioned to minimize the potential for dust generation.

- The transportation distances of materials such as aggregate, ballast, bitumen, etc. purchased from outside for the activities are meticulously controlled, and the distances are minimized by determining the transportation routes in advance.
- Saving bulbs are preferred for lighting, photocells are used in areas that do not need continuous lighting (corridor) and for environmental lighting.
- The thermostat valve in the office and campground heating system prevents the electric heater from emitting unnecessary heat.

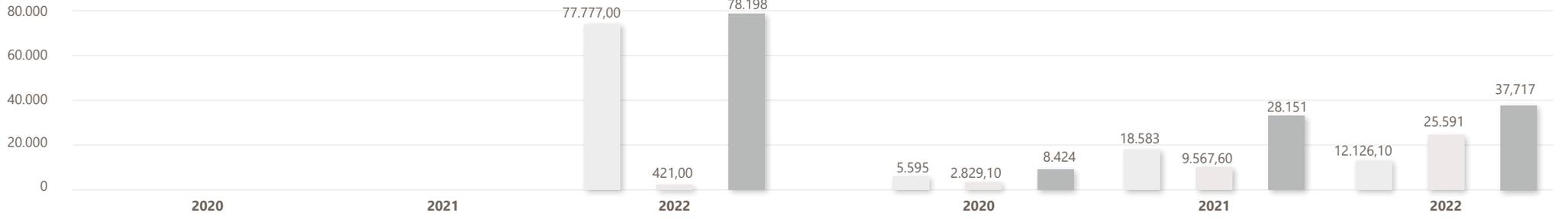
- The heating system is operated in accordance with the air temperature, and the use of air conditioning is kept at a low level. It is ensured that the doors and windows are kept closed while the air conditioner is in use.
- By regular maintenance of the systems caused by heating, any leakage is prevented and unnecessary energy loss is prevented.
- Energy saving and natural resource consumption issues are given wide coverage in the trainings, and it is aimed to increase the awareness and awareness of our employees on these issues.
- In the Boukhroufa Dam Project, new water tanker filling facilities were established at close distances to reduce the fuel consumption used for irrigation of roads.



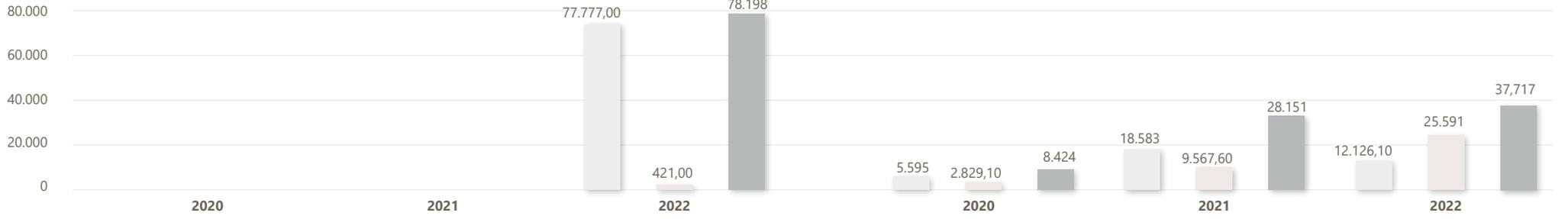
NUROL CONSTRUCTION	ROMANIA 3B5 MOTORWAY PROJECT			BOUKHROUFA DAM PROJECT			SOUK TLETA DAM PROJECT			ÜMRANİYE ATAŞEHİR GÖZTEPE METRO PROJECT			İZMİR ÇİĞLİ TRAM LINE PROJECT		
	2020	2021	2022	2020	2021	2022	2020	2021	2022	2020	2021	2022	2020	2021	2022
In-house Energy Consumption (GJ)															
Fuel															
Natural Gas	-	-	-	-	-	-	-	-	-	40.490,00	247.943,78	130.515,54	-	-	483,30
Diesel	-	-	1.033.918	105.791,44	93.885,36	7.729,44	9.053,99	9.136,25	5.892,42	44.843,00	63.057,66	64.824,35	-	2.527,34	4.805,87
Gasoline	-	-	-	-	-	-	-	-	-	-	-	-	-	-	157,77
Jet Fuel (Asphalt Plant Rotary Dryer)	-	-	23.173,99	-	-	-	-	-	-	-	-	-	-	-	-
Electricity															
Electricity from the Grid	-	-	2.959,92	5.274,76	5.815,06	2.457,05	2.965,47	2.356,11	2.901,12	21.902,87	74.071,80	198.123,71	-	697,75	307,17
Total Energy Consumption	-	-	1.060.052	111.066,20	99.700,42	10.186,49	12.019,46	11.492,36	8.793,54	107.235,87	385.073,24	393.463,60	-	3.225,09	5.754,10

NUROL CONSTRUCTION GREENHOUSE GAS EMISSIONS

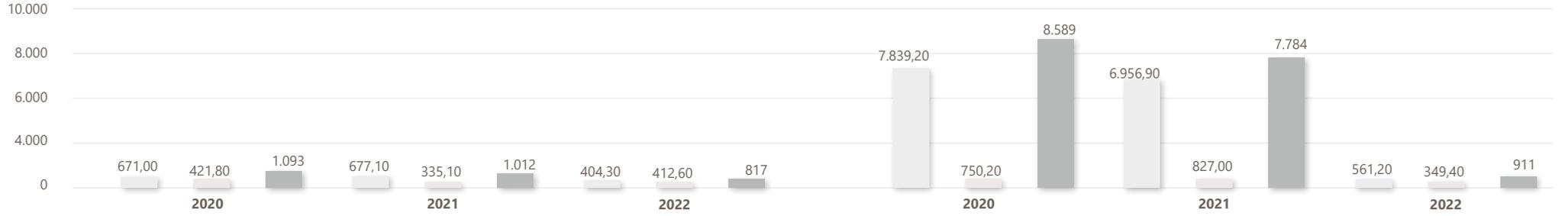
ROMANIA 3B5 MOTORWAY PROJECT



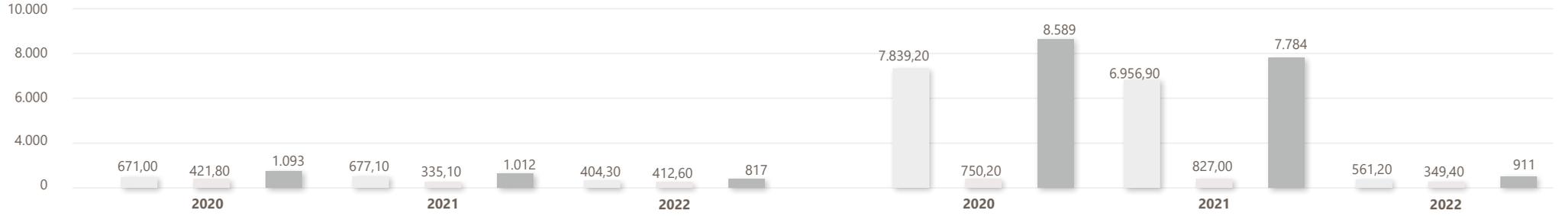
ÜMRANİYE ATAŞEHİR GÖZTEPE METRO PROJECT



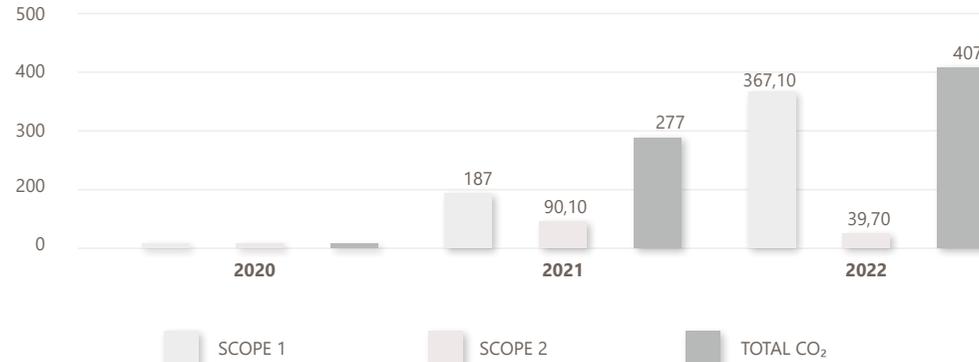
SOUK TLETA DAM PROJECT



BOUKHROUFA DAM PROJECT



İZMİR ÇİĞLİ TRAM LINE PROJECT



SCOPE 1 SCOPE 2 TOTAL CO₂

WATER MANAGEMENT

Nurol Construction has prioritized access to clean water in its sustainable development goals and aimed to minimize the pollutant load in water consumption in all its projects. Nurol Construction is instrumental in providing clean water access to the community by implementing clean water supply projects. Nurol Construction protects water resources in its areas of operation, conducts studies for water reuse, investigates whether there is sufficient water in the project areas, and manages water by finding solutions that are suitable for the conditions of the region.

In the Boukhroufa Project, utilizes surface water and groundwater due to the location of the camp areas and sites. Measures are taken for surface waters and groundwaters by considering the environmental impacts arising from the activities. The wastewater sent to the biological treatment plant in the project is discharged to the Boukhroufa Stream with free flow after treatment. In order to meet the water needs of the crushing plant in the project, a sedge was built on the stream bed, and the water collected in front of the sedge is used in the crushing plant and then rested in the pool in front of the upstream cofferdam to allow the suspended materials to settle. The water resting in the pond is reused for body filling, irrigation of roads and injection drilling. As a result, water consumption has been reduced through the reuse of 10,170 m³ of the annual 16,150 m³ water drawn from Boukhroufa Stream.

In the Souk Tleta Dam Project, groundwater is preferred for utility water. The wastewater released at the construction site is discharged into the sewage system used by the surrounding villages in the sub-region of the construction site by using local septic tanks located around

the structures. The sewage system reaches the treatment plant in the Oued Smar area. It is known that the water coming out of the system reaches the Mediterranean Sea by flowing into the Bougdura stream bed.

In the ÜAG Metro Project, the drinking water supply is met from the ready-made water company. The utility water and the water requirement for manufacturing are supplied from the city network. All wastewater generated in the project is discharged into municipal wastewater lines and transmitted to wastewater treatment plants. The segment production plant within the scope of the project is located in the long (5000 m-Basin border) protection area of the Ömerli Dam Basin. The factory is located in the plan areas approved by the IMM Assembly Decisions, and is located outside the stream improvement area and the stream operation band. Waste water opinion letters of the factory were received from the ISKI Waste Water Department.

In the İzmir Çiğli Tram Line Project, utility water is supplied from the network, and no surface water or groundwater source is used. The water used in the drinking and tea stoves in our project is supplied from the ready-made water company. All wastewater generated in the project is discharged into municipal wastewater lines and transmitted to wastewater treatment plants.

In the Romania TM3B5 Project, drinking water is supplied from ready-made water companies, and the utility water is supplied from the municipal water. Water wells are used for production facilities. In the project, wastewater is stored through septic tanks installed on the construction site, and septic extraction is done regularly by contracted companies. The extracted wastewater is treated by sending

it to the biological treatment plant in the region.

The following studies are carried out for water reduction in our projects.

- Awareness-raising activities on water use are increased and trainings are provided.
- Water consumption in the camping area is constantly monitored, and any malfunctions that may cause an increase in consumption are immediately intervened.
- Competent teams are available to intervene in malfunctions and leaks that will increase water consumption.
- Energy-efficient white goods are purchased in procurement processes. It is ensured that white goods are operated in economic programs.
- Savings are achieved by keeping car wash systems in a single area.
- In order to prevent unnecessary use of water, visual and poster works are carried out in places where water is used.
- Tank disinfection of the water stored in water tanks and used as domestic water is carried out regularly, protecting the quality of water and reducing the supply of packaged water.
- In the selection of wheel washing units installed at the construction sites, the waste of water is prevented by choosing the units using recirculating water. The water used in the wheel washing units is transferred to the settling pool, after it is separated from the sludge in the settling pool, it is returned to the press of the system and reused for washing.
- In projects with a mechanical plant, extra water is not used when the material is damp, thus saving water.



NUROL CONSTRUCTION	ROMANIA 3B5 MOTORWAY PROJECT			BOUKHROUFA DAM PROJECT			SOUK TLETA DAM PROJECT			ÜMRANİYE ATAŞEHİR GÖZTEPE METRO PROJECT			İZMİR ÇİĞLİ TRAM LINE PROJECT		
Amount of Water Used	2020	2021	2022	2020	2021	2022	2020	2021	2022	2020	2021	2022	2020	2021	2022
Well Water (m ³)	-	-	5.360	20.904	25.475	12.524	14.850	21.950	15.674	-	-	-	-	-	-
Municipal Water (m ³)	-	-	5.800	182.000	209.500	-	8.027	-	-	1.047	1.289	203.217	-	-	9.167
Surface Waters (River, lake, etc.) (m ³)	-	-	-	-	-	26.320	-	-	-	108.727	179.961	-	-	4.788	-
Total Amount of Water Used (m³)	-	-	11.160	202.904	234.975	38.844	22.877	21.950	15.674	109.774	181.250	203.217	-	4.788	9.167
Amount of Wastewater Discharged Annually	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receiving Environment (m ³)	-	-	5.537	41.903	43.393	18.434	-	-	15.674	-	-	-	-	-	-
Wastewater Channel (m ³)	-	-	-	-	-	-	14.850	21.950	-	124.673	181.250	203.217	-	3.862	9.167
Recovered Water (m ³)	-	-	-	-	-	5.960	-	-	-	-	1.460	-	-	-	-
Total Amount of Discharged Water (m³)	-	-	5.537	41.903	43.393	18.434	14.850	21.950	15.674	124.673	182.710	203.217	-	3.862	9.167



WASTE MANAGEMENT

Waste management has been a well-established practice in both our projects and head office, in strict adherence to legal requirements and our environmental management system. Our primary objective is waste prevention, and where this is not feasible, we prioritize waste reduction. Waste generated is segregated and responsibly directed for recycling in both our projects and head office. Additionally, in recent years, we have embarked on advancing our efforts in this area by incorporating the principles of a circular economy into our waste management initiatives.

We identify the sources of waste every month and monitor amounts, and report the results in line with our monthly waste management plan. In addition to our legal responsibilities, we make sure that waste is collected separately in our head office and in all our projects, and recycled or disposed of according to the type of waste, as defined in our management system. We collect waste separately at all of our construction sites where recycling opportunities are available, and work with companies licensed for the recycling and disposal of waste. Depending on the project location, we engage with firms that are capable of organizing the most environment-friendly disposal process if there is no licensed firm or applicable regulations. We meticulously dispose of hazardous waste in accordance with applicable legal requirements.

Before sending our waste to disposal facilities, we temporarily store it in waste storage facilities located in all our project areas. Any contact of these areas with the receiving environments cut, being established in accordance with legislative requirements. Waste is stored in separate storage areas, in areas where waste names are determined, and environmental kits are kept on hand at the facility to address any leakage or spillage. Firefighting equipment is provided for the extinguishing of fires in the event of an emergency. The employees who are in charge

of these areas are trained in the management of waste, ensuring the efficient management of waste on site.

In order to take its sustainability activities one step further every day and to increase internal awareness, Nuro Construction regularly starts a route optimization-based and coffee-focused micro waste management study for coffee waste generated at its Head Office, separates coffee pulp and then supports the conversion of coffee pulp into environmentally friendly bio-plastic raw materials and materials that replace many plastic products. At the same time, every step in this process is followed and the resulting carbon footprint is calculated, and a report is made on how much carbon emissions are prevented. The benefit provided is shared with Nuro Construction employees, thereby increasing the awareness of sustainability within the company.

In Souk Tleta Dam Project, machine burning oil is used as mold oil to be recycled, thus contributing to waste reduction.

In Ümraniye-Ataşehir-Göztepe Metro Project, within the scope of waste management activities, the "Bring Your Old Battery, Take Your New Battery" campaign on waste batteries is carried out, and employees are encouraged to deliver their exhausted batteries to the waste areas and new batteries are given to them. In this way, waste batteries are managed without harming the environment. At the same time, mobile temporary waste sites have been established due to space constraints in the project, and since these sites are portable, they are positioned in appropriate areas according to the work schedule.

In İzmir Çiğli Tramway Line Project, In drilling and bored piling operations, work was carried out without the use of chemicals to hold the wells and no damage was caused

to the wells. Concrete samples exposed in the project were given to the local people and used as building material in landscaping, gardens and related areas. One of the transformer buildings in the project, which is the most inside of the living areas, is projected underground; It is aimed to provide green space opportunities to the surrounding people. During the line works phases of the project, following the quality control laboratory tests performed on the samples taken from the excavation base, in locations that were found to be qualified in accordance with the standards; no new filling material was required from the mines, and the continuation of the relevant processes without creating more deep excavations; provided added value in the prudent use of all natural resources of our country.



NUROL CONSTRUCTION	ROMANIA 3B5 MOTORWAY PROJECT	BOUKHROUFA DAM PROJECT	SOUK TLETA DAM PROJECT	ÜMRANIYE ATAŞEHİR GÖZTEPE METRO PROJECT	İZMİR ÇİĞLİ TRAM LINE PROJECT	TOTAL
Quantities of Hazardous Waste (kg)						
Medical Waste	0	14	0	7	11	32
Herbal Waste	100	0	0	365	45	510
Amount of Contaminated Packaging	400	0	0	16.820	65	17.285
Protective Clothing	1.000	0	0	3.490	92	4.582
Oil Filters	990	0	0	0	0	990
Batteries and Accumulators	0	3.480	0	3		3.483
Hazardous Parts and Process Waste	147.300	0	0	0	0	147.300
Liquid and Solid Fats/Oils	1.100	11.200	6.500	31.501	0	50.301
Total Quantity of Hazardous Waste	150.890	14.694	6.500	52.186	213	224.483
Quantities of Non-hazardous Waste (kg)						
Scrap Waste (Iron)	0	180.900	4.700		32.181	217.781
Domestic Waste	47.040	32.520	67.900	2.340	47.500	197.300
Plastic Waste	650	0	2.432	0	1.240	4.322
Wood Waste	0	0		0	3.680	3.680
Packaging Waste (Paper - Cardboard)	1.480	0	0	0	0	1.480
End-of-Life Tires	1.260	56.100	0	30.900		88.260
Total Quantity of Non-hazardous Waste	50.430	269.520	75.032	33.240	84.601	512.823



OCCUPATIONAL HEALTH AND SAFETY PRINCIPLES

Occupational health and safety, which is an integral part of Nurol Construction's culture, is meticulously followed in all fields of activity so that our employees and stakeholders we work with can return to their homes in a healthy manner without experiencing any work accidents. In this context, while our OHS activities are carried out with a risk-based perspective and the principle of continuous improvement, the adoption of our OHS principles by all our employees is prioritized. The goal of minimizing work accidents, adopted by the top management, especially the board of directors, is reflected to all employees with a leadership perspective. The commitment of the senior management in this regard is clearly demonstrated by the Nurol Construction OHS Policy. Employees and the stakeholders we work with transform working with safe working principles into a way of doing business and ensure the continuous improvement and implementation of the occupational health and safety management system.

Subcontractors and suppliers that we work with in projects constitute a very large part of our performance. In addition to following the legal requirements of all subcontractors, Nurol Construction management systems procedures are also implemented, and support is provided to them to make improvements in necessary areas regarding OHS practices. Subcontractors are periodically inspected on site, and nonconformities are followed up with a corrective action systematic.

In addition to the legally required OHS Committees, OHS meetings are held regularly with project management and subcontractors, and nonconformities in the project and areas open for improvement are discussed and reported. The "Nurol Family Conversations Event", in which we have increased the participation and consultation processes of employees, is repeated quarterly in projects, and the opinions of employees on OHS issues are received, evaluated and actions are monitored.

Nurol Construction, which has been implementing the ISO 45001 Occupational Health and Safety Management System in all its processes for years, has established the ISO 39001 Road Traffic Safety Management System at all its locations in order to certify its road traffic safety practices, and has received the Road Traffic Safety Management System Certificate as a result of comprehensive audits. With this system, the "Road Traffic Safety Policy", which

includes Nurol Construction's commitments in this regard, has been published and many traffic safety practices have been revised. The use of digital applications for vehicle tracking systems has been activated, and updates have been made in the incident investigation processes to detail traffic accidents. Criteria for vehicles and personnel using vehicles have been clarified, and control frequencies have been increased to identify problems in vehicles. The scope of training plans for personnel driving vehicles has been expanded. Scenarios related to traffic accidents were added to emergency plans, and road risk analyzes were made for all roads used. Traffic Management Plans at all our locations have been reviewed and updated. With the published Road Traffic Safety Report, a detailed data flow is provided from the projects.

As a part of the management systems, the risks in the working areas are evaluated and training plans specific

to the hazards are made. The "OHS-E Handbook with the Adventures of Baha Bişolmaz", which we have prepared for all employees employed in our projects, is communicated to them through training, and the "Tool-box Talks" booklet, which has a training content for each day to contribute to the tool-box trainings, is transferred to the employees by the OHS-E Departments.

In 2022, Nurol Construction Integrated Management Systems Department collaborated with TISK (Turkish Confederation of Employers' Associations), and OHS Teams were included in TISK's First Aid, NEBOSH, Accident Investigation and Root Cause Analysis, IOSH Safety Management and Hazardous Substances HAZOP training plans.

In all our projects, Nurol Construction and its subcontractor personnel follow the recruitment processes. In all works

carried out at height, appropriate machinery / equipment is used, systems suitable for working at height and standards are established, and appropriate personal protective equipment is provided and used. "Green Scaffolding" is applied for scaffolding and platforms, and unsuitable scaffolding and platforms are not used. Before the lifting operations, necessary inspections are made in the work area where the operation will be carried out, the machinery and equipment to be used are determined and critical lifting plans are prepared.. The daily controls of the construction machines are carried out by the operators and the periodic controls of the machines are checked. Appropriate storage and usage conditions have been established for the chemical materials used in the project activities. All personnel are provided with personal protective equipment suitable for their work and are ensured to use it.

	NUMBER OF ACCIDENTS			NUMBER OF LOST TIME INJURIES			TOTAL ACCIDENT FREQUENCY			TOTAL ACCIDENT WEIGHT RATIO			TOTAL HOURS WORKED		
	2020	2021	2022	2020	2021	2022	2020	2021	2022	2020	2021	2022	2020	2021	2022
Total Number of Accidents, Frequency, and Weight Ratio															
Romania 3B5 Motorway Project	-	-	5	-	-	1	-	-	4	-	-	1	-	-	1.160.529
Boukhroufa Dam Project	7	13	3	2	11	3	10	16	22	9	13	22	677.933	830.727	137.307
Souk Tleta Dam Project	3	5	3	6	5	3	6	15	11	4	15	11	493.392	321.690	279.927
Ümraniye Ataşehir Göztepe Metro Project	212	143	114	2	63	37	65	30	26	34	13	8	3.247.100	4.787.138	4.409.901
İzmir Çiğli Tram Line Project	-	25	32	111	10	17	-	66	49	-	26	26	-	381.575	653.269
Total	222	186	157	121	89	61	81	127	112	47	67	68	4.418.425	6.321.130	6.640.933

Occupational Injury Rate = Total Number of Accidents / Total Hours of Work x 106

Rate of Serious Occupational Injury (Excluding Fatal accident) = Number of Lost Time Accidents (Excluding Fatal Accident) / Total Hours Worked x 106

OHS TRAININGS	Total Training (employee x hours)		Training Per Employee (hours/employee)	
	2020	2021	2020	2021
	91.684,7	104.678,2	211,3	207,9
	83.610,3		255,3	

VALUE CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

As Nurol Construction, we establish a developmental relationship with our suppliers and subcontractors by creating a working environment based on a partnership approach. With this expectation, we aim to improve our operations by creating a reliable supply chain (product / service), while trying to benefit our stakeholders. We aim to create economic and social outputs by contributing to the development of sustainable service structures in our supply chain as an output of the benefits we provide.

Our Company determines the most suitable subcontractor that can share the responsibilities it has assumed towards the Employer in accordance with its articles of association, and the relevant activities of the subcontractor are monitored. By making periodic evaluations about subcontractors, it is ensured that a database of subcontractors is created at the end of the work.

In order to get to know our suppliers technically and commercially, a "Supplier Database" is created in our head office and in our projects. Before we start working with our suppliers, our Purchasing Department receives the aforementioned information from the supplier candidate for the database and enters this information into the database. After working with the supplier, the performance of the supplier is evaluated through the "Supplier Performance Evaluation Form".

The number of subcontractors whose performance was evaluated in 2022 is **281**.

In our first work with our suppliers that are not included in the supplier database, we make our selections by taking into account criteria such as references about the company, promotional visit impressions, the company's reputation, work completion competence, qualified trained personnel structure, informational performance about the material during the offer phase and after delivery.

In our projects, no concessions are made on the personal rights of the personnel of our subcontractors, and the legal processes of subcontractor employees are carefully monitored from their employment.

We also inspect the subcontractors we work with during the annual central internal audits, and we monitor the deviations we detect. In addition, we monitor our subcontractors on environmental and OHS issues through our daily and weekly field audits in our projects and report non-compliances to the relevant actors.

In the areas where we operate, we prefer local suppliers in the region where we are located and take care to contribute to the economy of the region. Thus, we make our purchases from our local suppliers whenever possible.

CUSTOMER RELATIONS

We prepare "Employer Satisfaction Surveys" once a year for our employers and receive their opinions and suggestions. All correspondence from our employers are reviewed through Integrated Management Systems representatives. If there are notifications of an employer complaint as a result of the investigations, corrective actions are determined and actions are taken to prevent recurrence.

"Supplier Preliminary Evaluation Form"

has been prepared in order to deal with suppliers from a life cycle perspective in 2022.

Within the form, information on quality, OHS and environment was collected from suppliers and this information was reflected in the selection processes.

DIGITAL TRANSFORMATION

As Nurol Construction, we have implemented many projects within the scope of digitalization efforts initiated to maintain our operations with the same quality and standards in different geographies and to progress in accordance with the same company rules. In this context, the installation of the M-Files system was completed in 2021. Incoming Outgoing Documents, Integrated Management Systems Document Management, Corrective Action Systematics, Legal Requirements and Standard Library, Project Control reporting applications are actively used within the scope of the system.

In 2022, an activity was initiated to add new modules to the M-Files software system, and the infrastructures of the Field Quality / OHS / Environmental Non-Compliance, Incident Investigation / Notification, Subcontractor Selection Process Bid Comparison modules, which are planned to go live in 2023, have been prepared.

HUMAN RESOURCES PRACTICES

SOCIAL GENDER EQUALITY

In 2020, we became a signatory of the “Women’s Empowerment Principles (WEPs)” by putting the goal of women’s empowerment, which we attach special importance among the Sustainable Development Goals, on our agenda.

As part of our efforts to strengthen the presence of women in our organization, we became a member of the “30% Club” with the representation of our General Manager and committed to contribute to increasing women’s economic participation in the business world and their leadership at management levels. On November 25, the International Day for the Elimination of Violence against Women, UN Women Turkey drew attention to Intimate Partner Violence this year with the #SheSaid No title as part of the 16 Days of Activism campaign organized globally by the United Nations between November 25 and December 10 every year. In order to say No to Intimate Partner Violence, we organized a video project with our head office female employees to raise awareness on social media, a pop-up application on our website and informative posters throughout the plaza. As in previous years, we have illuminated our buildings in orange this year.

We prepared the “Gender Equality Guide” in cooperation with the Human Resources Department and Integrated Management System, and through our guide, we aimed to raise awareness of our employees on gender equality.

While shaping the Gender Equality Guide through promotion, remuneration practices, pregnancy-birth-motherhood practices, practices for work-life balance, experience gaining and mentoring practices, we carried out the infrastructure work for gender equality criteria in recruitment in 2022.

On March 8, we presented sets of products produced by disadvantaged women groups in need of support to our colleagues. Thus, we were happy by supporting the economic empowerment of low-income women.

In October 2022, we participated in the Gender Equality Workshop organized by the 30% Club. In the workshop, we discussed what can be done to increase the participation of women in the business world and to have women employees in the management level. We reflected the workshop outputs to our in-house policies and made additions to our action plans in this regard.



Number of Nurol Construction Employees in 2022	Full Time		Part Time	
	Male	Female	Male	Female
	1531	87	1	0

Number of Employees in 2022	White Collar		Blue Collar	
	Male	Female	Male	Female
Nurol Construction	294	72	2004	87
Subcontractor	112	27	1572	64

Number of Newly Recruited Employees of Nurol Construction in 2022	Male			Female		
	<30 years of age	Aged 30-50	Aged over 50	<30 years of age	Aged 30-50	Aged over 50
	282	390	111	10	16	3

TALENT ACQUISITION AND MANAGEMENT

In our company, we set long-term goals for our employees, approach everyone with an impartial and equal opportunity approach, and create training opportunities to contribute to their development. In order to increase the competencies of our employees, the infrastructure of personality inventory tests and competency-based performance measurements was created in 2022 and is planned to be implemented in 2023. Based on the results of these data, we analyze training needs and prepare training plans for the next year. In line with the training needs analysis, new training and development plans are made and meetings are held with specialist training institutions. In addition, interviews are held about the department managers and their teams, and their opinions are taken for their training and development. In 2022, many trainings and vocational trainings on quality, environment, occupational health and safety, human resources, sustainability, healthy living, social skills, digitalization were organized in our centers and projects.

“Outlook Training” was planned for Nurol Construction head office personnel in 2022, and the training was held with the participation of 22 people. During the year, our personnel in the first aid team received update trainings and their first aid certificates were updated. Integrated Management Systems Teams received training on Designing a Low Carbon Economy in the Private Sector and Management and Surveillance of ESG Risks and improved their awareness on this subject. In order to increase the competencies of our driving personnel, defensive driving and road traffic safety trainings were planned and the trainings were made periodic.

Total Training Hours:

86,323.8 hours

Training Hours Per Employee:

359,64 hours/employee

EMPLOYEE SATISFACTION

All our employees are entitled to maternity leave and pension rights as required by law, as well as many other benefits. Depending on the location, different applications can be made for our staff working in our head office and projects. In order to provide financial motivation support to all our personnel working in our center and projects, we give two salary bonuses per year. Advance requests are also met based on the seniority and net salary of our personnel. If requested, private health insurance and private pension insurance (BES) are also among the opportunities provided for our employees. Meal cards are given to our headquarter employees the amount of which is renewed monthly. In addition to these, our additional bonus application was launched in 2022 in order to contribute to our employees during the holidays.

We offer gold as a birth gift to our employees whose children are newly born. New Year's gifts, birthday and other special day gift gestures are made to increase employee loyalty and morale motivation. In addition, for the last two years, employees who have completed their 5th, 10th, 15th and 20th years of service have received seniority gifts planned according to their years of service. Some of these gift preparations are made in coordination with relevant foundations and associations within the scope of social responsibility. With such activities, we aim to remind our employees how sensitive we are in terms of social responsibility and to send a message that everyone in our family should also be sensitive. In parallel to these, we organize conversations, interviews, lunches, tournaments, competitions, workshops and seminars that increase organizational commitment, improve performance and enhance corporate communication skills.

Our head office has a “Nurol Construction Training and Activity Area” where our employees can spend free time and organize trainings.

We are trying to provide the most suitable camp conditions for the accommodation of our personnel in the projects. Improvement works are carried out in our camp sites in line with the demands and complaints of our employees throughout the project period. In all our projects, we have a cafeteria service that our employees can use in the morning, lunch and evening. At the same time, social areas have been created for our employees in our projects. The social areas we have created in the camping areas of our projects include indoor or outdoor sports areas, game consoles, reading rooms, television, free sports broadcasting and uninterrupted wireless internet services.



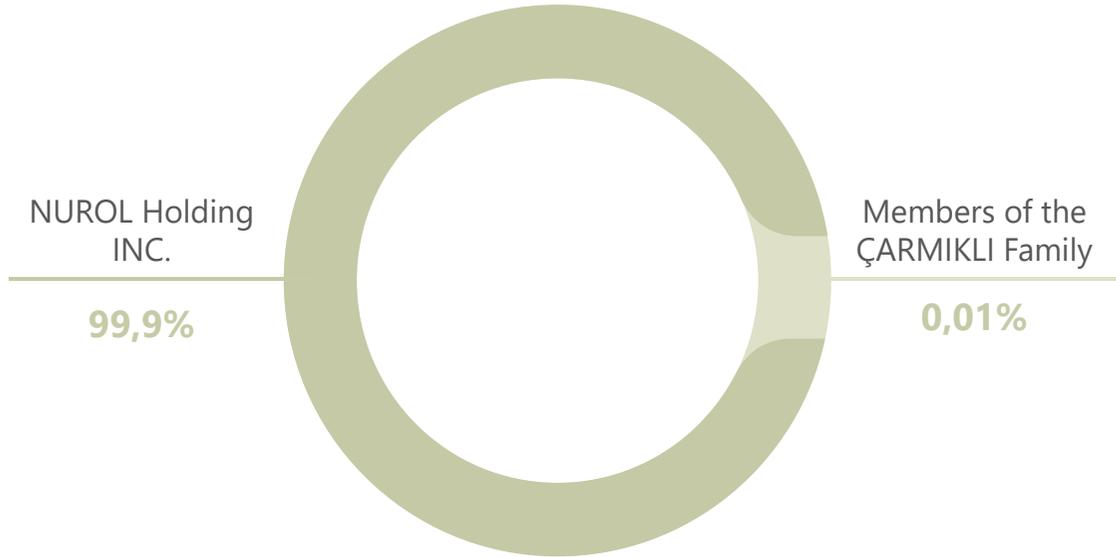
NUROL MAKINA

Nurol Makina manufactures a range of armored vehicles, including Ejder YALÇIN, Yörük (NMS), Ejder TOMA, and Ejder Kunter, serving both domestic and international markets. These vehicles are primarily designed to meet the needs of the Turkish Armed Forces and the Turkish National Police. In addition to armored vehicle production, the company excels in integrating mission equipment into these vehicles, providing solutions that seamlessly coordinate with other elements of armed forces in various warfare scenarios.



ABOUT NUROL MAKINA

PARTNERSHIP STRUCTURE



KEY INDICATORS

AVERAGE NUMBER OF EMPLOYEES



TOTAL ASSETS (Thousand TRY)



SALES REVENUES (Thousand TRY)



EBITDA (Thousand TRY)



ABOUT NUROL MAKINA

Nurol Makina, which was established in 1976, has started working for the defense industry since 1992 and continues to design and manufacture 4x4 tactical wheeled armored vehicles in its modern facilities in Ankara. Nurol Makina has a high production capacity with its technological infrastructure such as laser cutting device, robotic welding machine, hydraulic presses, heat treatment, laser scanning measurement system and painting units used to process armor steel. Nurol Makina, which has always made a difference in the land platform segment with its unique designs, has a test area that enables performance tests such as overcoming ditches and obstacles, climbing side and steep slopes, crossing rough terrain and deep waters.

It produces Ejder YALÇIN, Yörük (NMS), Ejder TOMA and Ejder Kunter for the Turkish Armed Forces and the General Directorate of Security in Turkey and abroad. In addition to the production of armored vehicles, the company also offers solutions for the integration of mission equipment such as combat management systems (CMS), radios and weapon systems into the vehicles it manufactures, as well as solutions that will act in coordination with other armed force elements such as tanks and military defense vehicles in a war environment.

All the tools produced continue to be developed with regular user feedback. The fourth generation of the Ejder Yalçın, which is already a significantly improved version

in terms of mobility, protection, payload capacity and reliability, has been put into service. All (sub)systems used in the vehicle are best-in-class commercial products, guaranteeing the highest performance at competitive prices. The vehicles have proven their superior mobility in all weather and terrain conditions. This mobility performance has been described by many armed and security forces as an "outstanding performance vehicle" in its segment, tested in real operational conditions in various ground and weather conditions.

Nurol Makina knows that the greatest strength in the world is being a big family with its employees, and continues its activities in the field of defense by blending its innovative work based on its corporate values with more than 40 years of engineering experience.

Nurol Makina which combines design and technology as the leading manufacturer of developing Turkey and adopts the principles of national development, social benefit and respect for the environment as a principle, strengthens its position in the sector every day.

AWARDS AND ACHIEVEMENTS

In 2018, we were entitled to receive the Kaizen Award in the field of Defense Industry within the scope of KalDer activities.

In 2022, we received an award for the first time in the Quality Circle category.

In 2022, our Nurol Makina Cut-Off Quality Circle Team participated in the 25th Quality Circles Sharing Conference and we were deemed worthy of an award in the Quality Circle Category.

In 2022, we moved up 194 steps to 43rd rank in the second 500 category in the ISO 500 list of 2021.

In 2022, we took our place in the 482nd place by climbing 472 steps in the top 1000 exporters list of the Exporters' Association of 2021. In defence sector, we moved up 5 steps and ranked 12th.

EJDER YALÇIN 4x4

A unique and multi-purpose platform combining high protection and high operational capabilities, the EJDER YALÇIN 4x4 has been developed to meet the operational needs of soldiers and law enforcement agencies in urban and rural areas. EJDER YALÇIN 4x4 is a platform that has "PROVEN ITSELF IN THE BATTLEFIELD", as experienced by Turkish and other international users in numerous combat operations.

EJDER YALÇIN 4x4 offers indigenous solutions for various operational needs of the user, such as Border Surveillance and Security Vehicle, Reconnaissance Vehicle, Tactical Missile Transport/Launch Vehicle, Command and Control Vehicle, Air Defense Vehicle, Combat Vehicle, Personnel Carrier Vehicle, CBRN Reconnaissance Vehicle, Mine/IED Disposal Vehicle, Mortar Vehicle and Armored Ambulance. Its high payload capacity allows many payloads to be integrated into the platform, and thanks to its powerful diesel engine, high torque capacity and fully independent suspension system, EJDER YALÇIN offers superior off-road performance without compromising mobility performance. In addition to its superior ballistic and mine protection properties, the vehicle's design also meets the operational and ergonomic requirements of its users, making it an ideal platform for its crew to work more efficiently and more safely in the field.





YÖRÜK (NMS) 4x4

The Yörük 4x4 vehicle, which has a unique design, has a "V" shaped monocoque body. Its advanced drivetrain, low weight and high protection features, combined with the vehicle's fast and high maneuverability in rural and urban areas, provide operational superiority and high flexibility in the face of the most challenging and asymmetric threats. The design concept, which prioritizes multi-mission readiness, meets a wide range of needs, from carrying weapon systems to reconnaissance missions. Yörük 4x4, a new generation vehicle, uses composite materials to meet different ballistic protection requirements. The modular design of the Yörük 4x4 enables it to meet a wide range of operational requirements such as combat needs, troop and equipment transportation, air defense and reconnaissance.



EJDER TOMA 4x4

Ejder TOMA 4x4, one of Nurool Makina's original designs, has been developed to protect public order and security in rural and urban areas and border regions with its high off-road performance. All tools, equipment, hardware electronics and software used in Ejder TOMA 4x4 were designed and developed by Nurool Makina. Thus, any configuration change or additional requirement can be applied at minimum cost and time, even on vehicles in service. Ejder TOMA has 4x4 mobility, a domestic-military chassis and a fully independent suspension system and offers superior maneuverability in both urban and rural areas.



EJDER KUNTER

Originally designed by NuroI MAKINA, EJDER KUNTER is a platform with fully independent suspension system and 4x4, 6x4 and 6x6 traction features. With its superior off-road performance, the EJDER KUNTER can serve in all terrain conditions not only in residential areas but also in rural areas, and its ergonomic front cabin with ballistic protection allows the user to fulfill their tasks with confidence and high performance. The system design of the EJDER KUNTER, which is an indigenous design of NuroI Makina, can be configured according to user requirements, and gun turret integration can be offered. EJDER KUNTER can be customized for military, security and civilian roles in line with customer needs.



ILGAZ II

ILGAZ II is a unique platform designed by Nurol MAKINA for special operations units, military units and security forces to establish public order in residential areas and rural areas, sudden response, illegal demonstrations and social incidents. In the design and development of ILGAZ II, the protection requirements of personnel were taken into account and a platform that would ensure safe use was produced. ILGAZ II can be provided in special configurations, including ambulance, anti-tank vehicle, combat vehicle, command and control vehicle, reconnaissance and surveillance vehicle, counter-terrorism vehicle, internal security vehicle and crime scene vehicle, aimed meeting the different needs of its users. ILGAZ II has different driving modes, 4x4 and 4x2.



SUSTAINABILITY

SUSTAINABILITY GOVERNANCE

As NuroL Makina, we are progressing within the framework of a business strategy in line with the expectations and priorities of our stakeholders with the motivation to create sustainable value. In this context, while complying with international quality and military standards, we also reflect the principles of respect for the environment and people to our production processes and take care to carry out our activities in accordance with environmental, social and governance parameters. We give priority to R&D and high-tech digitalization activities in line with our sustainability understanding, which we have shaped with an approach that keeps user satisfaction at the center without sacrificing quality in production. Within the scope of our sustainability activities, we act with the principle of continuous improvement, and in this direction, we aim to reduce the consumption of natural resources per person and to reduce the amount of dangerous substances per vehicle produced. We strengthen this sensitivity we show to the environment with care and support our human resources, which we see as our most important resource, with various trainings, events and workshops.

Sustainability in our company is a priority subject that is embraced and followed by the highest level. Sustainability targets set in line with the vision determined by our General Manager are monitored by the Sustainability Committee, which is composed of the OHS and Environment Unit, Human Resources Directorate, Strategic Planning and Market Development Directorate and Assistant General Manager of Operations. Working under the Sustainability Committee, the Sustainability Working Group carries out its activities in the determined focus areas and reports the outputs of its actions to the Sustainability Committee.

PRIORITIZATION MATRIX

Impact of the Topic on Stakeholder Assessments and Decisions	Significant	<ul style="list-style-type: none"> Product Reliability Economic Performance Indirect Economic Effects Materials Waste Management Occupational Health and 	<ul style="list-style-type: none"> Safety Focus on People Risk Management Education Supplier Management
	Insignificant	Environmental Management	

The importance of the title in terms of NuroL Makina ESG Performance

*Important issues related to the supply chain are written in green.



NUROL MAKINA

7 AFFORDABLE AND CLEAN ENERGY



To ensure access to energy that is affordable, reliable, sustainable, and modern.

“Low-emission and low-impact energy sources, sectoral collaborations”

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



To establish resilient infrastructure, encourage inclusive and sustainable industrialization, and bolster innovation.

“Support for innovation and digital transformation, energy efficiency, circular economy, product life cycle”

8 DECENT WORK AND ECONOMIC GROWTH



To foster stable, inclusive, and sustainable economic growth, as well as to provide full and productive employment along with decent work for all.

“Decent work, stakeholder growth, employee loyalty”

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



To ensure sustainable production and consumption patterns.

“Sustainable production models and products, waste management, water management, raising environmental awareness.”

SUSTAINABILITY TARGETS

TARGET AREA	TARGET YEAR	GOALS
Sustainability Management	2022	Implementation of KAIZEN studies to reduce losses from the factory loss matrix.
	2022	Providing information trainings throughout the factory in order to increase sustainability awareness.
	2022	Within the scope of continuous improvement activities, the production lines are at least at 3S level.
Risk Management	2022	Lack of a high average score in the corporate risk (OHS and Environment, process, project, etc.) analysis report.
	2022	Reducing financial process risks.
Human Resources	2022	Preparation of information, documents and presentations for programs to be held within the framework of conferences, panels and events.
	2022	Increasing employee satisfaction.
	2022	Increasing training hours per person.
	2022	Enhancing competence development.
OHS and Environment	2022	Reducing the amount of hazardous waste per vehicle.
	2022	Increasing OHS and Environmental trainings, except legal obligation trainings, in order to raise awareness.
	2022	Reducing accident frequency/severity rates.
Energy	2022	Obtaining ISO 50001 Energy Management Certification.
	2022	Reducing consumption of natural resources.

NUROL MAKINA RISK & OPPORTUNITY MANAGEMENT

EXECUTIVE BOARD SUMMARY

Issue XX:

NUROL MAKINA RISK & OPPORTUNITY MANAGEMENT

EXECUTIVE BOARD SUMMARY

NUROL MAKINA RISK & OPPORTUNITY MANAGEMENT

EXECUTIVE BOARD SUMMARY

Issue XX:

EXECUTIVE BOARD MEMBERS

This report is "Commercially Confidential" and has been prepared for viewing only by Nurool Makina Executive Board members.

RISK MANAGEMENT

As Nurool Makina, we believe that a sustainable business model is possible through effective risk management. In this context, improvements were made to the "QMDS Enterprise Risk and Opportunity Management Module", which we use to take necessary actions regarding risks and opportunities, and a performance-based reporting system was introduced. Within the system, risks and opportunities regarding business processes are detailed in quarterly periods and presented to the relevant units as reports.

Within the scope of Nurool Makina Risk Policy in place;

- Commitments are defined as to the following: Analyzing the long-term and cyclical needs, expectations and situations of our industry, our stakeholders and the geographies in which we operate, and identifying all risks and opportunities that may have an impact on our global and local operations,
- Early detection, systematic reporting and effective management of risks and opportunities that may cause deviations from our short, medium and long-term targets,
- Evaluation of conflict of interest issues by the ethics committee,
- Providing the necessary infrastructure and resources for the management of risks and opportunities,
- Contributing to the continuous and sustainable improvement of our stakeholders,
- Ensuring reviews in line with the needs of the Management System and carrying out activities to raise awareness of the relevant parties.

As Nurol Makina, our aim is to proactively take actions that will eliminate our risks and make the right use of our opportunities as we move towards our strategic goals. In order to achieve this goal and to ensure that our employees at all levels adopt our corporate approach, risks are handled in our company under 5 main management areas:

1. Corporate Risk and Opportunity Management

Corporate risk and opportunity management, which was launched in 2019 under the leadership of the Strategic Planning and Market Development Directorate, is periodically monitored by the company's senior management and reported to the General Manager by the Strategic Planning and Market Development Directorate.

2. Process Risk and Opportunity Management

Risks and opportunities encountered in processes are evaluated within the scope of probability and possible severity in the light of the Risk and Opportunity Management Procedure in Processes. An Intra-company Process Risk and Opportunity Assessment Software Package is used for the standardization of risk measurement and assessment parameters and reporting based on a continuity approach. The scope of risk assessment and monitoring is thus managed to include health, safety, environment, business continuity, traceability and sustainability. The Quality Systems Team Leadership coordinates the management of this module and process, which has been standardized for all employees in accordance with the Guidelines for the Utilization of Intra-Company Process Risk and Opportunity Assessment Module Software Package, under the Quality Assurance Directorate.

Risks are periodically reviewed, and the necessary revisions are made, controlled and monitored, taking the changing organizational structure and areas of operation

into account. All concerned management organs and departments plan and monitor their counter-measure programs in parallel with the Company Goals. Those efforts are audited by using the Integrated Management System within the plant and independent firms accredited by the Turkish Standard Institute (TSE) and others.

3. Occupational Health and Safety Risk Management

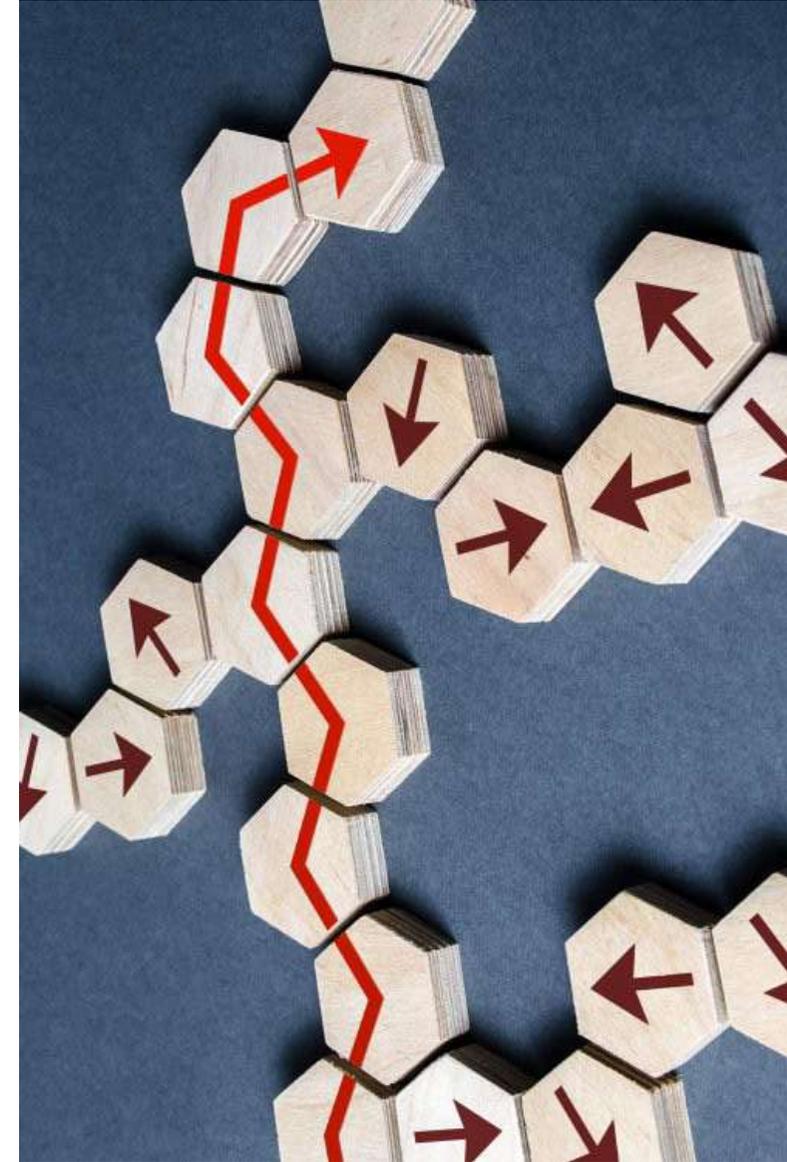
In addition to process-based assessments, occupational safety risks that may be encountered in operational processes are managed using the Intra-company Software Package OHS Risk Assessment Module, encompassing all stakeholders.

4. Risk Management for Environmental Aspects and Impacts

Nurol Makine simultaneously uses the In-House Software Package Environmental Aspects and Impacts Assessment Module to assess and monitor its own activities and external activities with which it interacts. Employees are informed of the risks defined by the management through these modules, taking a preventive approach, and the necessary counter-measure and improvement action plans are created. Issues that need to be taken into account during the process of identifying and monitoring occupational safety and environmental risks have been documented in line with the OHS and Environment Risk Analysis Procedure.

5. Project Risk Management

Project Risk Management has been implemented under the coordination of the Programs Directorate and is managed in accordance with the Project Risk Management Procedure. The potential risks identified in projects are transmitted to the Programs Directorate via the Project Risk Notification Form.



MEMBERSHIPS IN ORGANIZATIONS

LIST OF ASSOCIATIONS, INITIATIVES AND MEMBERSHIPS	MEMBERSHIP OVERVIEW	MEMBERSHIP-RELATED ACTIVITIES
Türkiye Exporters Assembly	Facilitates import / export transactions.	
Engineering Workbench	Expedites the process for finding and efficiently managing standards and related information.	Access to the related standards, maintaining their relevance, etc.
Central Anatolian Exporters Association	Membership in the Anatolian Exporters Association is a prerequisite for conducting import/export transactions.	Inward Processing Permit (D1), necessary licenses.
Ankara Chamber of Industry (ASO)	Legal requirement after establishing a company.	
Ankara Chamber of Commerce (ATO)	Legal requirement after establishing a company.	
Defense and Aerospace Industry Manufacturers Association (SASAD)	Developments in the defense sector are monitored, and studies are conducted as part of training and benchmarking.	
Turkish Quality Association (KALDER)	Membership for participation in continuous improvement activities, training programs, and for access to benchmarks.	Quality Circles, KAIZEN Activities etc.
ASD (AeroSpace and Defense Industries Association of Europe)	Membership for monitoring sectoral developments and news.	

CORPORATE GOVERNANCE CERTIFICATES

STANDARDS, CERTIFICATES AND DOCUMENTS



ISO 9001 Quality Management System

ISO 14001 Environmental Management System

ISO 45001 Occupational Health and Safety Management System

ISO 27001 Information Security Management System

AQAP-2110 NATO Quality Assurance Requirements for Design,
Development and Manufacturing

ISO 10002 Customer Satisfaction Management System

ISO 3834-2 Welded Manufacturing Qualification Certificate

TS 12047 Service Competence Certificate

National Facility Security Certificate

NATO Facility Security Certificate

R&D Center

ENVIRONMENTAL AWARENESS

Within Nurol Makina, natural resource consumption has been regularly monitored and evaluated since 2019, and with these evaluations, necessary improvement areas are identified and studies are carried out to reduce both consumption and greenhouse gas emissions. Accordingly, greenhouse gas emissions resulting from factory operations are calculated in accordance with the standard and variation over the years is monitored.

Environmental trainings, in which all units are included with a holistic perspective, continue periodically in order to improve environmental awareness and increase the efficiency of environmental impact-oriented studies. In 2022, there has been an increase in trainings. Additionally, all employees are regularly informed about sustainability and the environment through weekly OHS-Environment Bulletins.

Training Courses on Environmental Issues	Total Training (employee x hours)			Training Per Employee (hours/employee)		
	2020	2021	2022	2020	2021	2022
Training Courses on the Environment	170	1.040	1.473	2	2	2,5
General Training	6.911	19.613	14.849	13	36	25

ENERGY AND EMISSION MANAGEMENT

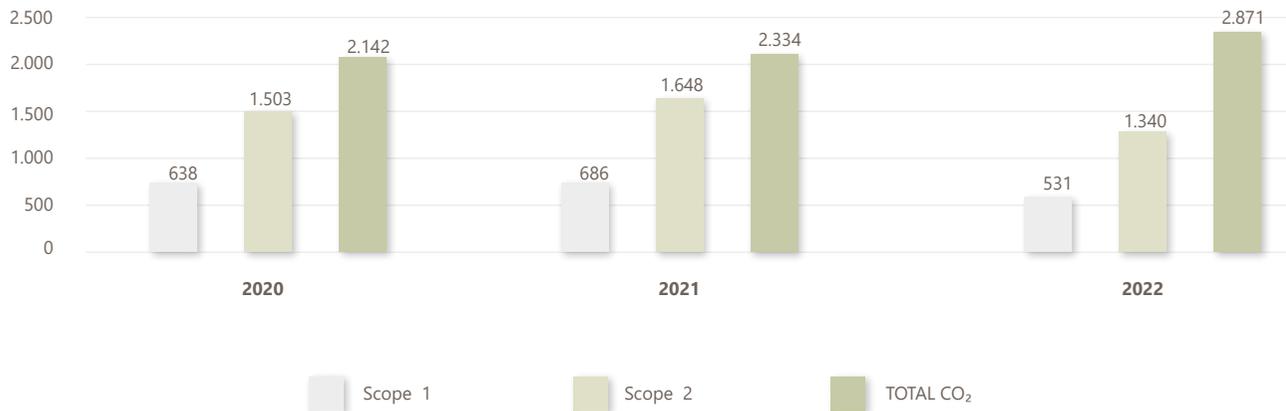
Within the scope of energy and emission management, it identifies operational emission sources and plans the necessary actions to minimize emission sources. In addition, potential savings and efficiency areas related to energy consumption were identified and actions were taken in these areas.

In this sense, in order to reach the savings targets, the lighting system was renewed with the integration of Dali automation, and energy efficiency was achieved by connecting the lighting duration and intensity to the SCADA system. With Dali, approximately 154.996 kWh savings were achieved annually. The boiler room was

renewed and pre-heating was started with energy recovery from waste heat. With these innovations, the consumption of natural resources and the amount of greenhouse gas emissions have been reduced, resulting in approximately 22m³ of savings.

NUROL MAKINA	2020	2021	2022
In-house Energy Consumption (GJ)			
Fuel			
Natural Gas	11.811	12.702	9.778
Diesel (Vehicle)	-	-	164
Electricity			
Electricity from the Grid	9.299	10.192	10.511
Total Energy Consumption	21.110	22.894	20.453

NUROL MAKINA GREENHOUSE GAS EMISSIONS





WATER MANAGEMENT

Within the scope of adaptation to climate change, efficient consumption of water is among our priority focus areas. In this context, water saving-oriented improvements are being made to reduce our impacts in the basin we are located in.

By adding diffusers to the faucets in the sinks, water pressure was increased and less water was used. In this way, 16,068 m³ of water was consumed in 2021 and 15,637 m³ in 2022. Considering the per capita water consumption, the value that was 29.32 m³ in 2021 was reduced to 26.15 m³ in 2022, resulting in an 11% improvement.

NUROL MAKINA	2020	2021	2022
Amount of Water Used			
Well Water (m ³)	-	-	-
Municipal Water (m ³)	13.349	16.068	15.637
Total Amount of Water Used (m³)	13.349	16.068	15.637
Annual Wastewater Amount by Discharge Method			
Receiving Environment (m ³)	0	0	0
Wastewater Channel (m ³)	13.349	16.068	15.637
Recovered Water (m ³)	0	0	0
Total Amount of Discharged Water (m³)	13.349	16.068	15.637

WASTE MANAGEMENT

Waste is primarily recycled into the economy or recycled within the facility, taking into account the waste hierarchy and contribution to the circular economy.

Waste was handled once again in the waste storage area, increasing the efficiency of waste separation. At this point, practical waste sorting training was organized in order to make waste sorting more effective. Considering the current situation and needs, the number of waste collection bins was increased. Electronic waste was donated to the Educational Volunteers Foundation of Turkey, just like last year.

The caps of the drinking water consumed by the personnel were collected separately and blue caps were donated to the Spinal Cord Paralytics Association.

In order to reduce waste generation and increase the awareness of reuse, suggestions and KAIZEN activities were implemented to utilize waste for different purposes.

In order to reduce waste, disposable paper cups used throughout the company were removed and porcelain cups were switched to porcelain cups.

Industrial type dishwashers with high energy and water efficiency were purchased to meet hygiene requirements.

Winner of the 2022 Quality Circle Award, Nurol MAKINA, which exhibited outstanding success in the Quality Circle category for the first time, was deemed worthy of the award by making an exhaust gas filtration system using waste materials in its work.

NUROL MAKINA	2020	2021	2022
Quantities of Hazardous Waste (kg)			
Hazardous Waste	20.065	11.350	6.486
Medical Waste	89	23	36
Amount of Contaminated Packaging	2.857	299	2.330
Contaminated Other Waste	2.610	1.674	1.268
Hazardous Parts and Process Waste	19.960	14.520	18.520
Liquid and Solid Fats/Oils	10.700	16.519	14.439
Total Quantity of Hazardous Waste	56.281	44.385	43.079
Quantities of Non-hazardous Waste (kg)			
Scrap Waste- Metals	537.022	651.358	730.696
Domestic Waste*	678,5	556,5	-
Iron and Steel	4.140	4.937	-
Packaging Waste (Paper - Cardboard)	28.280	44.780	68.150
Waste Plastic	-	-	770
Waste Cable	-	-	1.040
Wood Packaging Waste	11.720	41.880	114.970
Total Quantity of Non-hazardous Waste	581.841	743.511	915.626

* Domestic waste is now given to the waste collection facility without weighing.

OCCUPATIONAL HEALTH AND SAFETY PRINCIPLES

As Nurol Makina, we act with the principle that the safety of our employees is our top priority. Reflecting this prioritization, we take the necessary measures to prevent occupational accidents and occupational diseases, while simultaneously offering Occupational Health and Safety Trainings to raise awareness among our employees. We carry out all our activities in accordance with our OHS and Environmental Procedures and we adopt a preventive medicine approach in occupational health.

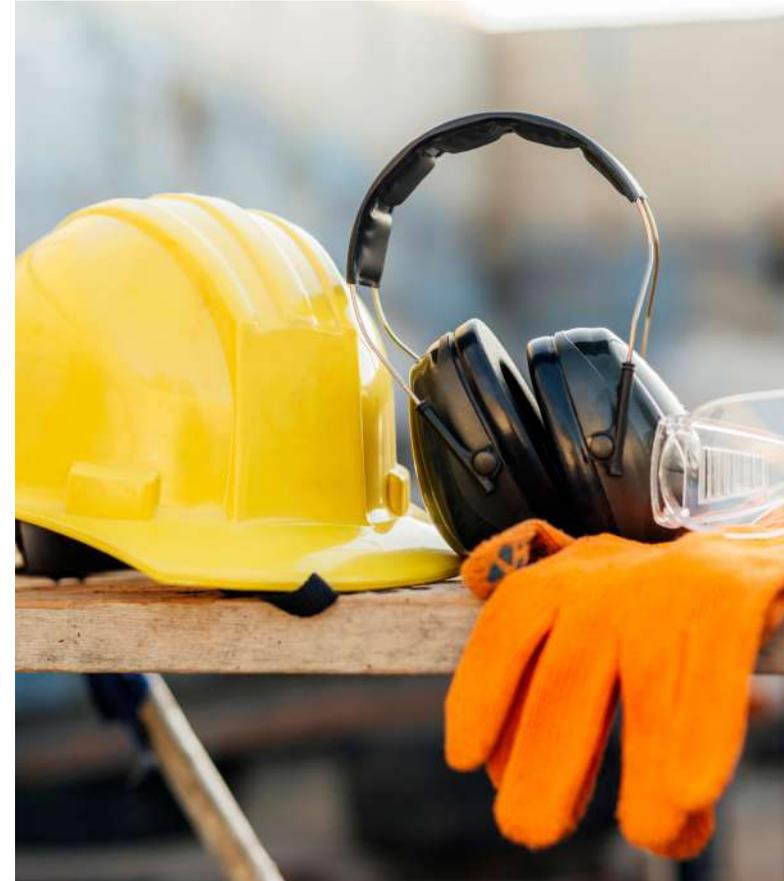
We carefully examine work accidents, near misses and unsafe situations and make use of the work of the Accident Investigation Team in order to prevent possible accidents. We record all accidents and injuries that occur in our company, regardless of their magnitude, and report them to the Social Security Institution within 3 working days. We report accident statistics based on the data in our records to the senior management and our employees on a monthly basis in three categories: type of accident, injury regions and the area where the accident occurred. While acting with a proactive OHS approach, we also take into account the suggestions of our employees to prevent possible accidents. In this context, we evaluate and put into practice the OHS suggestions received from our employees through the OHS Suggestion Contests we organize.

Annual Number of Accidents: **31**
Total Accident Frequency: **15,44**
Total Accident Severity Rate: **0,058**
Total Working Hours*: **131**

*White collar shifts are not included in the working hours.

OHS ACTIVITIES

- All personnel using cranes were trained on below-the-hook lifting accessories and slinging through an external company. A sub-committee on below-the-hook lifting accessories has been established. This committee meets every week to identify needs, check equipment and discuss slinging techniques again and again.
- Within the scope of the Improvement of Occupational Health and Safety in Welding Works Project implemented by the Ministry of Labor and Social Security, General Directorate of Occupational Health and Safety, occupational hygiene measurements were carried out in the enterprise under the supervision of Ministry representatives.
- The chemical warehouse in the plant was reconstructed and independent from the main building, and all electrical system and electrical devices in the warehouse were reconstructed to be explosion-proof.
- In order to monitor the personnel working alone as required by the operation, a wearable technology system that detects situations such as falling, tipping, etc. of the personnel has been put into use.
- In order to increase the visibility of forklifts by pedestrians, the blue point application was introduced.



Training Courses on Environmental Issues	Total Training (employee x hours)			Training Per Employee (hours/employee)		
	2020	2021	2022	2020	2021	2022
OHS TRAININGS	170	6.480	3.417	2	12	14

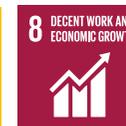
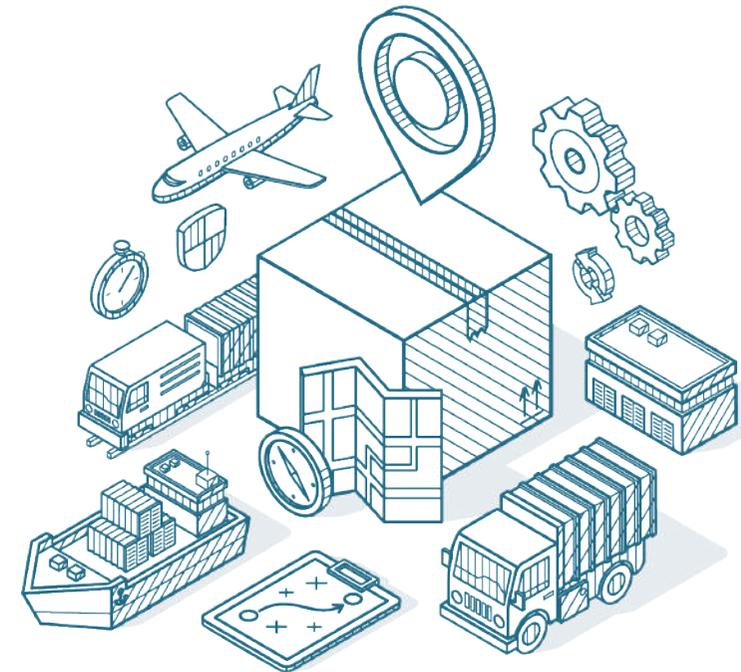
VALUE CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

- Work has started with 5 companies within the scope of the Quality Assurance Process. Within the scope of this process, it is ensured that the quality control process of companies is improved and the effectiveness of auxiliary industry quality management activities is increased.
- Trainings were given to companies within the scope of NMS Assistant Industry Quality Management processes.
- Single point courses were prepared and trainings were provided for the in-unit and companies on common or potential errors.
- The modules of the enterprise resource planning for supplier management (supplier portal) were put into use.
- In order to reduce procurement risks in imported materials with long deadlines, localization efforts are being carried out.
- Alternative product or supplier studies are being carried out in order to reduce supply risks for critical materials that are single-sourced.
- Pre-order and price fixing activities are carried out in order to reduce the risk of exchange rate fluctuations in materials supplied in foreign currency.
- In line with the company strategy, efforts to increase the supplier portfolio continue.

CUSTOMER RELATIONS

- In 2021, ISO 10002 Customer Satisfaction Management System Certificate was obtained.
- In order to increase the awareness of our employees, brochures on the Customer Complaint/Satisfaction Process were prepared and distributed to our employees.
- In order to increase the awareness of our employees, training was provided on the ISO 10002 Customer Complaint / Satisfaction Management System.
- In 2022, Applied Effective Communication and Body Language Training was provided to the blue-collar personnel of the After Sales Services department, who are in one-to-one communication with customers.
- Improvements have been made on the Nurool Makina website, and the infrastructure where data entries can be made on customer complaints 24/7 has been integrated into other software used in our company, and has been put into active use.
- In order to collect data from the vehicles working in the field, to gather the feedback received by the Nurool Makina Customer Representative and to increase accessibility, QR code labels were placed on the vehicles that were maintained/repared and customer complaint/satisfaction surveys were made possible from here.



DIGITAL TRANSFORMATION

As NuroL Makina, we aim to create a sustainable growth in line with the technologies of the future. In order to achieve this goal, we benefit from digital transformation and improve our processes with the energy, time and resource savings offered by digitalization. While blending our R&D activities with high technologies, we focus on 4 principles from the Sustainable Development Goals: "7: Accessible and Clean Energy", "8: Decent Work and Economic Growth", "9: Industry, Innovation and Infrastructure" and "12: Responsible Consumption and Production". Within the framework of the stated principles, we maintain continuous improvement, innovation, digitalization and product development within the framework of our strategic goals and we carry out investment activities in the main items presented below.

Activities on digitalization:

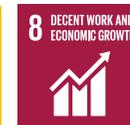
- Quality tablet apps,
- SAP improvements,
- PLM (Enovia) improvements,
- Forklift call system,
- Internet of Things (IoT) applications,
- SCADA applications dissemination projects,

Activities on production efficiency and automation:

- Product welded manufacturing robot lines,
- Production lines automation,
- CNC controlled, multi-axis machining, cutting and bending lines,
- Image processing measurement system,

Activities on energy efficiency:

- Central heating system (with distribution lines) renewal,
- Automation of interior lighting system, use of led luminaires,



HUMAN RESOURCES PRACTICES

GENDER EQUALITY

Our Company places central importance on women's participation in the workforce and increasing their presence in management positions. In this context, a policy of increasing women's employment in recruitment processes is followed and awareness raising activities are carried out to adopt gender equality among employees as a corporate culture.

TALENT ACQUISITION AND MANAGEMENT

In 2022, the Education Unit Management structure was established under the umbrella of the Human Resources Directorate. Unit activities are as follows;

- Establishing development plans for all roles throughout the factory, taking into account technical and human competency evaluations, and ensuring that training assignments are made by taking into account the competency gaps,
- Improving and maintaining existing development programs, commissioning new development programs (Executive Training Programs, NMaSters* Program, graduation thesis studies within the scope of university-employer associations, etc.)

- It is aimed to accelerate the adaptation of new employees to the company culture by making improvements in the orientation processes. Accordingly, newly recruited employees are included in the Company's General Information Orientation and Vehicle Presentation Orientation processes. Within the aforementioned processes, additional information is provided specific to the department, and employees are provided to spend time taking into account the programs defined in the stakeholder departments.
- Young talents are given the opportunity to get to know the company and its culture through intern development programs, while suitable candidates are evaluated during the recruitment process.

*The NMaSters program is a development program that enables employees to conduct research on new technologies with university academics and to add value to the company and themselves by turning these researches into articles.

2018 - 2019

Total Employees: **4% increase**

Female Employees: **4% increase**

2019 - 2020

Total Employees: **1% decrease**

Female Employees: **10% increase**

2020 - 2021

Total Employees: **1% decrease**

Female Employees: **7% increase**

2021 - 2022

Total Employees: **13% increase**

Female Employees: **19% increase**

Total Training Hours:

14.849 hours

Training Hours Per Employee:

24.8 hours/employee

	FULL TIME		
	Male	Female	Total
Number of NuroL Makina Employees in 2022	532	66	598

NuroL Makina Number of Newly Recruited Employees in 2022	Male			Female		
	<30 years of age	Aged 30-50	Aged over 50	<30 years of age	Aged 30-50	Aged over 50
	71	49	1	18	6	0



EMPLOYEE SATISFACTION

- The Employee Satisfaction Survey, which was last conducted in 2019 after a break due to the pandemic, is planned to be carried out in 2023 in quarterly periods and focusing on specified topics.
- Events such as picnic organization, New Year's Eve entertainment, Women's Day organization, etc. are carried out in order to increase employee motivation.
- Within the scope of the budget for motivation assigned to the departments, each department organizes activities.
- On certain days, breakfast products are distributed to the workshop workers.
- "Newborn Packages" are distributed to employees who give birth to children are born.
- Newly recruited employees are provided with a "Starter Package" and after the orientation process, these employees are informed about the vehicle by participating in the Ejder Yalçın Driving Experience Event.
- "Ejder Shop" giveaway products are periodically distributed to our employees for motivational purposes.
- Within the scope of continuous improvement activities, KAIZEN and Suggestion Award amounts were increased by the inflation rate and the award and certificate distribution process was improved.



FNSS

FNSS is a land defense systems company specializing in the design and manufacture of customized, effective, reliable, and innovative tracked and wheeled armored vehicles, and it is recognized as one of the global leaders in its field.

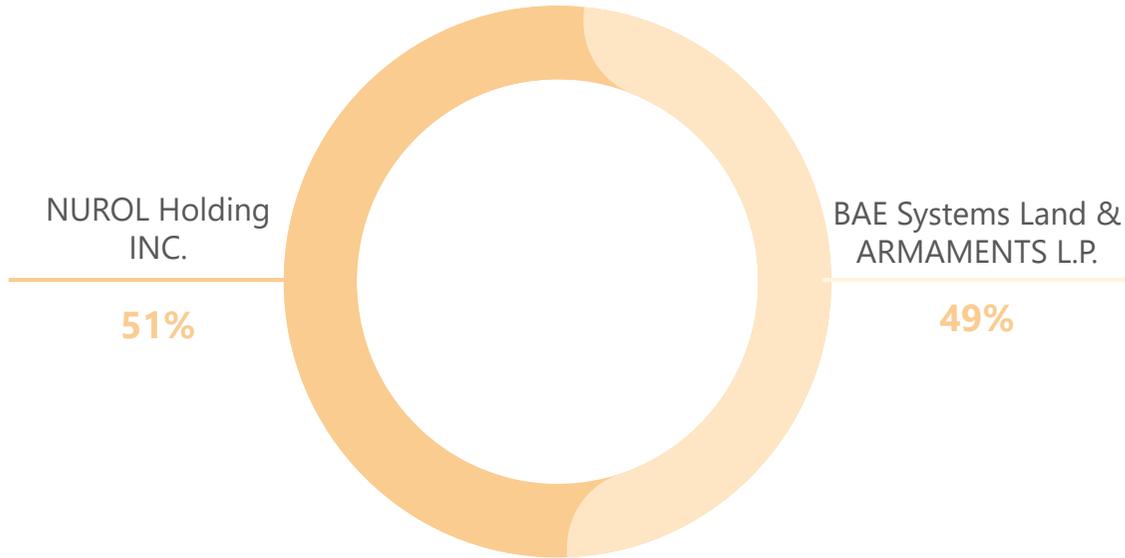
FNSS, with its products being chosen by users in various countries, generates substantial economic contributions by promoting local employment, fostering the development of domestic supply chains, and facilitating technology transfer in the nations where it undertakes significant projects.

FNSS, a cornerstone of the Turkish defense industry, consistently delivers value to all its stakeholders through innovative solutions, leveraging its extensive 30-year-plus expertise.



ABOUT FNSS

PARTNERSHIP STRUCTURE



KEY INDICATORS

AVERAGE NUMBER OF EMPLOYEES



TOTAL ASSETS (Thousand TRY)



SALES REVENUES (Thousand TRY)



EBITDA (Thousand TRY)



ABOUT FNSS

Turkish Defense Company Trusted and Respected by the World

FNSS is a land defence systems company that designs and manufactures tailor-made, effective, reliable and innovative tracked and wheeled armoured vehicles and is recognized as one of the world leaders in its field. FNSS's products are preferred by users in many different countries, with more than 4,000 armored combat vehicles delivered to their users to date. The wide product family created by FNSS ranges from tracked armoured vehicles in the 15-ton class to medium weight class tanks, from 4x4 to 8x8 tactical wheeled armoured vehicles, mobile floating assault bridges to armoured engineering work machines and manned and unmanned turrets.

Creating Added Value with Creative Solutions

With its competent and dynamic staff, FNSS offers innovative solutions throughout the product lifecycle, from design to product support. Continuously renewing

itself, FNSS continues to design and manufacture new generation manned and unmanned tower and vehicle systems that meet the needs of the modern battlefield, while keeping the vehicles manufactured since 1990 up-to-date in accordance with user needs. Offering the most innovative, modern and high-tech solutions to the world markets, FNSS' KAPLAN product family for tracked vehicles and PARS product family for wheeled vehicles will be the new generation armored vehicles that shape the user expectations of the future.

Implementing User-Focused Solutions

FNSS considers the demands of each user as a separate project. It listens to the specific needs of the user, and develops a solution that fully meets their needs. FNSS achieves this thanks to its design and product knowledge, and the flexibility of its processes, business partners and supply chain. FNSS engineering gives life to products that address very specific needs with its established innovative solutions. These platforms are among the most up-to-date

examples of FNSS's business style which understands its users and offers target-oriented solutions.

Looking to the Future with Confidence

The performance of FNSS products has been proven on the battlefield as well as through detailed acceptance tests by users. Taking a long-term view of user satisfaction, FNSS aims to go beyond the life cycle of the products it delivers. It also makes a difference by establishing reliable collaborations that enable it to produce solutions for new needs that may arise in line with this goal.

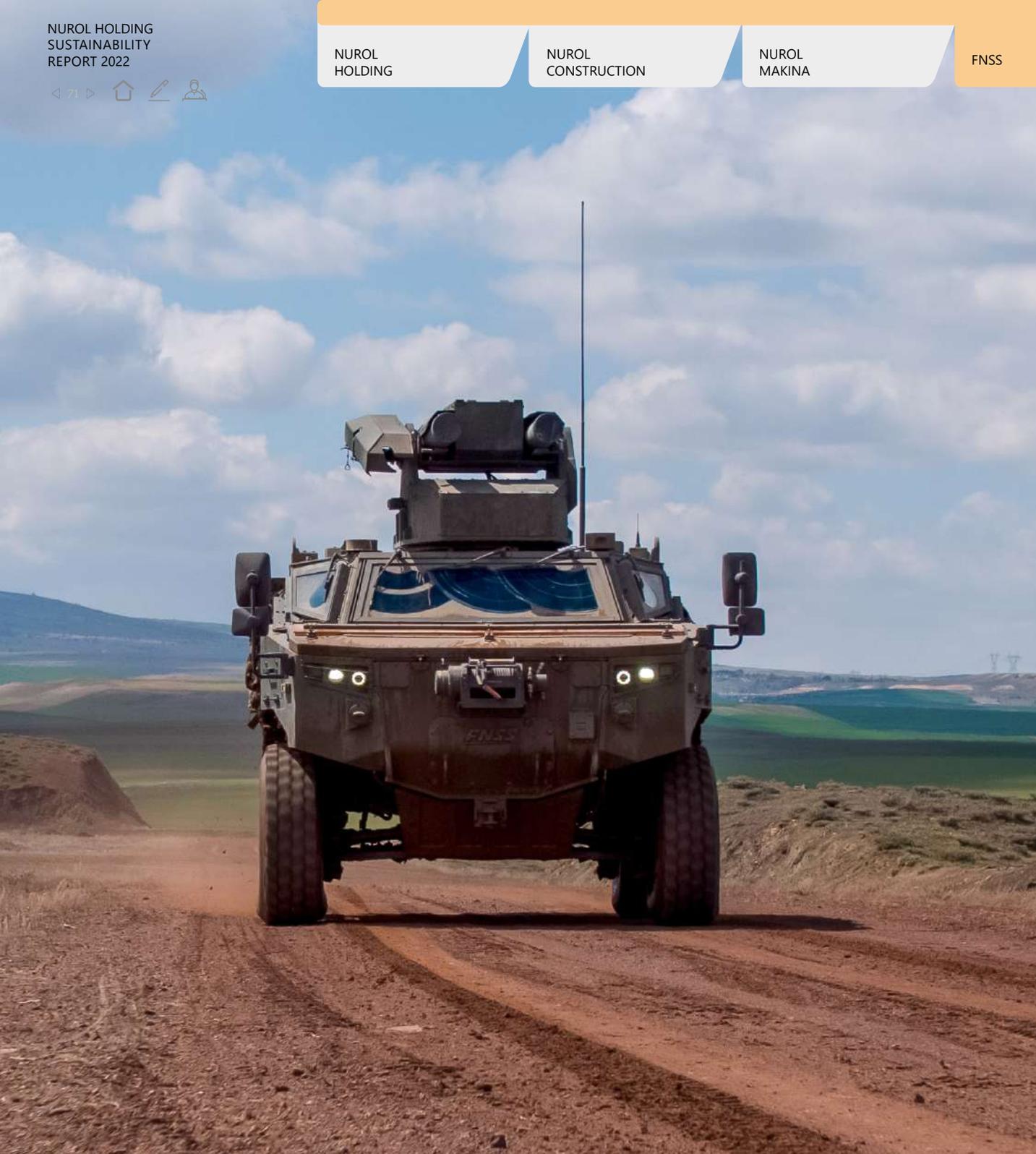
Thanks to this quality, FNSS creates significant economic added value in the countries where it undertakes major projects through the employment of local labor, the establishment of local supply chains and technology transfer. FNSS, a national value of the Turkish defense industry, continues to add value to all its stakeholders with creative solutions thanks to its know-how of more than 30 years.





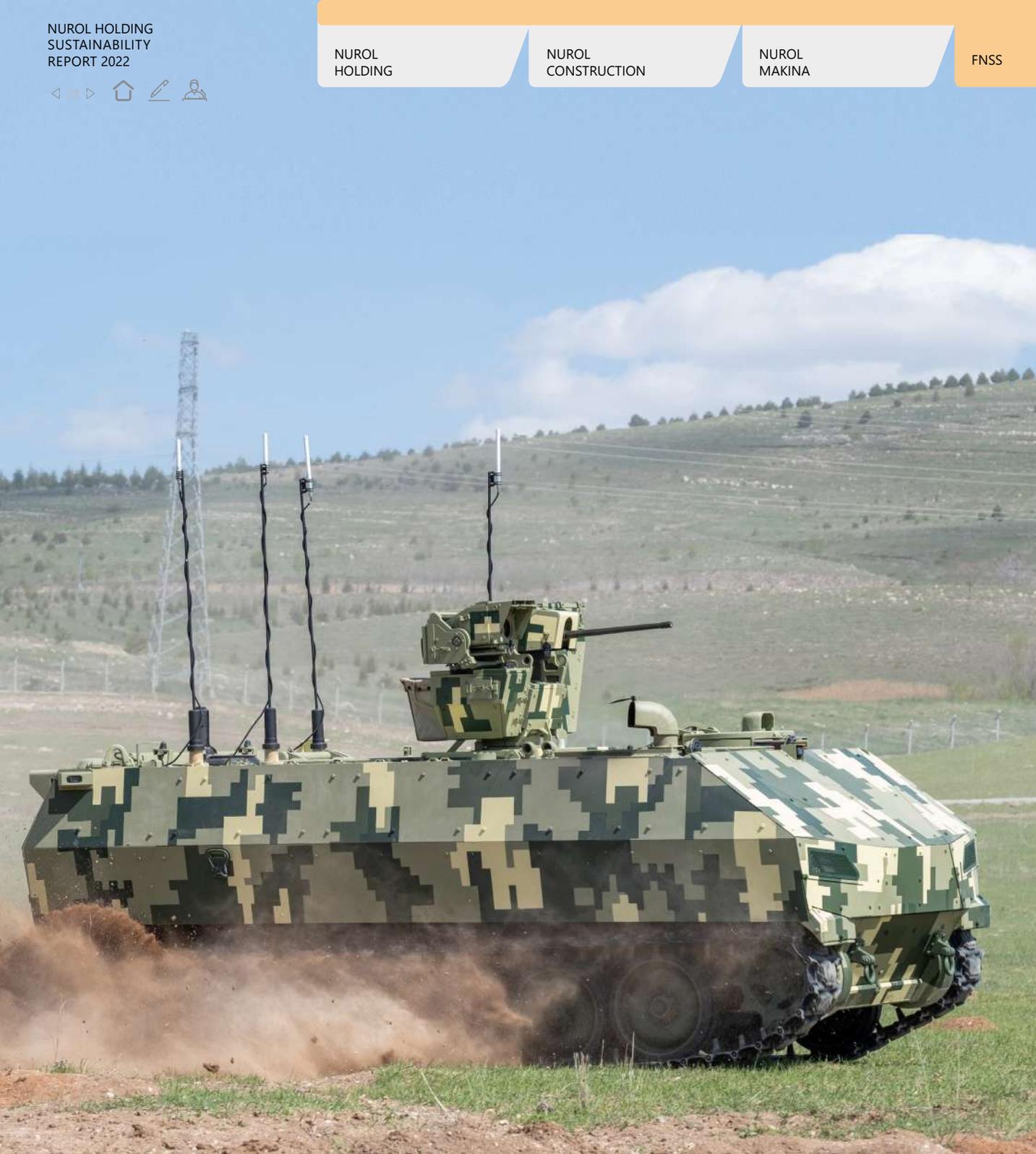
KAPLAN-10

Developed within the scope of the Weapon Carrier Vehicles (WCV) project signed between the Presidency of Defence Industries and FNSS Defence Systems to meet the needs of the Land Forces Command, KAPLAN-10 is a new generation armoured combat vehicle with a power-to-weight ratio of 21 Hp / ton depending on the combat weight, automatic transmission, and the ability of joint movement with main battle tanks. The vehicle has a platform design that allows it to perform all kinds of tasks by integrating different subsystems.



PARS 4x4

Developed within the scope of the Weapon Carrier Vehicles project signed between the Presidency of Defense Industries and FNSS Defense Systems to meet the needs of the Land Forces Command, PARS 4x4 is a vehicle designed to perform special purpose missions such as advanced surveillance, anti-tank and command and control. The vehicle has been designed to meet all operational requirements.



SHADOW RIDER UNMANNED GROUND VEHICLE

The SHADOW RIDER is a family of modular autonomous unmanned ground vehicles developed to meet the multiple operational needs of the battlefield, support military units in all kinds of operational environments and provide high mobility in difficult terrain.



PARS IV 6x6 SPECIAL OPERATIONS VEHICLE

Developed as part of the 6x6 Mine Resistant Vehicle (MKKA) Procurement Project signed between FNSS and the Presidency of Defense Industries (SSB), the PARS IV 6x6 Special Operations Vehicle is designed to meet the tactical and operational needs of security forces whose mission is "special". Optimized for different mission requirements, the Special Operations Vehicle has been developed to be used in symmetrical and asymmetrical combat environments.



MAV

The Armored Amphibious Assault Vehicle (AAV/MAV), developed within the scope of the project for which procurement activities are carried out by the Presidency of Defense Industries (SSB) to meet the amphibious armored vehicle needs of the Turkish Naval Forces Command (TNFC), is a state-of-the-art amphibious vehicle designed by FNSS, taking into account the needs of amphibious landing troops. . AAV is a vehicle capable of taking the distance between the ship and the shore as quickly as possible during an amphibious landing operation. During the landing phase of the operation, it can land from the landing ships with docking docks and cover the distance at high speed, enabling the troops to land in a short time under protection and with fire support.



PARS SCOUT

PARS SCOUT SPV, the first 6x6 and 8x8 armoured vehicle family to enter the Turkish Armed Forces inventory under the Special Purpose Tactical Wheeled Armoured Vehicle contract signed by FNSS with the SSB, is a tactical wheeled armoured vehicle specially designed for reconnaissance and internal security operations, offering tactical advantages to the user with its high situational awareness, high mobility in all terrain conditions, providing superior ballistic and mine protection and incorporating modern technologies.



KAPLAN MT

Developed as part of the project under the KAPLAN MT (HARIMAU) Medium Weight Class Tank Serial Production Long-Term Cooperation Agreement signed between FNSS and PT Pindad in 2019, KAPLAN MT's design architecture with advanced ballistic and mine protection systems allows the use of a wide range of firepower, from close fire support for infantry units to armor-piercing ammunition against larger targets.



AACE

Within the scope of the contract signed between FNSS and the Philippines Ministry of Defence, FNSS will provide Amphibious Armored Combat Work Machine (AACM/AZMIM) vehicles and logistics support services to the Philippines Army. AACE is basically an amphibious, armored, tracked, 1 operator and 1 crewed engineering work machine. As a work machine, it can perform shoveling, leveling, transport and scraping operations.



AAPC MODERNIZATION

The project, to be undertaken with FNSS as the prime contractor, involves the modernization of the Land Forces Command's inventory of 305-horsepower AAPCs with amphibious capabilities. These vehicles will be equipped with new technology subsystems as part of the AAPC Modernization Project. The primary objective of this project is to ensure that the AAPCs, originally delivered to the Turkish Armed Forces by FNSS in the early 2000s and deployed in various operations, maintain high performance levels for a minimum of 20 additional years.

ACV MODERNIZATION

Within the scope of the ACV Platform Modernization Subcontracting Agreement signed between FNSS and ASELSAN on December 31, 2019, the ACV Platforms will be modernized, and all renewal and improvement activities for the platform, as well as prototype production, qualification activities, integration of all mission equipment including the turret, serial production and logistic support activities for the platform will be carried out by FNSS.

TACTICAL MISSILE LAUNCHING SYSTEM

Based on the satisfaction with the prototype vehicles delivered as part of the KMC Weapon System Project conducted by the SSB, a contract was signed with ROKETSAN for more vehicles required by the Turkish Armed Forces.

ACV

It is the Air Defence System Platform Mass Production project where the main contractor is Aselsan.



SUSTAINABILITY

SUSTAINABILITY GOVERNANCE

FNSS's approach to sustainability has a holistic structure that focuses on establishing a balance and harmony between the needs of business and human life and the continuity of natural resources. For this reason, sustainability is addressed with environmental, social and governance dimensions in our organization. We create "Business Models" in order to leave a better world to future generations with the balanced and harmonious development of capital of this size. As an organization with stakeholders in different parts of the world, we integrate our sustainability approach into our business and ensure that policies in this area are disseminated from the management level to employees, other institutions and organizations and all elements of our value chain through our effective structure.

PRIORITIZATION MATRIX



CORPORATE SUSTAINABILITY POLICY (ESG)

FNSS's "Corporate Sustainability Policy" is based on the philosophy of implementing business models in line with sustainable future strategies within the scope of a holistic approach. FNSS considers the sustainability approach and corporate social responsibility practices as a whole in the value chain it has created with its stakeholders. Our main principles are as follows;

- To follow a sustainable environmental management policy based on national and international environmental legislation, relevant environmental standards and the best technologies in this field,
- Working with zero accident principle on occupational health and safety,
- To protect the environmental balance and natural resources by using energy efficiently,
- Increasing company performance and production efficiency,
- To continuously improve all processes by effectively managing risks,
- To ensure continuity in customer satisfaction,
- To ensure information security and business continuity in all its activities,
- To provide an open communication environment by encouraging active participation of the employees,
- To manage relations with stakeholders in a transparent manner and with common sense,
- Informing stakeholders about climate change and sustainability practices, raising and improving their awareness,

- Presenting Corporate Social Responsibility (CSR) activities to its stakeholders in line with Company strategies, targets and priorities,
- To adopt Corporate Governance Principles, particularly ethical values and anti-corruption, as a corporate culture.

SUSTAINABILITY STRATEGY

FNSS integrates sustainable development principles into all its processes, from production to sales activities, from human resources to logistics, with the awareness of being respectful to society and the environment. Within this framework, the Company supports the development of social, environmental and governance (ESG) issues and carries out voluntary efforts to integrate products, services, fields of activity, business processes and the use of technology with a planning compatible with the future.

The "FNSS Sustainability Policy", which outlines our sustainability approach, serves as a framework for successfully implementing sustainability management.

Since the concept of sustainability includes environmental, social, economic and governance issues and these issues are in close interaction with each other, a sustainability management model was created in our organization in 2022 in order to correctly manage and implement the long-term goals we set with a sustainability perspective. In this context, the FNSS Sustainability Committee was established and our sub-working groups and focus areas were determined.

The Sustainability Committee is responsible for the management and monitoring of all internal sustainability activities. The committee also undertakes the tasks of determining targets and actions according to the sustainability strategy of FNSS, reviewing the sustainability

strategy roadmap, monitoring the progress in targets and actions, monitoring international developments, public regulations and trends, and making suggestions to the working groups when necessary.



SUSTAINABLE DEVELOPMENT GOALS

FNSS



To ensure inclusive and equitable quality education, as well as to encourage lifelong learning opportunities for all.

“Talent development, vocational training, and on-the-job training”



To establish resilient infrastructure, encourage inclusive and sustainable industrialization, and bolster innovation.

“Support for innovation and digital transformation, energy efficiency, circular economy, product life cycle”



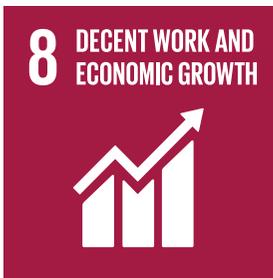
To promote social gender equality and empower women and girls.

“Positive impact on society, diversity, inclusion, productivity”



To ensure sustainable production and consumption patterns.

“Sustainable production models and products, waste management, water management, raising environmental awareness.”



To foster stable, inclusive, and sustainable economic growth, as well as to provide full and productive employment along with decent work for all.

“Decent work, stakeholder growth, employee loyalty”



We cannot achieve them single-handedly.

RISK MANAGEMENT

We are aware that the way to achieve our goals on time and without loss is to identify the risks that may arise in every field and to take measures against the possibility of these risks.

In line with the relevant regulations, the necessary risk management practices are carried out in four steps.

As FNSS, we accepted the results of the Perception Survey published in the WEF Global Risk Report. The risks the world may face in the next two years are ranked in order of importance as follows:

COST OF LIVING	SOCIAL
NATURAL DISASTERS AND EXTREME WEATHER EVENTS	ENVIRONMENTAL
GEOECONOMIC CONFRONTATION	GEOPOLITICAL
FAILURE TO MITIGATE CLIMATE CHANGE	ENVIRONMENTAL
EROSION OF SOCIAL COHESION AND SOCIETAL POLARIZATION	SOCIAL
LARGE-SCALE ENVIRONMENTAL DAMAGE INCIDENTS	ENVIRONMENTAL
FAILURE OF CLIMATE CHANGE ADAPTATION	ENVIRONMENTAL
WIDESPREAD CYBERCRIME AND CYBER INSECURITY	TECHNOLOGY
NATURAL RESOURCE CRISES	ENVIRONMENTAL
LARGE-SCALE INVOLUNTARY MIGRATION	SOCIAL



CORPORATE MEMBERSHIPS

LIST OF ASSOCIATIONS, INITIATIVES AND MEMBERSHIPS	MEMBERSHIP OVERVIEW	MEMBERSHIP-RELATED ACTIVITIES
Turkish Quality Association (KALDER)	KALDER is an association founded to foster a culture of quality, sustainability, and excellence in our country. It is the sole authorized institution in our country for the EFQM model.	FNSS actively participates in various events organized by KALDER, enabling us to stay well-informed about the latest global trends and advancements in these domains.
The Union of Chambers and Commodity Exchanges of Türkiye (TOBB)	The Union of Chambers and Commodity Exchanges of Türkiye (TOBB) is a legally constituted, publicly institutionalized professional supreme organization formed by the merger of Chambers of Commerce, Chambers of Industry, Chambers of Commerce and Industry, Chambers of Maritime Commerce, and Commodity Exchanges, in accordance with Law No. 5174.	We closely follow the organization's activities, and our memberships in the relevant communication networks provide us with access to current news and updates.
Defense and Aerospace Industry Manufacturers Association (SASAD) (Member of the Board of Directors)	SASAD's mission is to spearhead the growth and advancement of the Turkish defense industry as a leading, formidable, and innovative non-governmental organization that encompasses all stakeholders operating in the Turkish defense and aerospace industry, both nationally and internationally.	We closely follow the organization's activities, and our memberships in the relevant communication networks provide us with access to current news and updates.
Foreign Economic Relations Board (DEİK)	DEİK's goal is to enhance collaboration between Türkiye and various countries and sectors, with a primary focus on boosting bilateral trade volumes through the facilitation of international events.	We closely follow the organization's activities, and our memberships in the relevant communication networks provide us with access to current news and updates.
Defense and Aerospace Industry Exporters' Association (SSI)	SSI operates under the auspices of the Ministry of Trade, collaborates closely with the Ministry of National Defense, and regularly coordinates joint events with the Defense Industry Agency (SSB). Since 2015, within the framework of the cooperation protocol between SSB and SSI, joint participation in international defense industry fairs and sectoral trade delegation visits have been organized by SSI.	We closely follow the organization's activities, and our memberships in the relevant communication networks provide us with access to current news and updates.
OSTIM Industrialists' and Businesspeople's Association (OSIAD)	OSIAD's mission is to address the business, ethical, social, cultural, commercial, and financial challenges faced by industrialists and businesspeople. It aims to foster unity and cooperation among our members, collaborate with relevant unions and federations, support the establishment of research centers for the scientific and technological advancement of trade and industry, and work towards enhancing technology production and competitiveness in manufacturing.	We closely follow the organization's activities, and our memberships in the relevant communication networks provide us with access to current news and updates.
Ankara Chamber of Commerce (ATO)	It promotes the rapid growth and expansion of trade, small-scale industry, and the service sectors. Furthermore, it actively seeks to explore new international markets and identifies and addresses barriers that impede the development of the business world.	We closely follow the organization's activities, and our memberships in the relevant communication networks provide us with access to current news and updates.
Ankara Chamber of Industry (ASO)	It aims to foster environmentally sustainable high-value generation, enhance productivity, and boost the competitiveness of Ankara's industry. Furthermore, it plays a pioneering role in guiding the economic, technological, social, and cultural development of the country. The organization's goal is to transform the capital city into a leading industrial hub that leverages advanced technology and sustainable practices to generate high added value.	We closely follow the organization's activities, and our memberships in the relevant communication networks provide us with access to current news and updates.
METU Teknokent Defense Industry Cluster (TSSK)	TSSK operates with a vision to advance critical indigenous capabilities for the Turkish Armed Forces. This is achieved through R&D-oriented collaborations between domestic defense industry companies and universities. Additionally, the organization focuses on developing technology tailored for international markets through collaborations with domestic defense industry companies, universities, and other firms. TSSK's structure includes a diverse range of companies in the defense sector, ranging from large corporations to medium and small-sized enterprises. Its overarching goals encompass conducting internationalization efforts, fostering collaboration within the cluster, ensuring the proper use of resources by facilitating the transfer of sector-specific expertise to other sectors, both in Türkiye and abroad, and ensuring effective planning for new investments.	We closely follow the organization's activities, exchange information, and participate in seminars and training programs as needed.

CORPORATE MEMBERSHIPS

LIST OF ASSOCIATIONS, INITIATIVES AND MEMBERSHIPS	MEMBERSHIP OVERVIEW	MEMBERSHIP-RELATED ACTIVITIES
OSTIM Defense and Aviation Cluster (OSSA)	The objective is to elevate the share of domestically manufactured products in addressing the requirements of the defense and aviation sectors, while enhancing the competitive edge of SMEs within the cluster on the global arena.	We closely follow the organization's activities, exchange information, and participate in seminars and training programs as needed.
Chamber of Mechanical Engineers (MMO)	Established in 1954, MMO is a public professional organization affiliated with the Union of Chambers of Turkish Engineers and Architects (TMMOB).	We closely follow the organization's activities, exchange information, and participate in seminars and training programs as needed.
Peryön Central Anatolia Association	As part of Peryön Central Anatolia Association's activities, members enjoy benefits such as participating in mentorship programs, attending summits, and leveraging the network.	As part of the mentorship program, our HR Department managers serve as mentors.
Human Resources Professional Association	Through our membership, we stay updated on legal developments, learn about best practices, foster professional collaboration, and make contributions to the field of human resources.	We actively participate in and lead joint social responsibility projects.
İSGÜM (Institute of Occupational Health and Safety Research and Development)	It oversees the occupational health and safety inspection of imported chemical materials and paints.	Obtaining a permit for the paints to be imported
TAREKS	It's a web-based software designed for conducting risk-based import and export inspections, safeguarding the interests of consumers and producers by ensuring safety, quality, and compliance with standards.	Obtaining permits for various materials to be imported
TSE (Turkish Standards Institute)	It is an organization dedicated to standardization and conformity assessment in various fields.	Obtaining certificates of conformity for various materials to be imported
Information Technologies and Communication Authority	It is responsible for regulating and overseeing the telecommunications sector.	Obtaining permits for various materials to be imported
Ministry of Trade General Directorate of Customs	It collaborates with Regional Directorates of Customs and Foreign Trade, as well as related customs directorates, which act as enforcers of customs and foreign trade legislation within its jurisdiction. This directorate operates under the purview of the Ministry of Trade.	Obtaining incentive and inward processing authorization certificate
Support Management System - Ministry of Trade	It is a system that handles all stages, from the initial application to the final approval, for state support requests related to the export of goods and services, as well as processes for the Inward Processing Regime, Outward Processing Regime, Tax and Duty Exemption, and Undocumented Export Credits, all within a digital environment.	Inward Processing Regime, Outward Processing Regime, Tax and Duty Exemption applications and follow-ups
Provincial Directorate of Industry	To perform compliance checks on industrial products falling under the jurisdiction of the Ministry at customs, ensuring adherence to legislation, and taking necessary actions in case of non-compliance. Additionally, conducting analyses and assessments related to the outcomes of market surveillance and inspections at the provincial level, with subsequent notifications to the Ministry.	We closely follow the studies conducted by the institution.
Central Anatolian Exporters Association (TIM)	Contributing to export growth, fostering professional solidarity, organizing the professional activities and relationships of exporters, addressing their issues, and offering guidance	We closely follow the studies conducted by the institution.
ITKIP (Istanbul Textile and Apparel Exporters' Associations)	To increase Turkey's export potential in its designated sectors, elevate export performance, and actively contribute to the growth of bilateral and multilateral trade relations by providing support to its members in their international business endeavors	Obtaining permits for various materials to be imported
USOM (National Cyber Incident Response Center)	Performing cyber intelligence activities and reporting incidents of information security breaches	We monitor notifications published by USOM (National Cyber Incident Response Center). Additionally, the organization screens FNSS's information and publicly available services.

CORPORATE GOVERNANCE CERTIFICATES

STANDARDS, CERTIFICATES AND DOCUMENTS

ISO 9001 Quality Management System

ISO 14001 Environmental Management System

ISO 27001 Information Security Management System

ISO10002 Customer Satisfaction Management System

Authorized Liability Certificate

General Requirements for Competence of TS EN ISO / IEC 17025
Test and Calibration Laboratories

TS EN ISO / IEC 17025: 2010 Competence of Experimental
Laboratories

AQAP-2110 NATO Quality Assurance Requirements for Design,
Development and Manufacturing

NATO SECRET Security Document

NATIONAL Service-Specific Facility Security Certificate

ISO 17025 Ballistic Test Laboratory



ENVIRONMENTAL AWARENESS

FNSS monitors all environmental impacts in all its operations in line with OHS values and identifies areas for improvement as part of its efforts to adapt to and combat climate change. Environmental impacts are evaluated under the headings of water and carbon footprint and energy management. In accordance with these topics, efforts are made to reduce carbon footprint and water footprint and to improve processes in this context, with a lifelong approach, especially in main operations.

In order to reduce environmental impacts, resource efficiency is also an important stage in our roadmap. We integrate both energy and natural resources into systems in the most appropriate way according to conditions and requirements regarding resource efficiency.

Since environmental awareness constitutes the cornerstone of all these targets, regular environmental trainings are given to the employees in order that all these works can be carried out in the most efficient way.

As of 2022, environmental trainings have reached a total of 1014 hours. With a participation rate of 80.7%, the education rate per capita increased compared to the previous year and reached 0.8.

Training Courses on Environmental Issues	Total Training (employee x hours)			Training Per Employee (hours/employee)		
	2020	2021	2022	2020	2021	2022
Training Courses on the Environment	450	600	1014	0,7	0,6	0,8
General Training	18.712,50	28.289,92	22.723,00	19	32,63	24,35

ENERGY AND EMISSION MANAGEMENT

Being aware of the fact that a significant part of its environmental impacts are caused by energy consumption and emissions, FNSS gives priority to energy efficiency and savings and emission management in order to monitor and reduce its impacts in this context.

The first stage of providing energy efficiency is the tracking of consumptions. With the completion of the installation of the SCADA system infrastructure, the consumptions can be monitored uninterruptedly.

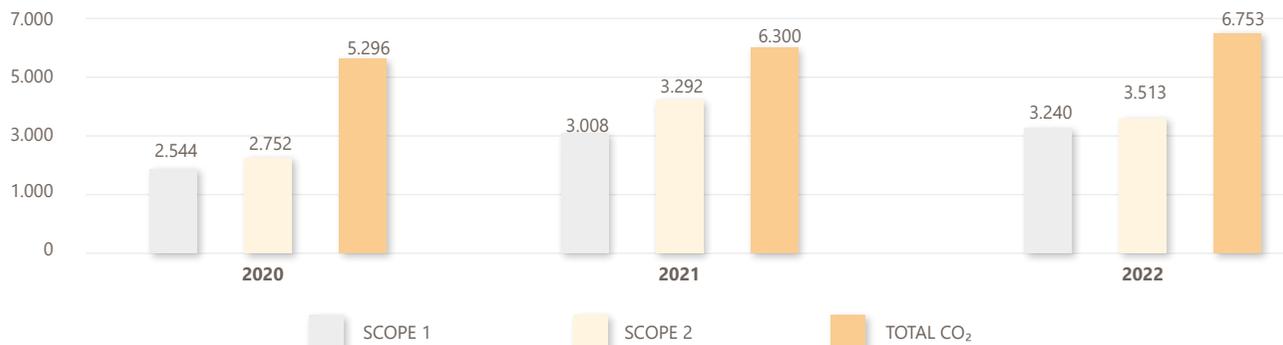
- In 2022, Chemical Warehouse Ventilation plant replacement, Administrative building ventilation plant replacement were made.

- Sensor installations have begun for the automatic shutdown of office lighting systems.
- Natural gas consumption was improved by connecting the waste heat of the compressors to the domestic hot water line.
- In order to maintain the air temperature inside the workshop, an air curtain was installed on the industrial door in the cutting workshop.
- The number of electricity meters increased by 55%, reaching a total of 42.

- Work has started to collect the ventilation systems on the SCADA roof and to monitor and control them from a single point. Adaptation of ANNEX, administrative building and paint shop HVAC systems to SCADA was completed.

FNSS	2020	2021	2022
In-house Energy Consumption (GJ)			
Fuel			
Natural Gas	33,638.11	41,881.01	44,132.09
Diesel	8,705.51	3,810.28	4,351.16
Electricity			
Electricity from the Grid	21,754.61	25,602.46	27,317.87
Electricity from the Solar Energy	339.07	650.89	701.22
Total Energy Consumption	64,437.47	71,293.75	76,502.34

FNSS GREENHOUSE GAS EMISSIONS



In 2022, we initiated the process of calculating our Scope-1 and Scope-2 carbon footprints, alongside our water footprint.

Our Scope-1 carbon footprint has been determined to be 3,240 tCO₂e, while the Scope-2 carbon footprint is calculated at 3,513 tCO₂e. The cumulative total of both Scope-1 and Scope-2 carbon footprints amounts to 6,753 tCO₂e per year.

In 2022, we also initiated the calculation of our Scope-3 carbon footprint. This calculation for the 2020 period encompassed logistics activities within supply chain processes, company travel, waste shipment, recycling, recovery processes, and delivery of manufactured products to end-users. The Scope-3 footprint calculations for both 2021 and 2022 are currently in progress.



WATER MANAGEMENT

Within the scope of adaptation to climate change, the efficient use of water resources, water conservation and the improvement of wastewater treatment systems are among the topics open to continuous development at FNSS. Since 2020, with the determination of the water footprint, development areas can be identified and at the same time, the visibility of the impacts of the issues on which action is taken is ensured.

In 2022, water consumption, including garden irrigation, has been made very efficient with the transition to a timed automatic irrigation system. Thanks to the timed irrigation method in the garden irrigation system, 8.465 m³ of water was saved annually. As a result of the improvements covering the entire system, the total water footprint has been reduced by approximately 30%.

FNSS	2020	2021	2022
Blue Water	89.284	91.380	64.763
Gray Water	6.983	7.142	4.795
Green Water	0	0	0
Total (m³/year)	96.267	98.522	69.558

All domestic wastewater within FNSS is treated with a batch bioreactor system. Since an oxygen treatment system is used, the treatment efficiency has been increased with the improvement of the ventilation units. With this increase, discharge was achieved with values below the maximum biological values specified in the Water Pollution Control Regulation.

WASTE MANAGEMENT

Pursuant to the Waste Management Regulation, a 3-year industrial waste management plan was prepared in 2022 within the scope of the same regulation through the ministry's online application Integrated Environmental Information System (EÇBS).

Off-site management of wastes sorted by type at the facility is carried out within the scope of contracts with licensed companies, taking into account the waste hierarchy (reduction, recovery, recycling, disposal). ECBS MoTAT (Mobile Hazardous Waste Transportation), which is the online application of the relevant ministry, is used in hazardous waste shipments.

In 2022, some efforts were made to increase "reuse" practices, which comes after reducing consumption in the waste hierarchy.

- During the transportation of waste industrial oils by tanker, suitable barrels were reused.
- In the case of electronic waste, in order to prevent it from being completely wasted through re-evaluation, the amount of electrical and electronic waste was reduced by reusing the working parts of broken equipment by combining them.

- Regarding wooden waste, the amount of waste was reduced by combining the intact parts of deformed wooden pallets, and a grant protocol was signed with an animal shelter in the local area for the utilization of wooden waste within the scope of social responsibility, so that deformed or intact wooden packaging can become products such as shelters for the animals sheltered there.
- In accordance with the goal of reducing our carbon footprint in waste shipment planning, maximum waste was transported at one time in accordance with the weight and volume limits of waste transportation vehicles.

In compliance with the Regulation on Control of Medical Waste, medical waste is stored in a cold storage facility at +4°C and collected by the authorized institution twice a week. Additionally, in adherence to the Waste Management Regulation, waste accumulators at the facility are temporarily stored for a maximum of 3 months. Other hazardous wastes are temporarily stored for a maximum of 6 months, while non-hazardous wastes are stored for a maximum of 12 months before being dispatched to licensed recycling/recovery companies. Our waste shipment planning considers logistical arrangements based

on the weight and volume limits of waste transportation vehicles, aligning with our commitment to reducing our carbon footprint.

- In 2022, the weight per non-hazardous waste shipment was approximately 5.8 tons/vehicle in the transfer of 469,680 kg of non-hazardous waste generated at our facility.
- During the transportation of 150,211 kg of hazardous waste (excluding medical waste) generated at the facility in 2022 to licensed recovery facilities with 24 waste shipments, the weight per hazardous waste shipment was approximately 6.25 tons/vehicle.

FNSS	2020	2021	2022
Total Amount of Non-Hazardous Waste (tons)	-	749,5	461,48
Total Hazardous Waste Amount (tons)	-	210	150,475





OCCUPATIONAL HEALTH AND SAFETY PRINCIPLES

Our company is an organization that adopts the approach of protecting people, which is the subject of OHS, and increasing the value given to people. Within this approach, we aim to produce the highest benefit and value in our business environment, with the principle of continuous improvement, without compromising our priorities regarding occupational health and safety. We act together with our employees to achieve our OHS goals, and we provide information flow at all levels through various communication channels in order to increase the awareness of our employees. In order to make this flow effective, we conduct current situation analyses through routine OHS Board Meetings, and we organize Function Status Review Meetings to check our progress and to determine the activities that will serve to equip our employees with the necessary OHS skills. According to the outputs of our meetings, we carry out OHS improvement projects under the leadership of our directors, and we prioritize the work environment to have the highest level of comfort and safety by going beyond legal obligations with the steps we take. With the Behavior-Oriented Risk Management approach we carry out in this direction, we are working on the root causes of work accidents and occupational diseases and eliminating these causes. Within the scope of our Occupational Health and Safety Management System certified according to the ISO 45001:2018 standard, we place the minimization of occupational risks at the heart of our actions. We offer Behavior-Based Risk Management Training to our employees along with Basic OHS Training and include additional activities to improve the well-being of our employees in our program. In this context, we offer support such as healthy nutrition, sports, psychological counseling (Avita Support Line) to our employees and we consider employee health from a holistic perspective.

OCCUPATIONAL HEALTH AND SAFETY ACTIVITIES

- As FNSS, a preventive approach is adopted in Occupational Health and Safety (OHS) Management System applications. In this direction, the steps of the risk control hierarchy are followed starting from "elimination", and collective protection measures are emphasized in our processes and replacement, engineering measures, administrative measures and the use of personal protective equipment are preferred.
- The risk assessment process, which is the basis of the preventive approach in our company, was carried out on the basis of projects and operations and was customized according to requirements (ergonomic, chemical, etc.). Then, hazards were determined according to the study outputs, risk sizes were determined, and priorities were determined by scoring.
- Projects were carried out to develop the leadership function, which plays an active role in the operation of the OHS management system, and to increase our safety culture level. By setting the goal of realizing at least one OHS improvement project on the basis of designated directorates, both the leaders' concept of OHS process ownership was reinforced, and the ground was created for realizing OHS improvements in technical and social dimensions. In this context, studies such as ergonomics, personnel booster

brake mechanism manufacturing, ventilation system improvements, safety culture maturity model, OHS Law projects for managers have been successfully completed.

- We designed the "Vocational High Schools Safely Development Program" with the aim of ensuring that the improvement activities we carry out to develop a safety culture also benefit society. We realized our project with the protocol we signed with Gölbaşı District Governorship, Gölbaşı District National Education Directorate and Gölbaşı Vocational and Technical Anatolian High School management, where the application will be carried out. In this way, we put into practice a competency-enhancing program to improve the safety culture of 110 students in different classes and departments determined for the 2022-2023 academic year.
- European Agency for Occupational Health and Safety (EU-OSHA) '2020-2022 Healthy Workplaces Lighten the Load: We participated in the "Safe and Ergonomic Working at Height" project in the "Musculoskeletal System Diseases" campaign and were selected by the Ministry of Labor and Social Security to represent Turkey in the category of workplaces with more than 100 employees.



Annual Number of Accidents: **13**
Total Accident Frequency: **1,48***
Total Accident Severity Rate: **24,70***
Total Working Hours: **1.765.000****

* At 200,000 operating hours

** Only FNSS staff

OHS TRAININGS	Total Training (employeehours)			Training Per Employee (hours/employee)		
	2020	2021	2022	2020	2021	2022
OHS TRAININGS	17.963,7	19.509	16.394	18,6	20,7	17,6



VALUE CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

In 2022, subcontractor and supplier review and evaluation activities (audits) were carried out in a total of 18 companies. The matters examined within our audits are;

- Management systems applications,
- Evaluation of manufacturing competencies,
- Examination of special processes such as paint, coating, welding and approval of the processes,
- Determining the expectations of FNSS from its subcontractors and suppliers,
- Identifying and reporting areas for improvement

In addition to these activities, we participated in company audits within the scope of the SEYDEP program, which continues under the coordination of the Presidency of Defense Industry (PDI/SSB). In 2022, a total of 26 companies were audited, examining their management systems in general and identifying areas of support that could be provided to companies. In addition, in the context of supply chain management, rejection and on-time delivery rates of the companies were monitored. According to the results of the follow-up, companies were requested to carry out the necessary improvement works in the areas where nonconformities were observed through Corrective Request Forms (CRF).

CUSTOMER RELATIONS

In order to improve our customer relations performance in 2022;

- The “Integrated Management System” booklet has been published on the website and
- The “Governance Systems” booklet has been updated.



DIGITALIZATION

RESEARCH AND DEVELOPMENT

At FNSS, we place the management of innovation processes and R&D projects at the center of our activities, and we carry out our activities with an approach that aims to gather all ideas within the organization and involve all employees in the innovation process. We prioritize the ideas obtained as a result of our studies, taking into account the compliance with the technology roadmap targets of FNSS. With this perspective, in 2022, we completed more than 15 R&D projects in line with the targets set under the headings of "mobility", "vehicle survival", "autonomy" and "firepower".

Under the heading of "autonomy", we have successfully completed studies such as increasing vehicle controllability, improving vehicle ergonomics, making the ability to perform tasks under harsh environmental conditions more effective and efficient, recording information about the systems active on the vehicle, and developing systems that will facilitate maintainability and intervention to malfunctions. According to global military solutions and trends, we observe that autonomy is a subject that is gaining value in the military field day by day and that the applications that touch this subject are increasing day by day. For this reason, as an R&D strategy, we prioritize determining our research and development route according to the development goals we have set in this field.

Under the heading of "vehicle survivability", we conducted studies on innovative solutions and superior features in vehicle protection levels in line with evolving threats and the needs of the field. We quickly put the outputs of these studies into use in the new generation vehicles of FNSS and passed the tests.

Under the title of "firepower", we continue our work on localizing the weapon systems we carry out in order to increase deterrence in order to ensure military security, increase the ability to work under difficult conditions and facilitate maintenance.

In addition to technology and product development activities, we also carry out studies to improve R&D processes. With all our R&D activities, we take actions that improve solution quality, positively impact the life cycle, reduce logistics costs in the long term, facilitate and accelerate processes, and support sustainability. In this context, we present sustainable military solutions and offer innovative and technological contributions to the military field.

OPERATIONS AND HUMAN RESOURCES MANAGEMENT

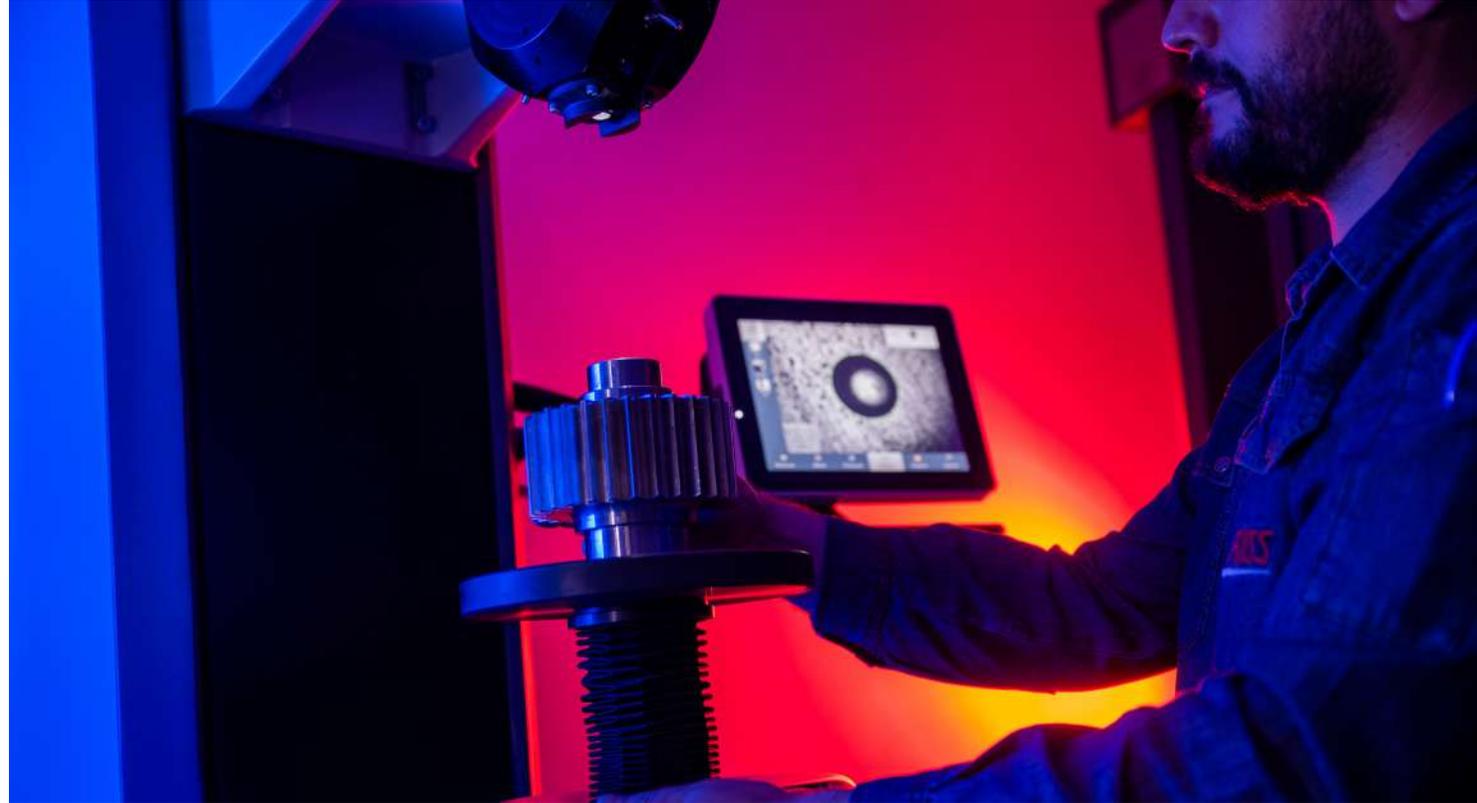
As FNSS, we regard digital transformation as one of the main focuses of our business strategy. Our company's digital transformation vision is to integrate digital technologies and data into all business processes and become an actor that shapes the future of the business areas in which we operate. In this context, we are constantly investing in our digital competencies and technology infrastructure to achieve our goal of being the best company in our industry. While establishing a link between our investments and our goals, we define the goals we have adopted as follows;

- Customer Experience: Improving the customer experience using data and digital capabilities.
- Operational Efficiency: Achieving higher levels of efficiency, quality and environmental sustainability in all our end-to-end processes.
- Human Experience: To automate low value-added works, to provide our employees with up-to-date skills with the help of developing technology.
- Business Continuity and Resilience: To minimize risks by implementing high-performance and safe systems with up-to-date technologies; to respond quickly to changing business requirements.
- Innovation: Continuously innovating and creating new business opportunities.

We have two focuses on our roadmap in our digital transformation journey. On the one hand, we work to develop digital solutions to today's problems, and on the other hand, we take actions to determine how the sector we operate in will transform in the future and what needs to change today to keep up with it.

In this context, in order to reach the best and most

efficient levels, we are implementing key solutions such as Enterprise Resource Planning, Product Lifecycle Management, Customer Relationship Management, Contract Management, Supply Chain Management, Warehouse Management, Transportation Management and Human Resources Management and increasing the momentum in automation.



DIGITALIZATION ACTIVITIES

- We commissioned the MES system, which is fully integrated with the ERP system, and switched to the use of tablets in the production line. Thus, by eliminating the paper-based technical drawings that are delivered to the workshop, we saved a great deal of paper and labor, and increased the real-time traceability of the work in the workshop.
- By using handheld terminals for all kinds of transactions in the warehouse, we have gone completely paperless.
- Thanks to the integration of the ERP system with the e-waybill and e-invoice system, we have greatly reduced the delivery of paper invoices. We also achieved significant labor savings by greatly reducing the screen data entry effort required for the invoice entry and matching function.
- With the matching of ERP data and customs information through the supplier portal system, we achieved significant savings in the time it takes to clear goods from customs.
- We launched a new portal for field operation services. In this way, we ensured that both the failure notifications of our customers with whom an after-sales support agreement was signed and the work orders opened by FNSS technicians were tracked through the ERP system.
- With the commissioning of the document management software, we have ensured that all incoming and outgoing documents are controlled over a central software and automatic numbering and format integrity in outgoing documents. In addition, we increased the corporate memory with the ability to quickly access all correspondence made in the past through a central system.
- By developing the FNSS Cep mobile application, we enabled our personnel to perform human resources operation transactions such as leave, overtime entry and approvals from outside the company in a very fast and practical manner.
- We transferred the Program Management Office documents, which were previously kept on the file server system, onto the DYS system. In this way, we determined a standard format for document contents and numbering, gained speed in terms of accessing information, and enabled automatic document version control processes that were previously done manually.
- With the business analytics project, we have made all operational data of critical business processes accessible to the relevant persons through a single portal with appropriate authorization. In this way, we made it possible to access data in ERP and PLM applications in real time with an interface application and provided great support to our employees' short and long-term decision-making processes.
- Thanks to the advanced virtualization and security technologies used in our IT infrastructure, we have enabled all our employees to access company applications from their home environments quickly and securely, and to continue their work from their home environment.





HUMAN RESOURCES PRACTICES

GENDER EQUALITY

- We have achieved our target for the number of blue-collar female employees we have set for 2022. We contributed to gender equality in our organization with the blue-collar female employee employment project.
- We held gender equality awareness meetings with the participation of our colleagues at the management level.
- We organized workshops to raise awareness of gender equality in departments that do not have female employees.
- We increased the rate of female interns accepted to all intern processes (candidate engineer, summer internship, etc.).
- In the context of job interviews, we endeavored to increase the number of female candidates interviewed among eligible candidates.
- We organized awareness meetings in order to increase the number of women in our management staff.

Total Training Hours:

22,723 hours

Training Hours Per Employee:

24.35 hours/employee

TALENT ACQUISITION AND MANAGEMENT

With the ALFA Leadership Academy, we develop the leadership skills of more than 300 employees in our leader and above staff, and we aim to spread the impact of this development to all our employees and our culture. In this context:

- With the Development Center, inventory, and coaching practices, we help our employees create self-awareness about their strengths and areas of development, and put forward a development plan.
- We provide motivation for development with inspiring seminars and trainings.
- We design modules that include theoretical knowledge and practical skills on business management and team management.
- We create cultural and systemic changes with project groups where our employees can put new knowledge and skills into practice and learn from each other.
- With the rotation and internal mobility process, we offer talents the opportunity to work in different departments and positions.
- We ensure that our employees attend in-house (internal trainings) and external (domestic/abroad) trainings/seminars/conferences and congresses that will serve their professional development.

- For the competency development of our employees, we offer trainings and workshops planned in line with company competencies and with topics that will serve psychological well-being.
- We provide individual professional coaching support focused on psychological well-being and development for our employees.
- We provide team coaching for effective and communicative teams.
- We implement the 360-degree evaluation process for the development of our employees and provide follow-up and support through one-to-one feedback.
- We support the higher education of our employees and encourage them with our policies such as gratuitous leave and additional allowances.
- Through platforms such as Udemy Business and LinkedIn Learning, we mediate our employees' access to the most up-to-date and comprehensive information on the subjects they want.
- We organize inspiring and informative seminars from the experts on the current issues.
- Through participation in the EU program Erasmus+, we enable our employees to observe new technologies in production and design through our partners abroad and transfer new process applications to our company.

Number of FNSS Employees in 2022	Full Time		
	Male	Female	Total
	785	148	933

Number of Newly Recruited Employees from FNSS in 2022	Male			Female		
	<30 years of age	Aged 30-50	Aged over 50	<30 years of age	Aged 30-50	Aged over 50
	29	22	1	16	4	0



EMPLOYEE SATISFACTION

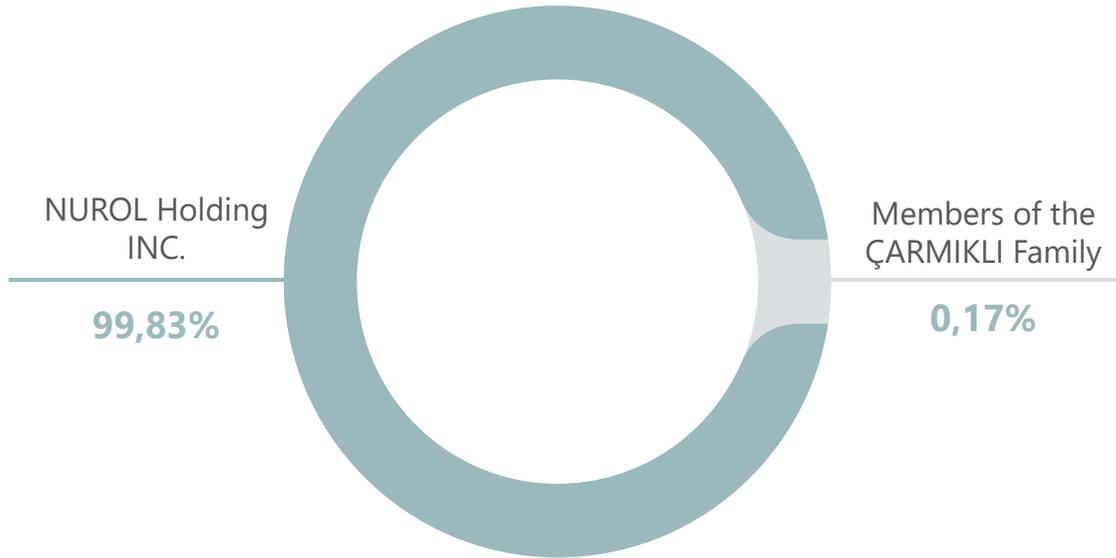
- We measure and analyze the satisfaction and loyalty of our employees with regular employee engagement surveys every 2 years and develop initiatives with the management to take relevant actions.
- In order to increase employee loyalty and job satisfaction, we assign our employees, who do not feel sufficiently motivated/value-added in their current role, to different departments with permanent transfer or temporary rotation opportunities.
- In order to increase the satisfaction and loyalty of our new employees, we conduct "5th Month Interviews" and offer a comprehensive orientation program to our employees.
- We conduct "reason for quitting analysis" interviews with our employees who leave our company, question what difference we can make for our remaining employees and take actions.
- One-on-one interviews are conducted by Human Resources in order to measure the loyalty levels of our employees and take actions.
- We increase the internal visibility of our employees through recognition (such as seniority awards, birth/baby gifts, birthday celebrations, holiday and New Year's chocolate/gifts) and appreciation/award processes (such as Good to Have You, Special Award, R&D Award, Recognition).
- With the coordination of the internal communication team, we prepare information notes to strengthen the management-employee relationship, compile the information to be conveyed by managers and ensure that it reaches employees.
- We conduct salary surveys every year in order to keep our employees in our company with a competitive wage policy and to contribute positively to their loyalty. In this context, we are also reviewing our designated benefits.
- We offer a working environment that meets the demands of our employees with flexible working hours, hybrid working model and compensatory leave practices.
- We provide assistance to our employees in the areas they need through employee support programs.

NUROL TEKNOLOJİ

We are a company that develops and produces personal protection products for the use of security forces. With our efforts, we were awarded the Solutions Providers in Europe 2022 award by Aerospace & Defense Review Magazine, the Ministry of Defense of Ukraine's Appreciation Plaque, Army Technology Excellence Awards & Ranking 2022 "Business Expansion", "Product Launches", R&D awards.

ABOUT NUROL TEKNOLOJİ

PARTNERSHIP STRUCTURE



KEY INDICATORS

AVERAGE NUMBER OF EMPLOYEES



TOTAL ASSETS (Thousand TRY)



SALES REVENUES (Thousand TRY)



EBITDA (Thousand TRY)



ABOUT NUROL TEKNOLOJİ

Nurol Teknoloji is a Nurol Holding company that was established in 2008 to produce advanced technical ballistic ceramics with completely domestic capital. Since the day it was founded, it has prioritized research and development and has been operating to fill an important gap in the field of ballistic protective solutions, which is needed by all friendly and allied countries, especially our country. It designs, develops and manufactures advanced ballistic armor solutions in two modern production facilities located in Ankara with the knowledge and experience of Turkish engineers and completely domestic and national facilities, without any partners or consultants.

Our company, which has invested over 130 million dollars since its establishment, has the ability to carry out all processes from raw materials to the final product, armor solution, under a single roof, especially boron carbide, silicon carbide and alumina, which are advanced technical ceramics that can be produced in a few countries in the world. In addition, our company is able to develop and offer ballistic composite solutions using ceramics produced with its own recipe and hybrid ballistic protection alternatives of its own design according to different customer needs.

Nurol Teknoloji, which offers fast, reliable and cost-effective ballistic protection solutions qualified in international standards and exports them all over the world, has developed, produced and delivered personal protection products such as ballistic protective plates, vests and ballistic protective shields required by our security

forces in our country. In addition to the aforementioned products, which are in active use by our security forces and have proven themselves on the battlefields, Nurol Teknoloji is able to produce solutions that carry the promise of high value with the cost-effective and weight-effective solution options it offers on vehicle platforms, up to the highest ballistic protection levels in accordance with international standards, and qualify them in its own accredited laboratories. In addition to these, within the scope of structural armoring, products and systems such as strategic buildings, security huts, visor sets, mobile containers, shelters and trailers are also carried out within the scope of ballistic protective armoring activities in a cost-effective and fast response to the needs. With Advanced Beka system solutions, we offer and develop Modular Shelter products that provide high protection with fast installation at road control points and base areas, Unmanned Aerial Vehicle Command and Control Shelter products, and multi-purpose armored container products that will meet user needs at the highest levels with different system integrations.

In addition to defense products, our company also serves the manufacturing and mining sectors with ceramic wear plates and rotor crusher products. In this context, the market share of Rotor Crusher bits used in the mining industry and wear plates made of ceramics with high wear resistance is increasing every year in the country and abroad.

Nurol Teknoloji holds "NATIONAL SECRET" and "NATO SECRET" classified facility security and production permits from the Turkish Ministry of National Defense, as well as AS9100, ISO 9001, ISO 14001, ISO 27001 and ISO 45001 system certificates. It has an advanced and high-tech machinery park, quality management system infrastructure, and two accredited ballistic laboratories with TURKAK TS EN ISO/IEC 17025:2012 accreditation. In addition to these, Nurol Teknoloji, which keeps R&D and quality at its center thanks to its know-how, is the 1245th company in Turkey to be registered by the Ministry of Industry and Technology on 25.01.2021. It received the title of R&D Center. Since the day it was founded, it has been qualified in 5 continents and more than 60 countries, and continues to produce products that have proven themselves in war and different operational conditions with a continuous development model.

To date, it has produced over 15M ceramic tiles, over 800K monolithic ceramic plates, over 1M ballistic plates, over 500K ballistic vests, over 15K ballistic protective shields. It provides Ballistic Armor Solutions to more than 350 land, air and sea platforms, protecting more than 6000 m² of platform surface area. Our Structural Ballistic Solutions products have been serving at more than 2500 points in different security points for years and continue to create Safe Living spaces for security personnel.



ABOUT NUROL TEKNOLOJİ

With the sales volume increased in 2022, the company today meets 95% of Turkey's Ballistic Protection needs and is the market leader. Domestically, with its Personnel Ballistic Protection solutions, it has met the projects of the Presidency of Defence Industry, Ministry of National Defence, General Staff, Gendarmerie and Forces, and the needs of other security and safety institutions with a commitment to higher value. It continues to make a difference and to be preferred by the users with its lightest and highest protection products.

In addition to Ballistic Personnel Protection solutions, it has successfully delivered many important projects as the sector leader in Ballistic Protective Shield products.

It continues to work as the sole supplier of the needs of Security and Police Forces and Security Institutions in Turkey.

It has been positioned as an important solution partner in the supply chain by signing long-term agreements with ASFAT. While providing Turkey's domestic and national armor solutions, it has also become an important and global ballistic ceramic supplier in armor solutions by offering its domestic ceramics to Composite Armor provider stakeholders and complementaries in Turkey and abroad.

It has increased its experience in armoring all military warships and national ship projects produced in Turkish shipyards and has become the industry's leading ballistic solution provider against the survivability problems of naval platforms. It works with STM as a solution partner for MİLGEM, ASFAT has successfully delivered armor solutions to Pakistan Milgem ships, and has successfully fulfilled its duty in the armoring of Ukrainian Milgem Corvette ships. It continues to meet the platform protection needs on

different naval platforms abroad.

By significantly increasing its overseas exports, it meets the needs of friendly and allied countries with its high technology level and flexible production capability that can meet the needs of friendly and allied countries and respond quickly to the needs. It continues to take steps towards becoming the Ballistic Protection Solutions manufacturer preferred by many countries with its ability to offer products with different levels of protection in accordance with international ballistic standards at times and conditions that coincide with the needs of the market. For its such ability, it was awarded a Certificate of Honor by the Ministry of Defense of Ukraine.

It has met and continues to meet the needs of the Italian army, Polish Police, Dutch Special Operations Team, Belgian police and Belgian Army, Ukrainian State Personnel Ballistic Protection solutions.

It has integrated innovative systems into its products by adding new ones in 2022 in the Safety Cabins Projects that it has been producing in structural protection solutions for many years. It carried out the Istanbul Financial Center Security Cabins Project in partnership with Aselsan and delivered it successfully.

Within the scope of all these projects and ongoing contracts, NuroI Teknoloji has become an Advanced Technical Ceramics Manufacturer and Composite Armor Solutions Provider that responds to a higher level of requirements with investments in its production capacity and equipment park in 2022. We have started to observe the change created by the investments put in place in Project, Production and Quality processes. NuroI Teknoloji offers fast, reliable, high value and sustainable solutions to its stakeholders in its products, while announcing Turkey's

name as a global brand all over the world with its qualified solutions and added value it puts into its products.

While offering Advanced Technical Ceramics and Composite Armor Solutions, it aims to make a difference in its processes with digital platforms that will add value to Protection Needs with the Digital Technologies directorate unit it structured in 2022. NuroI Teknoloji, which directs its projects by listening well to the user's perspective, continues its duty and responsibility in the sector with integrated systems and other digital platforms that offer new solutions to the user.

NuroI Teknoloji, which has always kept R&D at its core, continues to offer solutions in a way that offers the highest survivability with its competence, which it has incorporated into its structure for the last two years, optimization in solution finding processes, simplification in production and processes, and real convergence capabilities through test simulations. It has the competence and equipment to perform all kinds of thermal analysis and simulation by establishing its own material library with the LS-Dyna program.

As NuroI Teknoloji, the reconstructed "Marketing Strategy" has been put in place in line with a structure that aims to be challenging, takes the right global steps, prioritizes stakeholder satisfaction within an ethical framework, and aims to develop systems to protect and grow existing markets.

2022 was a year of tremendous impact for NuroI Teknoloji both domestically and globally. By entering the US market with the NT Armor brand, NT Armor has already completed important project deliveries and has taken global steps that will leave its mark.

PATENTED PRODUCTS AND SERVICES

TYPE OF APPLICATION	TITLE OF APPLICATION
Patent	A Method for the Production of Ceramic Matrix Composite Materials
Patent	Ceramic Composite with Enhanced Ballistic Properties
Patent	A Coarse Granular Doped Ceramic Protective Armor Structure with Improved Ballistic Properties
Utility model	Chamfered Ballistic Protection Plate
Patent	Ballistic Composite Plate Coating Method
Industrial design	Armored Car Seat
Industrial design	Vehicle with Armored Seats
Brand	Potern
Brand	Sandmade Figure
Brand	Sen Ol! Next Generation Training Program
Brand	Modkor
Industrial design	Modular Mobile Ballistic Shield System
Brand	Nurol Teknoloji

AWARDS AND ACHIEVEMENTS

Aerospace & Defense Review Magazine
Award, Solutions Providers in Europe
2022

Plaque of Appreciation of the Ministry of
Defense of Ukraine

Army Technology Excellence Awards
& Ranking 2022 "Business Expansion",
"Product Launches", R&D



SUSTAINABILITY

SUSTAINABILITY GOVERNANCE

As Nurool Teknoloji, we aim to achieve the highest financial efficiency in our activities, while matching this efficiency with sustainability, creating the least environmental impact and thus contributing to life through all the actors we contact in our value chain. We integrate a lifelong perspective into our technologically-based production processes and move forward with a motivation for responsible production and consumption. As a company that serves to ensure and maintain community safety, we follow a production approach that focuses on the needs and expectations of all stakeholders in our value chain. In this context, as a stakeholder of the defense industry, we are developing our production cycle with the perspective of being a facilitator of social unity, social trust, harmony and security. We present the technical and social impact produced by all of our ongoing projects to our stakeholders with a transparent perspective. With the sustainable approach we adopt in production and quality, we use our completely domestic and national production and the know-how that is the output of this production for the development of our country, and focus on the creation of sustainable security systems for the Defense Industry. Thus, we put our technological expertise to use in the field of raising awareness on ballistic products and contribute to the development of our country's defense industry.

A Sustainability Committee consisting of our Board of Directors has been established in order to effectively manage sustainability issues in our company. The Sustainability Working Groups under the Sustainability Committee carry out studies on the identified focal issues and report their work outputs to the Sustainability Committee.

PRIORITIZATION MATRIX





NUROL TEKNOLOJİ SUSTAINABILITY KEYS



BUSINESS MODEL AND INNOVATION

We diversify and continue our operational processes with value-creating and innovative approaches, guided by the framework of entrepreneurship. We digitalize our operations while maintaining high standards of work quality. We incorporate digital technologies into our business model to enhance value creation through service-oriented practices and advanced technology utilization. Open innovation is a fundamental part of our corporate culture, encouraging collaboration with a wide range of stakeholders, including universities, suppliers, and companies from various sectors.

Collaboration with Ostim Technical University, Gazi Vocational and Technical Anatolian High School

DIVERSITY AND INCLUSIVITY

Our top priority is always people. Our company policy is grounded in a rights-based approach that places individuals at the core, encompassing all identities.

İnovasyonda Engel Yok! Open Innovation Platform

SOCIAL DEVELOPMENT

True change starts with individuals. It's individuals that shapes the societies. With this in mind, we are dedicated to creating solutions that address the needs and challenges of our society and supporting its sustainable development through various projects.

Sen Ol! Next Generation Training Program, Training for Technical and Personal Development, Support for Master's and Doctorate Programs, Leadership Development



NUROL TEKNOLOJİ SUSTAINABILITY KEYS



ENVIRONMENTAL FOOTPRINT AND CIRCULAR ECONOMY

Addressing climate change is one of our top priorities, alongside our commitment to managing water-related risks and adopting waste and packaging practices that support the circular economy. Our operations are consistently guided by the Reduce-Reuse-Recycle model. We aim to follow the Reduce-Reuse-Recycle model in all our operations.

Solar Power Plant Investment, Waste Management, Circular Economy

RESPONSIBILITY SHARING

We consider the social support we provide through our societal investments as an investment in the future. Our commitment remains steadfast in funding projects that foster culture, arts, sports, local development, and women's empowerment. We actively collaborate with all stakeholders to maximize the social impact of these endeavors.

InnovationTogether Open Innovation Platform, Abant Outdoor Teamwork

EMPLOYEE WELL-BEING

Our top priority is the safety and health of our workforce. We are dedicated to promoting awareness among our employees regarding their well-being and supporting them in adopting healthier lifestyles. Our ongoing collaboration with our healthcare team is centered on accident prevention and enhancing the overall quality of life. Across all our activities, we ensure a safe and healthy working environment for our employees, contractors, and stakeholders.

Diet Menus, Get Fit Contest, Health Seminars, Smoking Cessation Seminar, Table Tennis Tournament, Special Discounts and Agreements for Employees

SUSTAINABILITY TARGETS

TARGET AREA	TARGET YEAR	GOALS
Sustainability Management	2030	Reaching 90% of Impact/Risk assessment operations
	2030	Increasing the percentage of employees who take voluntary initiatives during the year to %25
	2030	Increasing the rate of investment in culture, arts and women's empowerment projects to 10%
Human Resources	2030	10% increase in in-house long-term intern rate
	2030	Career mentoring support 10% increase
	2030	Reaching 100 people by providing young people with the opportunity to express and show themselves on open innovation platforms
Environment	2030	Keeping net CO ₂ emissions below the limit value
	2030	Increasing our electricity production from 11% to 25% with SPP investment
	2030	15% reduction in the amount of non-recyclable waste



RISK MANAGEMENT

As Nuro Teknoloji, we identify our risks and opportunities through effective project and risk management and take actions to minimize our risks and make the most efficient use of our opportunities within the scope of our definitions. With the aim of reducing our environmental impact as much as possible, we prepare annual Risk Assessment Reports and carry out risk management activities in this direction.

Within the scope of the activities we carried out under the guidance of our senior management staff, the risks in the high, medium and low risk groups were determined and the necessary definitions were put forward. Within the scope of our work focusing on risk reduction, we adopt a proactive approach, anticipate risks and take steps to eliminate them before they arise. We carefully examine our processes, which we monitor through Risk Assessment Reports, and act with the principle of continuous improvement, taking into account environmental, social and governance parameters. With this perspective, improvements were made for quality and production processes in 2022, process risk analyzes were created and detailed and project-based FMEAs were put into use.

CORPORATE MEMBERSHIPS

LIST OF ASSOCIATIONS, INITIATIVES AND MEMBERSHIPS	MEMBERSHIP OVERVIEW	MEMBERSHIP-RELATED ACTIVITIES
İVD - Internet Tax Office	Membership due to taxpayer status	Notification inquiries, obtaining tax debt and payment information, tax refund transactions, tax office correspondence, and petition procedures, as well as declaration processes
TürkStat - Turkish Statistical Institute	As a producer and exporter, we are included in the surveys conducted by TurkStat.	Monthly/Annual Industrial Production Surveys, Short-Term Debt Survey
CBRT Systemic Risk Data Tracking System (SRVTS) - Monthly Data Form	Our company has a membership for CBRT SRVTS due to its USD 15 million or more Foreign Currency Loan balance.	During monthly accounting periods, assets, liabilities, purchase and sale information, and fixed assets are reported by accessing the Reporting section until the last day of the following month.
Defense and Aerospace Industry Manufacturers Association (SASAD)	SASAD aims to contribute to the development of an internationally competitive industry, minimize Turkey's foreign dependency in defense and security, promote coordination between supply organizations and sector authorities, and initiate projects in areas such as human resources, entrepreneurship, R&D, and innovation within the Defense and Aerospace sectors.	We closely follow the organization's activities, and our memberships in the relevant communication networks provide us with access to current news and updates.
Defense and Aerospace Industry Exporters' Association (SSI)	The Defense and Aerospace Industry Exporters' Association (SSI) strives to integrate the Defense and Aerospace Industry, which plays a vital role in the national economy due to its high added value, significant R&D investments, and employment contributions, into the global market while enhancing its competitiveness.	We closely follow the organization's activities, and our memberships in the relevant communication networks provide us with access to current news and updates.
Türkiye Exporters Assembly (TIM)	Türkiye Exporters Assembly (TIM) was founded with the mission of steering Türkiye's foreign trade, shaping export policies, fostering market diversification, and enhancing the competitive edge of exporters on the global stage. TIM actively engages in initiatives aimed at eliminating barriers in industry, production, and exports, fostering a continuous dialogue between the public sector and exporters to facilitate smooth operations in these areas	We closely follow the organization's activities, and our memberships in the relevant communication networks provide us with access to current news and updates.
MESS	The Turkish Employers' Association of Metal Industries (MESS) operates nationwide, uniting employers in the metal industry to protect and enhance their economic and social rights while complying with the law. MESS fosters mutual support among its members, advocates for the establishment of equitable wage structures and improved working conditions within the sector and works towards the industry's more efficient and harmonious operation. Additionally, MESS engages in activities aimed at bolstering the national economy, ensuring the ongoing welfare and social security of workers, and facilitating the negotiation of collective labor agreements to promote labor stability.	We closely follow the organization's initiatives, utilizing our memberships in relevant communication networks to stay abreast of the latest updates. Engaging in the organization's training programs not only enhances our knowledge but also fosters network expansion. Additionally, our participation in union events and programs contributes to our access to valuable best practices.

CORPORATE MEMBERSHIPS

LIST OF ASSOCIATIONS, INITIATIVES AND MEMBERSHIPS	MEMBERSHIP OVERVIEW	MEMBERSHIP-RELATED ACTIVITIES
<p>Turkish Quality Association (KALDER)</p>	<p>The Turkish Quality Association (KalDer) strives to promote the contemporary quality philosophy, foster quality awareness, drive excellence in work, enhance our country's competitiveness in global markets, and offer technical support and coordination to the industrial and service sectors in pursuit of these objectives.</p>	<p>We closely follow the organization's initiatives, utilizing our memberships in relevant communication networks to stay abreast of the latest updates. Additionally, we engage in events and programs organized by the organization, taking advantage of discounted and beneficial training opportunities.</p>
<p>Ankara Chamber of Commerce (ATO)</p>	<p>The Ankara Chamber of Commerce (ATO) serves as the governing body responsible for organizing and documenting the commercial activities of both legal entities and individuals operating in Ankara while maintaining the official records for these businesses. The organization actively identifies and addresses challenges hindering the growth of the business world, taking proactive steps to eliminate them.</p>	<p>We closely follow the organization's activities, and our memberships in the relevant communication networks provide us with access to current news and updates.</p>
<p>Ankara Chamber of Industry (ASO)</p>	<p>The Ankara Chamber of Industry (ASO) aims to foster environmentally sustainable high-value generation, enhance productivity, and boost the competitiveness of Ankara's industry. Furthermore, it plays a pioneering role in guiding the economic, technological, social, and cultural development of the country.</p>	<p>We closely follow the organization's activities, and our memberships in the relevant communication networks provide us with access to current news and updates.</p>
<p>The Union of Chambers and Commodity Exchanges of Türkiye (TOBB)</p>	<p>The Union of Chambers and Commodity Exchanges of Türkiye (TOBB) is a legally constituted, publicly institutionalized professional organization with the overarching goal of fostering unity and solidarity among chambers and commodity exchanges. TOBB is dedicated to promoting the growth of trade and industry in alignment with the broader public interest, facilitating the professional activities of its members, and upholding professional ethics to instill honesty and trust in the interactions among members and the public.</p>	<p>We closely follow the organization's activities, and our memberships in the relevant communication networks provide us with access to current news and updates.</p>
<p>Corporate Governance Association of Türkiye (TKYD)</p>	<p>The Corporate Governance Association of Türkiye (TKYD) is dedicated to its mission of identifying, enhancing, and implementing the most effective corporate governance practices within Türkiye. It strives to improve corporate governance by fostering a robust communication network that connects the private sector, public institutions, media, regulatory bodies, non-governmental organizations, and the academic community.</p>	<p>We closely follow the organization's activities, and our memberships in the relevant communication networks provide us with access to current news and updates.</p>

CORPORATE GOVERNANCE CERTIFICATES

STANDARDS, CERTIFICATES AND DOCUMENTS

ISO 9001:2018 Quality Management System (IAS)

ISO 9001:2018 Quality Management System (TÜRKAK)

ISO 14001:2015 Environmental Management System

ISO 45001:2018 Occupational Health and Safety Management System

ISO 17025:2017 Competence for Experiment and Calibration Laboratories (ERGAZİ)

ISO 17025:2017 Competence for Experiment and Calibration Laboratories (GÖLBAŞI)

AS 9100: REVD Aerospace Quality Management System

ISO 27001:2017 Information Security Management System

Gölbaşı Facility Security Certificate

Gölbaşı NATO Secret Facility Security Document

Kahramankazan NATO Gizli Tesis Güvenlik Belgesi

Gölbaşı Production Permit

Kahramankazan Facility Security Certificate

Kahramankazan NATO Secret Facility Security Document



Hava Araçları Koruma
Aircraft Protection



ENVIRONMENTAL AWARENESS

As a technology company, Nurool Teknoloji, with its cradle-to-grave approach, starts to address the environmental impact of its products from the raw material acquisition and design stage, and evaluates the disposal and end-of-use impacts. As a result of the adoption of the sustainable business model by our entire organization, we consider our production processes and the lifetime impact of our products with a continuous improvement perspective. We adopt the most modern and advanced approaches in energy, water and waste management in parallel with our environmental practices that we manage with the ISO 14001:2015 environmental quality management system. At this point, we turn our environmental awareness and sustainability perspective into corporate culture, and aim to increase environmental awareness by increasing the hours of environmental training.

Working in coordination with environmental experts, national and international requirements and standards that are binding in the industrial field are closely followed by our senior management and environmental unit. With an environmental management approach compatible with current and international developments, we provide environmental impact assessment (EIA), environmental training, environmental plan, environmental management systems (ISO 4001, etc.), environmental training and information programs, remote sensing and ECIS, and monitoring of environmental activities.

Trainings (employee x hour)	Total Trainings (employee x hour)		
	2020	2021	2022
Training Hours per Employee	2,5	2,5	2,5
Total Trainings	647,5	425	460

ENERGY MANAGEMENT

Nurol Teknoloji mainly operates in the field of defense technologies, but also works in the field of technology and project development in the field of renewable energy. Nurol Teknoloji plays a role in promoting the use of renewable energy and prioritizes the advantages of renewable energy in its own energy and emission management. Along with the use of renewable energy, energy efficiency and saving innovation practices constitute the main line of our efforts to reduce energy consumption and emission intensity. In line with the actions determined by the CFT working groups, energy management practices, which are shaped by reducing quality wastages and increasing machine efficiency, are being expanded throughout our enterprise.

As a result of the improvements and energy management actions, we aim to reduce unit energy consumption on a product basis, and we detail our actions to reduce energy density. These projects and actions constitute the

cornerstones of our strategy for transitioning to a low carbon economy.

In order to carry out transparent and highly accurate assessments and to fulfill its responsibilities to official institutions, Nurol Teknoloji monitors its electricity and natural gas consumption monthly, and these values are shared with the Provincial Directorate of Environment at certain periods. In addition, in the context of emission management, flue gas emission measurements are carried out at certain periods in order to control and measure emissions.

In order to reduce energy consumption, energy saving and efficiency practices are handled with a continuous improvement approach and the results are followed closely. We consider the actions taken and improvements to reduce energy consumption as a part of our business

model, and we regard the project outputs as our common success as an institution. Necessary filtering and furnace combustion systems are used for emission control and efforts are underway to reduce the share of fossil fuels, which are considered as "transition fuels" in the consumption profile.

GOOD PRACTICES IN 2022

By renewing the insulation of the furnaces used in the process, heat leaks were prevented and electrical energy consumption was reduced (Batch2).

Time analysis was performed on all production lines and non-value-added jobs were analyzed and eliminated for each process in line with the results of the analysis.

In order to reduce carbon emissions in Gölbaşı campus, a solar power plant with an installed power of approximately 1 MWp was commissioned.

Nurol Teknoloji	2020	2021	2022
In-house Energy Consumption (GJ)			
Fuel			
Natural Gas	14.803,95	13.630	20.581,62
Diesel	2.114,30	1.897,68	2.957,88
Electricity			
Electricity from the Grid	27.728,32	25.416	38.111,95
Total Energy Consumption	44.646,6	40.944	61.651,45

WATER MANAGEMENT

Drought as a chronic risk caused by climate change and irregularity in precipitation increase the value of water as a natural resource day by day. Increasing temperatures and water consumption lead to increased stress on systems such as watersheds and groundwater resources. At the same time, excessive precipitation and long-term drought periods bring the importance of water management to the fore more and more every day. Therefore, we take care to take measures to protect the amount of water in the basins through practices such as reducing water consumption and water recycling. In 2022, within the framework of the investments realized in 2022, wastewater treatment plant investments were made for domestic wastewater and the limit values in the legal requirements were met.

Nurol Teknoloji	2020	2021	2022
Amount of Water Used			
Well Water (m ³)	19.547	23.336	26.350
Municipal Water (m ³)	12.000	16.500	20.180
Total Amount of Water Used (m³)	31.547	39.836	46.530
Annual Wastewater Amount by Discharge Method			
Receiving Environment (m ³)	0	0	0
Wastewater Channel (m ³)	25.376	31.470	46.530
Recovered Water (m ³)		0	0
Total Amount of Discharged Water (m³)	25.376	31.470	46.530

WASTE MANAGEMENT

Waste management stands out as a subject where we evaluate our products from the raw material stage to the disposal point at the end of their life cycle with a holistic perspective throughout our production processes. While increasing the share of inputs with low environmental impact and high recycled material content, we evaluate the design of the final product that is suitable for recycling at the point of disposal and can be included back into the circular economy.

Thus, we aim to both reduce the consumption of natural resources and prevent the linear increase in waste generation. We keep track of the waste generated as a result of industrial processes on a category basis, examine the dynamics of increase and decrease, and determine actions to reduce the waste generated according to the actual production amount.

All of our hazardous and non-hazardous wastes are disposed of in accordance with the legal regulations, and the wastes are collected in the temporary waste storage area in accordance with the industrial waste management plan notified to the official authorities. Hazardous and non-hazardous wastes stored by licensed waste disposal companies are disposed of in accordance with the legislation. In addition, the necessary intervention methods in cases such as spills and leaks have been defined, and the necessary trainings have been given to the personnel who are responsible for the subject in order to gain competence.

Nurol Teknoloji	2021	2022
Quantities of Hazardous Waste (kg)		
Hazardous Waste	19.589	4.730
Medical Waste	3	0
Herbal Waste	-	0
Amount of Contaminated Packaging	1.426	3.430
Protective Clothing	-	6.055
Oil Filters	-	1.200
Hazardous Parts and Process Waste	-	0
Potentially Infectious Waste	-	0
Liquid and Solid Fats/Oils	-	0
Total Quantity of Hazardous Waste	21.018	15.415
Quantities of Non-hazardous Waste (kg)		
Scrap Waste		
Domestic Waste	207.870	30.491
Plastic Waste	6.180	1.425
Iron and Steel	-	
Mixed Metals	3.698	61.911,15
Packaging Waste (Paper - Cardboard)	55.390	129.210
Cables	-	
Composite Packaging	104.904	
Total Quantity of Non-hazardous Waste	266.958	223.037

OCCUPATIONAL HEALTH AND SAFETY PRINCIPLES

As NuroL Teknoloji, we exhibit an approach that prioritizes people in all of our fields of activity. While we focus on providing a healthy and safe working environment to our employees, we work towards the adoption and effective operation of occupational health and safety principles at all levels. With the risk analyses we conduct, we examine parameters such as the areas of use, frequency of use, people who use them and their possible effects on the environment of all machinery and equipment in our company and determine the elements that pose a risk as a result of the evaluations. While taking the necessary measures to minimize risks, we take care of the safety and comfort of our employees with an attitude that goes beyond legal obligations, and we organize our working environment with this awareness.

In order to raise awareness of occupational health and safety in our company, OHS trainings are offered to our employees on a regular basis. The trainings provided are supported by one-stop trainings and on-the-job talks, and OHS processes are carried out under the leadership of the senior management. OHS progress is followed through monthly meetings and obligations fulfilled within the scope of ISO 45001:2018 standard are evaluated. As NuroL Teknoloji, our mission is to create a sustainable occupational health and safety environment and to strengthen awareness on OHS issues.

OCCUPATIONAL HEALTH AND SAFETY ACTIVITIES

- We follow up on Suggestion, Near Miss and Danger notifications via the QDMS system.
- With the effective notification tracking system, we take quick action in case of near misses and prevent accidents that may arise from dangerous situations.
- With periodic health checks, we conduct general health screenings of our employees and prevent the emergence of possible occupational diseases.

Annual Number of Accidents: **31**
Total Accident Frequency: **44,32**
Total Accident Severity Rate: **0,24**
Total Working Hours: **699.502**



OHS TRAININGS	Total Training (employee x hours)			Training Per Employee (hours/employee)		
	2020	2021	2022	2020	2021	2022
OHS TRAININGS	5180	5688	1548	20	18	20

VALUE CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

Within the scope of our supplier chain management practices, in 2022;

- Supplier visits and inspections were carried out.
- The terms of deferred payment were introduced with companies working with cash payments and payment conditions were improved.
- Alternative supplier studies were carried out.
- Studies were carried out on the basis of different materials with the same supplier.
- The supplier scorecard system was started. With this scorecard system, the quality performance, delivery performance, payment and pricing performance of the suppliers began to be measured on a monthly basis. After the measurements, scoring was made and suppliers were classified within the scoring. Feedback on improvement points started to be given to suppliers that fell below a certain point in the scoring.

CUSTOMER RELATIONS

- Efforts were made to better understand the needs by increasing customer communication. Progress was made with the aim of determining customer needs in the most accurate way and offering the most appropriate solution for this need by creating project-based "Question Sets".
- By creating a customer-based Account Management system, we work in accordance with the direct contact person system for each account.
- Customer complaints are transferred to Nurol Teknoloji without delay and the evaluations made through the nonconformity form are transferred to the Regulatory Activity Reports. Within the scope of the report, root cause analyzes are carried out, progress is monitored with KPI's, and the process is managed with the aim of making the fastest response.
- Customer Satisfaction Surveys are sent to the customer and user side after the completion of each project, and the feedbacks are collected and reported. At the end of the project, customer feedback and internal processes are evaluated by Nurol Teknoloji teams, and the Lessons Learned process is carried out.
- Compliance with customer contracts, shipment of products that meet the technical criteria and compliance with the contract schedule are among our most important goals. The processes towards this goal are followed through my High Performance System.



DIGITAL TRANSFORMATION

R&D

The "Focused InoSuit Program" within the scope of the University-Industry Cooperation, which we joined in March 2021 to increase sustainable innovation management competence in our business, to create and strengthen the innovation infrastructure and to achieve our goals, was successfully completed.

2022 Patent/Utility Model

Number of Applications: 9
Number of Registrations: 5

Industrial Design in 2022

Number of Applications: 3
Number of Registrations: 3

Trademark in 2022

Number of Applications: 11
Number of Registrations: 3

In the context of R&D in 2022

Number of initiated and ongoing projects: 33
Number of completed projects: 3

R&D ACTIVITIES

ONGOING PROJECTS

- LARIMART GP 2021 (NIJ Sv4, ICW, S, M, L Breastplate) Project
- In line with the demands of Larimat, a company of Italian origin, ICW chest plates in different sizes have been developed in NIJ0101.06 Sv4 standard, and mass production of configurations that have successfully passed internal qualification and customer tests has started and batch shipments are continuing.
- TÜBİTAK TEYDEB 1501 - STANAG 4569 Level 5 Armor Development Project: Within the scope of Stanag 4569 Level 5 Armor Solution Development project TÜBİTAK 1501 program; 2020-2, 2021-1 and 2021-2 work packages of the TÜBİTAK Project, which aims to design add-on armor that provides NATO STANAG Level V protection against 25 x 137 mm APDS-T ammunition, were completed and the results were reported to TÜBİTAK. Armor with an areal weight of 138 kg/m² against a 30 degree firing angle was successfully produced and tested. A new configuration is designed against a 45-degree shooting angle and the sample is produced. The configuration was successful in the first test using the analysis and simulation capabilities of NT.
- TAI Gökbey Seat Armoring, Atak 2 Cockpit and Seat Armoring Projects: Design and solution studies are carried out in accordance with customer requirements for Atak 2 and Gökbey helicopter platforms.





- ASFAT Milgem Project: For the ASFAT Pakistan MilGem Project, a stand-alone solution is being studied against armor-piercing and combustible munitions. Armor panels will be produced with the solution whose tests are successful.
- FNSS OMAN P2 Project: Within the scope of the project, armor panels with the desired level of protection are being developed. In addition to armor-piercing munitions, ballistic tests are carried out against other threats. With successful solution configuration, 1 vehicle prototype will be produced.
- FNSS PARS 4 Project: Within the scope of the project, armor panels with the desired protection level are being developed. In addition to armor-piercing munitions, ballistic tests are carried out against other threats. With successful solution configuration, 1 vehicle prototype will be produced.
- FNSS ACV MOD. Project: Within the scope of the project, studies were carried out to develop ceramic composite armor for the protection level and weight class required by the customer. The mass production of armor plates continues to be transferred to the series and mounted on ZMAMOD vehicles.
- FNSS ÖMTTZA Project: Within the scope of the project, studies were carried out to develop ceramic composite armor for the protection level and weight class required by the customer. The mass production of armor plates continues to be transferred to the series and mounted on ÖMTTZA vehicles.
- NM Yoruk Project: Efforts were made to develop ceramic composite armor for the Nurool Makina YÖRÜK vehicle, for the protection level and weight class required by the customer. The project has been transferred to series and the serial production of armor plates to be mounted on YÖRÜK vehicles continues.
- HIT Chest Plate Project: Within the scope of the tender to be issued by Pakistan HIT company, a tile geometry chest plate design was made. Internal qualification tests have been successfully completed. Sample produced test results for customer qualifications are awaiting.
- Lightweight Shield Project: The solution used in the structure of ballistic protective shields and the lightweighting provided in the project within the scope of reducing and improving the design weight will provide our company with a competitive advantage. Internal qualification tests are ongoing.
- Roketsan Tungsten Heavy Alloys (WHA) Project: Within the scope of the project, recipe and process optimization studies are carried out for the production of materials in cube and ball geometry.
- SiC Improvement Projects: Within the scope of SiC improvement studies, granulation recipe and production method optimizations are carried out to improve the cold press efficiency of ready-to-press silicon carbide ready-to-press powder and the internal structure of the end product ceramic. Studies continue with graphene, B4C doping and optimization of water ratio.
- RB SiC Ceramics Development Project: Within the scope of the project, studies continue with the aim of developing a lightweight and cost-effective personnel armor solution resistant to multiple shots against 7.62X63 M2AP hardened steel-tipped kinetic energy ammunition in accordance with NIJ 010106 Level 4 standard. The currently developed prototypes show high success in ballistic tests.

- Personnel Armor Solution Development Project for Threat Level IV+ : Within the scope of the project, ceramic and solution development studies are carried out. Within the scope of the project, the liquid phase could be formed with the recipe developed for the liquid phase sintering method to improve sintering for SiC ceramics. Studies will continue with the optimization of sintering parameters.
- TiB2-SiC Development Project: Within the scope of the project, recipe studies were carried out for TiB2-SiC ceramics and the first prototypes that improved mechanical behavior were produced. In this system, it is planned to continue with the optimization of doping amount and particle size.
- Spray Dryer Project: Within the scope of the project, activities are carried out to learn Spray Dryer technology and to acquire it for the company. In this context, a joint project was initiated with Sabanci University's SU'NUM. The project continues with studies on the production of SiC powder to be used in mass production using a spray dryer.
- RB-B4C Improvement Project: Under the project, within the scope of RB B4C improvement and recipe optimization studies, powder mixtures prepared in mass production, raw material and granule particle size optimization are continuing to improve the RB process and increase efficiency.
- Alumina Performance Enhancement Project: Alumina performance enhancement studies are carried out within the scope of the project. Layered ceramics were produced within the scope of the Multilayer Al2O3 project. In the following stages, these studies will be continued with mechanical and ballistic tests. It is planned to turn the studies into a scientific publication.
- Alumina Powder Development Project: The development of ready-to-print alumina powder that will provide cost and competitive advantage is important in terms of creating a know-how in this field within the company. The first tests of the ready-to-print powder recipe (RTP) developed with the purchased raw alumina powder yielded successful results. As a result of these results, it is planned to carry out ballistic tests of the recipe created.
- RTP Alumina Powder Alternative Development Project: Validation studies are carried out for the products purchased from different powder suppliers as an alternative to the currently used RTP alumina powder. In this context, ceramics produced with the raw material of another supplier can be considered as alternative alumina if the ballistic tests are positive. Verification studies of other suppliers' products are ongoing.
- Wear Plates Product Development Project: Within the scope of the project, wear panels were produced using alumina ceramics in different geometries. Prototype productions were sent to our working partners for field tests. Studies continue with ceramic geometry, placement and bonding matrix material trials in order to respond to different product demands.
- Transparent Armor Project: Within the scope of the project, studies on the development of armor ceramics that transmit visible light are ongoing. In this context, experiments were carried out using spinel $MgAl_2O_4$ powder with LiF additive using hot press method. Trials were stopped due to a press failure. Trials will continue after the failure is fixed. As an alternative, research on sapphire, another alumina-based material, is ongoing.



- **Anti-Vulnerability Advanced Geometry Design Project for Ballistic Ceramics:** Tile studies with exotic geometry are carried out to increase ballistic performance for platform projects. Development studies, testing and qualification studies are continuing for the interlocking hexagonal tile structure developed within the scope of the project. In addition, patent application preparations are carried out in parallel with the project activities.
- **Project of Giving Input to Design with LS-DYNA:** The analysis and simulation models provide inputs to the design teams for Level 3, Level 4 and Level 5 projects from the active Platform projects and Larimart from the personnel protection projects. These inputs include ceramic geometry, composite structure and damage mechanisms between ballistic materials and munitions.
- **HPC installation Activities:** As part of the Computational Terminal Ballistic Mechanics project with the Sabancı SU'NUM institute, a High Performance Computing Cluster (HPC) with 128 cores has been installed at the SU'NUM campus to run for the duration of the project.
- **Material Tests:** Apparatuses for testing composite materials such as UHMWPE, Carbon Fiber and E-Glass were designed and manufactured for the traction device in the Analysis Lab. The data obtained from the tests performed with these apparatuses will be reflected in the analysis and simulations as well as in the input quality standards.
- **Conducted Consultancy:** The consultancy, which was started with Murat Büyük in 2021, was designed with this institute after the consultant teacher joined Sabancı SU'NUM. The project, which will last for 1 year, aims to develop analysis and simulation capabilities and advanced ballistic protection designs.
- **Design Development with Computational Collision Mechanics and Ballistic Material Characterization:** The materials used in ballistic designs will be characterized with tensile, bending and compression test data performed in Split-Hopkinson Bar setup and at low speeds. After finding computational material model parameters with reverse analysis, ballistic events will be simulated with Explicit numerical analysis tools. Standard tests will be created for the verification of the simulations. Simulations that pass standard tests will be used for the development and validation of designs. Materials used in ballistic designs will be subjected to tensile and compression tests at low and high strain rates. With the Digital Image Correlation system, the deformation data of the samples will be recorded and the model parameters of the materials will be created by reverse analysis. The optimum ceramic geometry will be reached by running the models iteratively in topology and design optimization.
- **Adhesive Performance Characterization:** Conducting test activities to categorize ballistic adhesives and evaluate their performance. Supporting test results with ballistic tests. Adhesive characterization and comparison of adhesive performances. Alternative adhesive research, evaluation of domestic adhesives.
- **Material Characterization with Split Hopkinson Pressure Bar:** Dynamic material characterization of all ceramics produced by NT or that can be produced as prototypes, as well as all materials included in ballistic protection designs (UHMWPE, armor steel, etc.) will be performed at high strain rates, and the material data obtained will be used in LS-DYNA simulations. In this way, it will be possible to obtain very fast, experimental perspective and highly reliable analysis outputs.

- **Composite Ceiling Armoring Studies:** Analysis, simulation and ballistic tests of the behavior of munitions in contact with armor at different angles of impact. Controlling the movements of ammunition in the armor by using different ceramic geometries. Lightweight armor solutions that could not be achieved before for different ammunition contact angles.
- **SiC Single Crystal (SiC Semiconductor):** Conducting literature, feasibility and market research activities for single crystal production.



COMPLETED PROJECTS

- **FNSS STA Project:** Solution studies continue within the scope of the STA project. A new packaging design approach is under study for ballistic vulnerable edge and assembly areas. The project plans to use computational methods to complement the ballistic design.
- **Fast Camera and Lighting System Project:** Within the scope of the project, 3 lighting systems were procured to increase the capacity of the Ballistic Laboratory Rapid Camera system. With this system, the output velocity of the ammunition is measured in the ballistic laboratory and reflected on the samples as a success metric.
- **Category C offset (X-ray) Project:** The construction and tests of the device developed within the scope of the project were completed in the company. The process has been extended due to the missing calibration software from the part manufacturer in the subsystems of the device. After the software problem was fixed, the algorithm configuration was done again. After the device completes the full system tests at the manufacturer, its installation in NuroL Teknoloji will be carried out and acceptance tests will be started.
- **FNSS AV8 AHRV Project:** For the AV8 AHRV vehicle, the solution of armor panels with the desired environmental resistance and ballistic protection level has been optimized. All armor panels were sent to FNSS to complete on-vehicle integration.
- **FNSS MAV Project:** Armor solutions that meet the requirements of the MAV vehicle gun turret have been developed and their qualifications have been completed before the SSB.
- **MilGem-5 and Ukraine MilGem Project:** Within the scope of the MilGem project, armor designs are targeted for technical requirements based on ballistic standards including customer requirements. Within the scope of the project, a standalone solution was provided. Armor panels were produced and shipped to be integrated into the platform.
- **HIT Protector Project:** In line with the order received from the Pakistani HIT company, solution design cheapening activities were carried out and qualification tests were successfully completed. The shipment has been made to the customer.
- **EGM Shield Project:** Solution and final product designs of 1400 shield projects, which were put out to tender by the General Directorate of Security, were made and subjected to qualification tests. The prototype product, which passed the tests successfully, was mass-produced and successfully delivered to the customer.
- **BSST Shield Project:** A shield prototype was produced in VPAM standards for the German company BSST. The product, which was subjected to qualification tests by the customer in Germany, passed the tests successfully, and its order was received in 2022.
- **Lubawa Tier K4 (one shot) Project:** A B4C ceramic breastplate design was made for the Polish Lubawa customer, and the product, which passed the qualification tests successfully, was delivered to the customer by mass production.
- **TÜBİTAK TEYDEB 1501 - Graphene Doped SiC Project:** Within the scope of the project, a TÜBİTAK project titled "Development of new generation SiC armor ceramics with improved mechanical and ballistic properties with graphene/graphene oxide additives" is being carried out.. Project duration is 24 months. The 18-month period was completed in 2021.
- **Navy GP:** In line with the requirements of the SSB, R&D activities were carried out for the breast plate and side plate to be given to the Turkish Naval Forces Command, and the product, which successfully passed the internal qualification tests and customer tests, was shipped in 2022.
- **Ceramic Crack Filling Project with SU'NUM Partner:** In cooperation with Sabancı University SU'NUM, development studies have been concluded to fill cracks in ceramics and improve them with a consistent and sustainable method that will not cause performance weakness. As a result of the study, it was possible to prevent the performance weakness of the cracks in the B4C chest plates filled with the filling material. Studies continue to adapt the application to mass production easily and quickly.
- **Computational Mechanics Infrastructure:** In the Q2 period of 2021, software and hardware were supplied and training activities were carried out to obtain computational mechanics-based simulations of ballistic events. LS-Dyna 8-core, ANSYS Workbench licenses and 10-core Workstation installation have been completed, and simulations have begun to be produced.

DIGITALIZATION

In 2022, studies were carried out on both the corporate applications used and the processes and equipment used in the production line for digitalization.

Close monitoring of the production line and detection of possible problems are very critical for the operation being carried out. For this reason, sensors were placed in some critical equipment (especially in presses and kilns) in the ceramic production line and the performance of these equipment was monitored instantaneously and studies were started to detect a possible anomaly with machine learning algorithms and the first positive results were observed. In this way, it is aimed to reduce the costs of poor quality through early warning mechanisms and performance monitoring. At the same time, studies were carried out to take measures to minimize human error by connecting the manual error-prone processes within the production line to automation applications. (For example, automating material weighing processes)

DIGITALIZATION ACTIVITIES

M-Files Enhancements: On the M-Files side; Visitor tracking, document transfer and PTF process were started to be used. Improvements to the travel advance, invoicing process and the use of in-house tools are ongoing.

SAP Enhancements:

- Developments for QM (Quality Management), one of the modules in SAP,
- The scrap decision process,
- Development on the DMR screen,
- Catalog development,
- Quality improvement on Fiori (Ceramic),

- Activating an approval mechanism for customer notifications in the DF process,
- DMR information and analysis screen development,
- Creating an analysis report by associating the documents added to the material on the quality result entry screen with SAS data and developing the DF request screen is ongoing.

MM (Material Management) Enhancements

- Adding stock movement of contracted products in MIGO,
- Developing the SAS bidding process,
- Making improvements to the ME2L screen,
- Developing the purchase request rejection screen,
- Creating the analysis screen of the SKT information in the material master data,
- Creating user-based follow-up report of changes made in material master data
- The development of the items in the purchase order output to bring the most up-to-date document information continues.

PP (Production Planning) Enhancements:

- Deleted and completed production orders do not appear on the ÜTS screen,
- Adding the tracking number field in the printouts received via ÜTS,

- Analysis report of operator movements on ÜTS,
- Analysis of the BOM modification number,
- Material BOM modification report,
- Production shift report,
- Analysis report improvements were made regarding the information relating to production requirements consumables information on the basis of production order.

PM (Maintenance-Repair) Enhancements:

- An analysis report on information relating to production requirements consumables was made in Maintenance and Repair orders.

FI-CO (Accounting and Finance) Enhancements:

- Control report of incoming e-archive invoices,
- Fixed asset depreciation report,
- Open item main account aggregate report,
- Starting the use of the MT940 process,
- F110 automatic payment transactions start,

- Improvements were made to check the e-mail requirement when adding a new login via BP screens.

EWM (Warehouse Management) Enhancements:

- Inquiry report of production orders made ready (transfer to production warehouse).

HUMAN RESOURCES PRACTICES

GENDER EQUALITY

The rate of women in our management staff has increased to **39%**.

TALENT ACQUISITION AND MANAGEMENT

- External mentoring program
- Realization of trainings focusing on the professional and technical development of employees at all levels
- Reading a book every month under the name of Bookworms
- Development program for young professionals
- Leadership development program for managers
- Realization of Bolu Abant teamwork
- Participating in the dance theater titled "Being from Ankara"
- Organizing dessert feast as part of lunch
- Implementation of special salad menus as part of lunch
- Holding the management meeting in Antalya

EMPLOYEE SATISFACTION

- Conducting an Employee Satisfaction Survey, conducting a workshop on its results and creating an action plan
- Organizing the New Year's Organization
- Organizing a watercolor activity within the scope of women's day
- Organizing birthday celebrations

Total Training Hours:
7239.99 hours
Training Hours Per Employee:
17.08 hours/employee

Number of Nurol Teknoloji Employees in 2022	Full Time		
	Male	Female	Total
	325	99	424

Number of Newly Recruited Employees at Nurol Teknoloji in 2022	Male			Female		
	<30 years of age	Aged 30-50	Aged over 50	<30 years of age	Aged 30-50	Aged over 50
	97	16	3	24	4	1

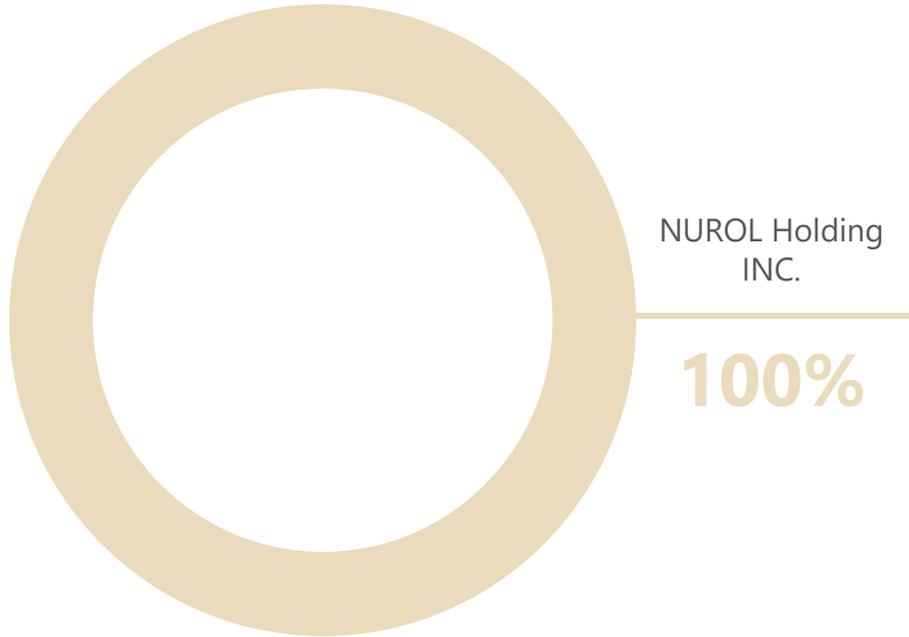


TÜMAD MINING

We are a company that continues its activities with sustainable mining criteria in line with Integrated Management Systems components and United Nations Equator Principles. With our efforts, we were awarded the “Best Project Finance Agreement of the Year Award” in the Natural Resources category at the Turkey Bonds & Loans Awards. With 217,000 ounces of gold we produced, TÜMAD ranked second among the companies producing in our country, realizing 22% of our country’s total production in our two plants.

ABOUT TÜMAD MINING

PARTNERSHIP STRUCTURE



KEY INDICATORS

AVERAGE NUMBER OF EMPLOYEES



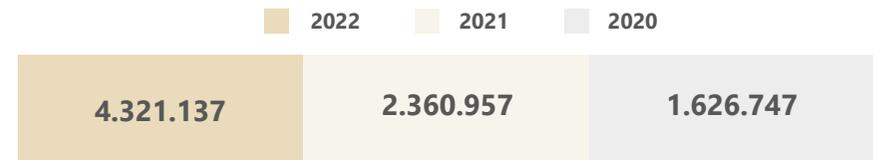
TOTAL ASSETS (Thousand TRY)



SALES REVENUE (Thousand TRY)



EBITDA (Thousand TRY)



ABOUT TÜMAD MINING

TÜMAD continues its activities with sustainable mining criteria in line with the requirements of the European Bank for Reconstruction and Development, Integrated Management Systems components and United Nations Equator Principles and with its operations in Çanakkale Lapseki and Balıkesir İvrindi Gold Mines, which are among the world's best examples in the sector with respect to the highest environmental, occupational health and safety and community relations practices available in the world, continuous improvement principles, monitoring methods, pollution prevention and control and resource efficiency, continues to provide sustainable value for employees, stakeholders and local communities while processing the underground riches of our country and bringing them into the economy.

TÜMAD Exploration Group carries out exploration activities in other sites in Turkey and abroad in order to realize large-scale mining projects that can be operated economically.

TÜMAD, which carries out its activities with the principle of continuous improvement in sustainable mining criteria, has maintained full compliance with the International Cyanide Management Code Certificate (ICMC), Information Security

Management System ISO 27001, Integrated Management Systems Components ISO 9001, ISO 14001, ISO 45001 standards in all processes. In addition to these standards, the process of adding the Social Accountability Standard SA8000, which is internationally recognized for protecting the social rights of employees, to the Management Systems started in 2022. With the SA8000 Certificate, TÜMAD will comply with world standards on issues such as the prevention of child labor, forced and compulsory labor, occupational health and safety, freedom of association, collective bargaining, discrimination, disciplinary practices, working hours, wages and management systems.

TÜMAD's short and long term goals include continuous improvement of the efficiency of the operations carried out in the mineral deposits, fully revealing the existing mineral deposits and their growth potential, being among the best examples in the world in terms of occupational health, safety and environmental incidents and accidents, becoming the preferred company for partnering in the sector, using the best applicable technologies in the sector, converting the fields into investments quickly, increasing international credibility and accessing financing under advantageous conditions, keeping the preparations up

to date in order to ensure that business continuity is not interrupted in the face of possible disasters or sudden macro developments in line with the realities of Turkey and the operating region, preparing projection plans including KPIs for five-year periods and annual monitoring of realizations and updating targets.

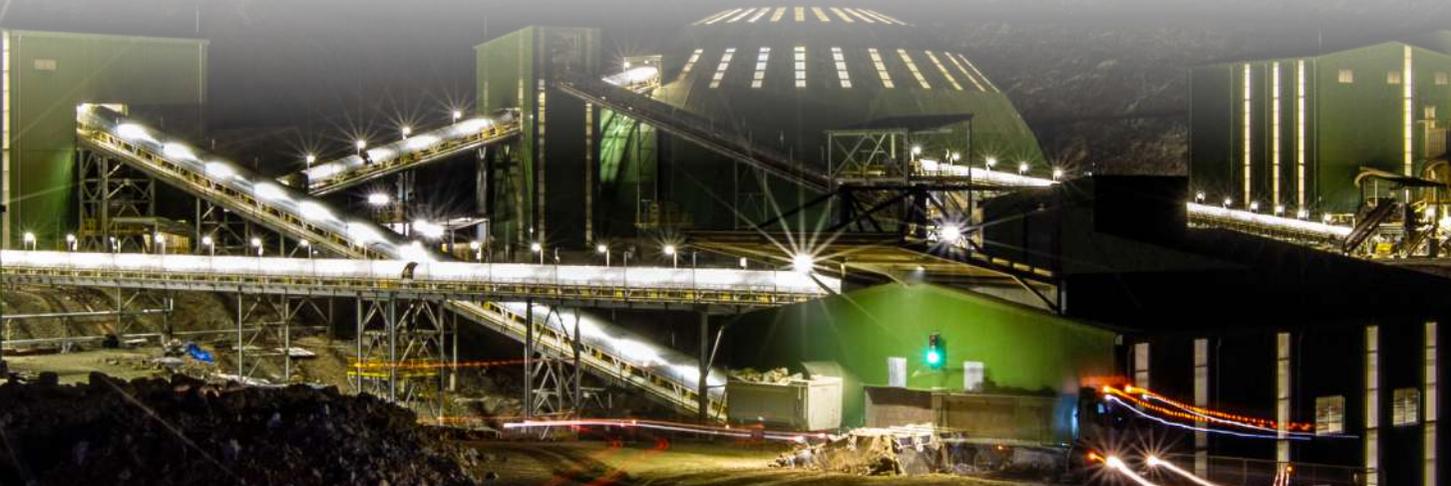
AWARDS AND ACHIEVEMENTS

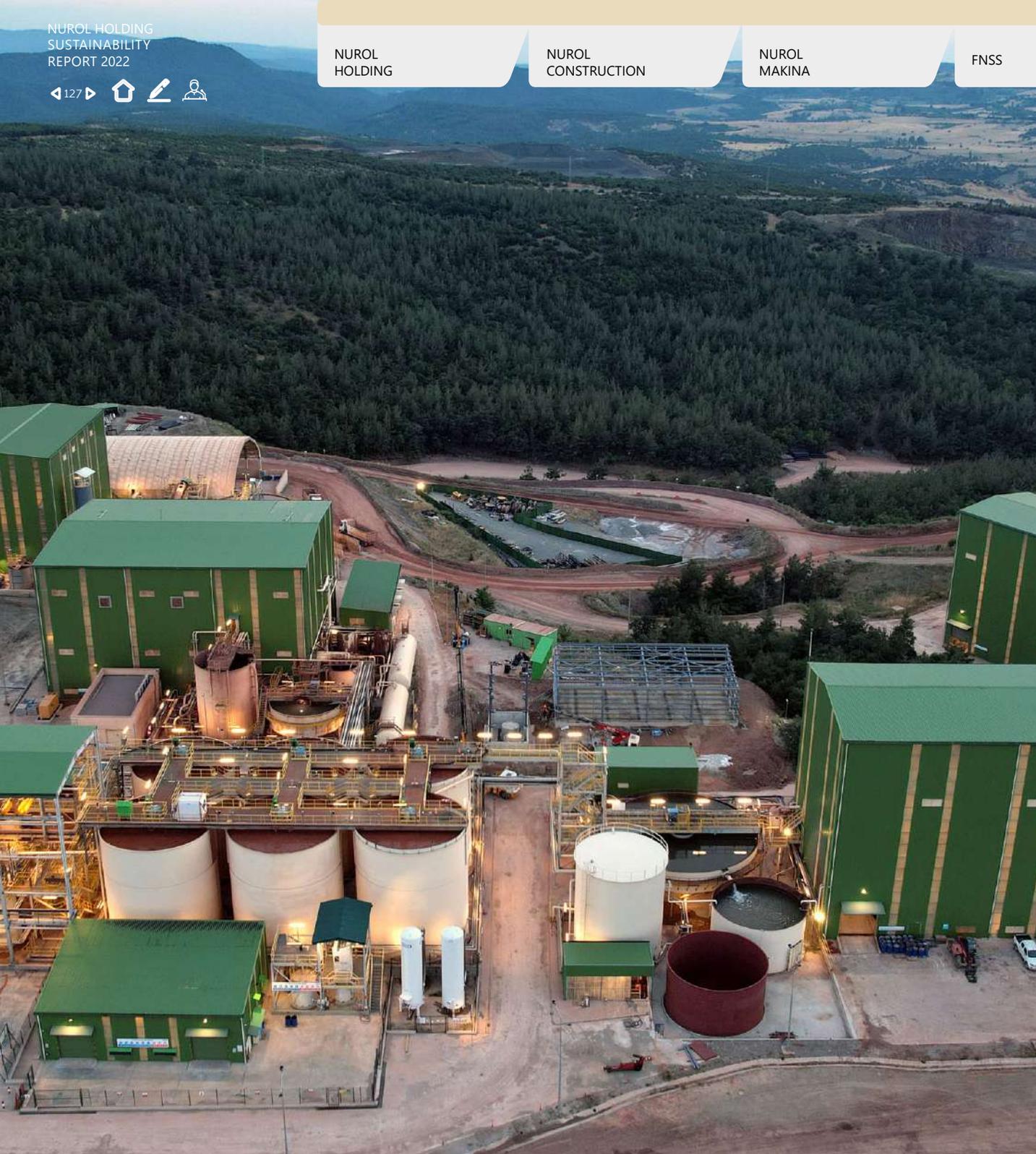
2018: At the Mining for People symposium organized by Istanbul Mineral Exporters, we were deemed worthy of the first prize as the Most Technological Mining Company in the Mining Sector Most Awards.

2019: We were deemed worthy of the "Best Project Finance Deal of the Year Award" in the Natural Resources category at the Turkey Bonds & Loans Awards.

2019: We were awarded the Service Incentive Award in the fields of mining and geosciences at the award ceremony organized by the Turkish Mining Development Foundation.

We were deemed worthy of the "Best Project Finance Deal of the Year Award" in the Natural Resources category at the 2021 Turkey Bonds & Loans Awards





LAPSEKİ GOLD MINE

The Lapseki Gold and Silver Mine, which started operations in 2017 and is considered to be the world's best example in terms of production and environmental technologies, produced 765 thousand tons of ore and 5 million tons of waste in 2022 from the Kestanelik, Karakovan, S, SBX open pits. In the underground operation, 265 thousand tons of high grade gold and silver ore was produced from 6 active production levels at a depth of 223 meters below surface level.

Approximately 950 thousand tons of high grade ore produced from open pit and underground mines was processed with 96% efficiency at the enrichment plant where the Tank Leaching method was applied, producing a total of 120,867 ounces of gold and 121,599 ounces of silver. A total of 416,867 ounces of gold and 255,441 ounces of silver metal were produced from the day of Lapseki Plant was commissioned until the end of 2022.



İVRİNDİ GOLD MINE

In the İvrindi Gold and Silver Mine, which started production in the third quarter of 2019, production is carried out from Kartaldere and Ballık open pits. In 2022, approximately 8.8 million tons of ore was produced and approximately 6.8 million tons of ore was fed to the 1200 tons/hour capacity plant and spread in the heap leaching area. In the enrichment facility, 94,922 ounces of gold and 286,761 ounces of silver metal were produced, with a yield of 68.5%. A total of 335,968 ounces of gold and 1,051,161 ounces of silver metal were produced and brought into the economy from the day the İvrindi Plant was commissioned until the end of 2022.

In the Stakeholder Engagement processes, social approval was taken into consideration and in line with the demand of the local people, the activity was completed in a 43 hectare section of the uneconomical rock storage area (the northern wasterock dump area), which was divided into two parts, and was urgently reintroduced to nature and opened to animal husbandry activities.

With the activities carried out in İvrindi and Lâpseki Gold and Silver Mines, it plays an important role in reducing the current account deficit as well as reducing foreign dependency by creating added value and employment. Approximately 750 thousand ounces of gold and 1.3 million ounces of silver metal were produced from the commissioning of both plants until the end of 2022.

With 217,000 ounces of gold produced in 2022, TÜMAD ranked second among the companies producing in our country and realized 22% of our country's total production in its two facilities.



SUSTAINABILITY

SUSTAINABILITY GOVERNANCE

As TÜMAD, we advance with an approach based on sustainability in all of our fields of activity, and we build our business model by keeping the respect to nature at the maximum level. While supporting this model with transparency and accountability, we measure our sustainability performance through planned and unplanned audits of our operations at monthly, quarterly and semi-annual intervals by local authorities, independent accredited organizations and third-party independent auditors. We identify improvement points regarding our environmental footprint within the scope of our audit outputs and produce solutions that will minimize our environmental impact. We regularly measure water, soil and air quality at our mining sites and implement mitigation measures based on the results. We carry out activities to reduce waste generation through resource efficiency practices, to separate waste at its source and recycle it, and to minimize the water footprint in facilities with the zero discharge principle. Similarly, we carry out afforestation and rehabilitation works in accordance with the natural habitat of the region in order to protect biodiversity after the completion of our operations in our operation area. In this context, we aim to prevent erosion and dust formation on open surfaces by using the wet seeding method.

As TÜMAD, we attach great importance to the adoption of environmentally friendly mining principles. While we strive to be a pioneer in our field with exemplary applications, we believe that this type of mining can only be made permanent by the appointment of our colleagues who are experts in their fields and with high awareness. In this direction, we signed a Vocational Education Cooperation Protocol between the Ministry of Energy and Natural Resources, the Ministry of National Education and Nurol Holding Inc. within the scope of public and private sector cooperation. In 2019, we completed the construction of Nurettin ÇARMIKLI Mining Vocational and Technical Anatolian

PRIORITIZATION MATRIX



High School and handed it over to the Ministry of National Education with the belief that the development in mining can be supported by the quality education offered to our youth. With our school, which was announced as the 51st R&D Center of our country and the first project funded in the field of mining in Europe, we have been a light to our young people who want to develop in the field of mining. Continuing our contribution to education, we completed the construction of Erol ÇARMIKLI Anatolian High School

in Lâpseki district of Çanakkale province and delivered it to the Ministry to start teaching in the 2022-2023 academic year. In another Vocational High School in Lapseki, we put a fully equipped mining laboratory into the service of our students, while we continued our support for education, one of our top priorities, by completing the Seyit Onbaşı Science and Technology Center in Havran, Balıkesir in 2021. In our company, sustainability is handled as a whole by considering social, governance and environmental

parameters, and equal importance is given to every subject of sustainability. Accordingly, sustainability efforts are embraced by the senior management at TÜMAD and are supported by coordinated efforts carried out with the active participation of all other departments, particularly the Integrated Management Systems and Sustainability Environmental Department and Community Relations Department, under the guidance of our General Manager.

SUSTAINABILITY TARGETS

TARGET AREA	TARGET YEAR	GOALS
Sustainability Management	2028	Setting SMART targets in line with the carbon neutral targets accepted by Turkey within the scope of corporate sustainability studies and putting them into practice.
Governance	2028	Within the scope of Integrated Management Systems and SA 8000, targets for increasing transparent and accountable communication with all employees and stakeholders about the company and management are determined with the participation of employees and stakeholders, added to the company targets and announced.
Risk Management	2028	To ensure active participation and awareness at all levels by integrating the corporate risk management system into strategic planning studies in order to evaluate the important risks and control processes we have identified in our corporate risk management studies, to manage these risks with appropriate processes, to reduce risks to acceptable levels and to turn our risks into opportunities.
Human Resources	2028	To digitalize with efficient, effective and efficient process designs that meet the requirements of the age to make Human Resources processes sustainable; to make improvements that will increase employee loyalty and satisfaction to higher levels with the belief that our most valuable resource is people; create a work environment where all kinds of inequality are reduced with a transparent and participatory human resources management approach; contribute to decent work and economic growth.
Environment	2028	Increasing reuse and natural resource savings by increasing water recovery within the facility instead of raw water drawn from wells.
	2028	Reducing the electricity taken from the grid by installing wind turbines, increasing the share of renewable energy use.
	2028	Increasing waste minimization and recycling reuse rates.



TÜMAD MINING

1 NO POVERTY



Based on the foundational data derived from our Social Impact Assessment studies, we successfully implemented several Livelihood Improvement Plans and Projects in 2022, including initiatives like "Strawberry Scented Fields," "Let Saplings Become Trees," "Mushroom Cultivation," "Cone Dyeing," "Filigree Artistry," "Sewing Work Uniforms," "Computer Literacy," and "Forage Plant Breeding." These programs significantly contribute to the economic and social development of the local community. Furthermore, in collaboration with our subcontractors, we employed over 2,000 individuals, with 70% of them being local residents, within our facilities.

4 QUALITY EDUCATION



The Nurettin ÇARMIKLI Vocational and Technical Anatolian High School, established to meet our country's demand for skilled workforce in the sector, has achieved remarkable success in a short span. It holds the distinction of being the 51st R&D Center in our country and is the first project in the field of mining in Europe to receive funding. In March 2022, the Havran Science and Technology Center opened its doors as the first and only facility of its kind in the Balıkesir, Çanakkale, and İzmir region. Its primary aim is to ignite the curiosity of children and youngsters about science and technology, offering a simplified and engaging approach to scientific subjects while contributing to the development of future scientists. The Erol ÇARMIKLI Anatolian High School, situated in Lapseki, Çanakkale, and equipped with modern classrooms and laboratories, is located just beneath the Çanakkale 1915 Bridge, connecting both sides of the Bosphorus. It began its educational activities during the 2022-2023 academic year.

5 GENDER EQUALITY



Drawing inspiration from successful practices that highlight how companies prioritizing gender equality can boost productivity, drive economic growth, and enhance corporate capacity, we have implemented training programs. These programs actively involve both company employees and managers and are conducted at our headquarters in Ankara and two of our business locations. Conducting awareness training programs to promote a gender equality perspective is an empowering practice undertaken by private sector organizations in numerous countries. We believe that these training programs will not only enhance managerial skills in decision-making and problem-solving but also foster increased employee loyalty, trust, self-confidence, satisfaction, and overall performance.

6 CLEAN WATER AND SANITATION



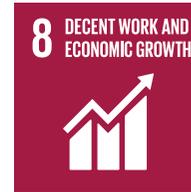
As part of our commitment to resource efficiency, we're developing projects aimed at reducing our consumption of natural resources and minimizing our project's environmental footprint. This includes strategies to prevent and control pollution, decrease waste generation, implement waste separation and recycling practices, and minimize water usage in facilities adhering to the zero-discharge principle. At the Lapseki Plant, both domestic and industrial wastewater undergo treatment before being discharged. To minimize the use of groundwater resources, we treat and recycle industrial wastewater generated on-site. In our production processes, we obtain 30% of our daily water needs from recycled wastewater. At the İvrindi Plant, both domestic and industrial wastewater undergo treatment before being discharged. Additionally, to reduce our reliance on groundwater resources, rainwater collected in the flood pool is primarily utilized during the dry season, saving approximately 300,000 m³ of groundwater required for the process. Furthermore, we've implemented an algorithm to sustain the efficiency of the water wells. These wells are strategically rested to ensure their equal and optimal performance. During this resting period, the wells are rejuvenated, and the water supply from each well is renewed. This approach, which prioritizes the longevity and efficiency of the wells and the aquifer, avoids overreliance on a single well and extends their operational lifespan through strategic resting practices.



TÜMAD MINING



We conduct efficiency assessments within our plants and initiate projects to replace inefficient equipment with new, advanced, and energy-efficient alternatives. Concurrently, we are actively working towards our 'zero carbon' target.



In 2022, we provided a total of 51.31 man-hours of training to our employees, reinforcing our commitment to principles such as meritocracy, equal pay for equal work, and equal opportunities for all. Our workforce is not only technically proficient but also environmentally and socially conscious, aligning with our values. Furthermore, in 2022, there were no reported cases of governance and ethics violations.



By the end of 2022, we successfully produced approximately 750 thousand ounces of gold and 1.3 million ounces of silver, making a significant contribution to the national economy. Aligned with our resource efficiency objectives, we are actively developing projects aimed at reducing the consumption of natural resources and minimizing the environmental impact of our projects. These initiatives include pollution prevention and control, waste reduction, source separation and recycling, and minimizing water usage in facilities operating under the zero-discharge principle. Under our zero-waste initiative, we ensure that recyclable and hazardous waste materials are transported to licensed recycling, recovery, and disposal facilities. Additionally, we provided waste segregation and source separation training to 1,237 individuals. In 2022, there was a remarkable 59% reduction in hazardous waste data compared to 2021, while recovery waste saw a substantial increase of 76%.



The TÜMAD Environment and Sustainability Department, comprised of a team of 40 experts across both plants, is responsible for a wide range of tasks. These include monitoring and ensuring compliance with Environmental Impact Assessment (EIA) and European Bank for Reconstruction and Development (EBRD) commitments, conducting environmental monitoring, implementing ISO 14001:2015 Environmental Management System practices, identifying environmental aspects and impacts, and taking necessary mitigation measures. Furthermore, the department conducts biodiversity monitoring, tracks water and carbon footprints, manages waste reduction and disposal efforts, monitors air and water quality, assesses noise and vibration levels, conducts hydrogeological studies, calculates emissions, and oversees ground and surface water monitoring, as well as soil analysis, among other responsibilities. In collaboration with our biodiversity consultants, we regularly monitor all living beings in the ecotone zones within and around our operations, and we take proactive steps to implement mitigation measures.





RISK MANAGEMENT

As TÜMAD, in line with our risk management policy, we carry out our processes with the principle that risks may change in terms of impact-probability depending on the changes in conditions over time or the measures taken. We carry out risk analyses and assessments at least once a year by the process owners for the risks identified with the foresight that changing conditions may also reveal new risk areas. In addition, by meticulously addressing all contexts affecting the organization, including internal/external issues, relevant parties, their needs and expectations in the risk assessment processes, we present all identified issues to senior management at “Management Review Meetings” and determine actions to manage risks.

In 2022, our company has identified climate change as an important area of risk and opportunity for the sector in which it operates. In this context, studies are being carried out on the physical impacts and risks that will arise due to climate change in our current and future fields of activity. In a similar approach, design criteria for site operations and infrastructure consider these risk factors and assess potential adaptation and/or mitigation measures. Within the scope of these measures, our technical teams who will carry out the work in our plants were provided with awareness trainings on ISO 14046 Water Footprint Standard and ISO 14064 Greenhouse Gas Standard, which are part of the international standards family.

In our company, monitoring, calculation and reporting of water footprint and carbon emissions are carried out for both businesses in line with the standard principles and requirements. While we take steps to manage our risks and create resistance to climate change with the works we carry out, we also make new plans for new opportunities in the face of climate change with interdepartmental coordination and we are implementing the ISO 50001:2018 Energy Efficiency Management System requirements in our operations.

MEMBERSHIPS IN ORGANIZATIONS

LIST OF ASSOCIATIONS, INITIATIVES AND MEMBERSHIPS	MEMBERSHIP OVERVIEW	MEMBERSHIP-RELATED ACTIVITIES
Global Compact	In 2017, TÜMAD became a signatory by committing to make the UN Global Compact and its principles a part of our company's strategies, culture and daily activities and to take part in cooperation projects that support the development of other comprehensive development goals of the United Nations, especially the Sustainable Development Goals. Supporting the principles of accountability and transparency, we prepare a progress report explaining how we have implemented the ten principles, which are the most important requirements of being a signatory, for the section allocated to us among the subsidiaries in the Sustainability Report prepared by Nurol Holding every year.	Sustainability Reports covering the years 2019-2020, 2020, 2021, 2022 have been prepared.
AMD (Gold Miners Association)	Our membership in this association provides us with sectoral opportunities to be informed about all developments in the sector as well as to have a voice in the implementation of sustainable mining criteria.	Active participation in trainings, symposiums, meetings and organizations announced by AMD is ensured.
TMA (Turkish Miners Association)	Membership in this association provides us with sectoral opportunities to be a part of the solution in both national and international mining applications in line with the association's missions and working areas.	We actively participate in trainings, symposiums, meetings and organizations notified by TMA.
YERMAM	YERMAM membership, which brings quality to the mining sector and gathers sector experts together, provides us with prestige in the sector and the advantages of acting together with sector experts.	We actively participate in trainings, symposiums, meetings and organizations notified by YERMAM.
SDA (Sustainable Development Association)	While being informed about all developments in the field of sustainability, awareness is gained on sectoral opportunities in the application of sustainability criteria.	Participation in the working groups announced by SDA (Sustainable Development Association) is provided.

CORPORATE GOVERNANCE CERTIFICATES

STANDARDS, CERTIFICATES AND DOCUMENTS

ISO 9001 Quality Management System Certificate

ISO 14001 Environmental Management System Certificate

ISO 45001 Occupational Health and Safety Management System Certificate

ISO 27001 Information Security Management System Certificate

TSE COVID-19 Safe Service Certificate

ISO 17025 Laboratory Accreditation Certificate Lapseki Plant

ISO 17025 Laboratory Accreditation Certificate İvrindi Plant

ICMI International Cyanide Code

TR Ministry of Commerce-Authorized Economic Operator Certificate

ENVIRONMENTAL AWARENESS

At the core of TÜMAD's understanding of environmental awareness is to take the most progressive steps within the institutional capacity to combat climate change, and to cause the least environmental impact with energy, water and waste management practices. To this end, we aim to go beyond compliance with all national legislation and commitments to the relevant ministries and lending institutions, especially the Ministry of Environment, Urbanization and Climate Change of the Republic of Turkey, and to improve environmental performance with a commitment to continuous improvement and to implement actions on resource efficiency in the fastest way possible. We approach environmental impact management from an effective and holistic perspective; we incorporate the most advanced and modern technologies into our practices in processes related to greenhouse gas and dust emissions, water management, soil protection, biodiversity, noise and vibration management, and we continue our operations in compliance with the limit values defined by the standards and the practices and limits in our own technical standards.

We plan the environmental management plans, conservation and development programs, and mitigation measures for all of our projects during the project development phase, and we stick to these plans throughout the progress of the project. We transparently share the plans for these processes with our stakeholders, and interact with experts and stakeholders to develop practices.

With an experienced team of approximately 40 employees working in the Environment and Sustainability Departments within TÜMAD, all the studies are carried out such as monitoring and follow-up of EIA commitments, monitoring and follow-up of EBRD commitments, Environmental Monitoring, ISO 14001:2015 Environmental Management System studies, determination of Environmental Aspects and Impacts, Biodiversity activities and action plans, Water Footprint, Carbon Footprint, etc. were carried out. In the studies, actions such as examining the environmental impact of mining activities, minimizing or zeroing the possible effects are taken and implemented.

ENVIRONMENTAL AWARENESS

During the project development phase, we aim to protect and improve the existing environmental and social balances by collecting information on soil quality, biodiversity richness, cultural and social assets. In this context, we fulfill our responsibilities in order to protect the environmental characteristics of our fields of activity in the best way and to minimize the environmental impact. In the context of improvement targets, we monitor many parameters, check whether there are anomalies in line with the relevant analyzes and measurements, and take care to keep the threshold values below the threshold values.

Monitored Parameter	Monitoring Frequency
Blasting, noise and vibration	Instant
HCN gas	Daily
H2S gas	Daily
SO _x , NO _x	Every 6 months
Groundwater quality measurement	Monthly
Surface water quality and flow measurement, operating flow monitoring stations	Instant
Meteorological data	Instant
Water level measurements from observation wells	Weekly
Particulate dust (PM ₁₀) measurement	Hourly, Monthly
Settled dust measurement	Monthly
PM ₁₀ , PM _{2.5} , Heavy metal analysis	Every 6 Months
Water and wastewater samples	Daily, weekly, monthly
Solid waste landfill drainage water physical parameters and metal analyses	Daily

As TÜMAD, we subject our projects to a comprehensive "Environmental and Social Impact Assessment" (ESIA) process completed in accordance with the Performance Conditions (PC) requirements of the European Bank for Reconstruction and Development (EBRD), one of our important stakeholders in the projects we develop. We implement the management plans and frameworks listed below in order to systematically monitor all our environmental and social compliance practices in accordance with our "Environmental and Social Management System".

- Environmental and Social Management System Framework
- Air Quality Management Plan
- Framework Biodiversity Action Plan
- Community Health, Safety and Security Management Plan
- Community Development Framework
- Cultural Heritage Management Plan
- Sub-Contractor Management Plan
- Cyanide Management Plan
- Emergency Management Plan
- Explosives and Hazardous Materials Management Plan
- HR Training Plan
- Workforce Management Plan
- Conceptual Mine Containment Framework

- Noise and Vibration Management Plan
- Conceptual Mine Closure Plan
- Spill Cleanup Plan
- Stakeholder Engagement Plan
- Local Procurement Management Plan
- Traffic Management Plan
- Health and Safety Management Plan
- Waste Management Plan

As TÜMAD, we believe that successful environmental management is possible with the participation of the entire value chain, and we aim to spread the reflection of our environmental management practices throughout our entire value chain and expand our impact network. Apart from the transfers needed for information sharing and alignment in applications, we attach great importance to supplier audits.

Our employees are regularly trained to improve our environmental awareness and performance, reduce our consumption of resources such as energy and water, air-water-soil monitoring activities, hazardous substance and chemical management, integrated waste management and reduction of waste generation.

Training Courses on the Environment	2020 (People)	2021 (People)	2022 (People)
İvrindi Gold Mine	1257	501	691
Lapseki Gold Mine	544	651	569

ENERGY MANAGEMENT

TÜMAD approaches all activities carried out within the scope of combating climate change holistically and aims to implement the most up-to-date practices and technologies in line with current opportunities and global developments. The basis of actions to combat climate change is to reduce the energy intensity in operations and, as a result, to reduce other emissions such as greenhouse gas and dust emissions. Transitioning to high energy efficient technologies, modernization of equipment and fittings, and realizing all potential savings practices for this purpose are at the center of TÜMAD's energy and emission management activities. In this context, in line with the "zero carbon" target, we conduct efficiency studies in all of our plants and realize the transformation of inefficient equipment into new technological and efficient equipment. As we move towards the zero carbon target, we are conducting feasibility studies to increase our self-consumption capacity and to obtain the energy required by the mine from renewable resources, and we prioritize this in our investment planning. With a holistic approach, we shape our decarbonization map by utilizing renewable energy opportunities and maximizing efficiency potential.

Activities carried out within the scope of energy efficiency in our operations during 2022:

- Instead of the 72-watt lighting used in Lâpseki and İvrindi operations, 23-watt 60x60 led lighting, 197 for Lâpseki and 180 for İvrindi, respectively, were replaced.
- The agitator motor for waste thickener flocculant preparation has been optimized from the continuous operation of the tank agitator motor 24 hours a day to the agitator motor to operate only during floc preparation. After the changes made, since floc is prepared 1 or 2 times as needed, the working time was changed from 24 hours a day to 1.5 (in general) or 3 hours a day (as needed) depending on the need for

floc preparation.

- The capacities of the 3950-PSY-0009/1009 pump motors have been reduced from 37 kW to 22 kW as a result of the calculations.
- The capacities of the 3700-PMP-0001/1001 pump motors have been reduced from 4 kW to 2.2 kW as a result of the calculations.
- The 3900-AGT-0001 and 3900-AGT-0002 mixer motors are operated via the driver, and the operating frequency is reduced from 50hz to 35hz. Thus, energy savings were achieved by achieving the desired working speed.
- Engines in IE4 standards have started to be backed up instead of engines in IE2 standards in engine stocking works. Through such measures, engine efficiency and energy savings will be achieved.
- South Marmara Development Agency (GMKA) energy efficiency mentoring program application was made and the project prepared was accepted by GMKA.
- Work has begun to obtain the ISO 50001 Energy Management System certificate

Measurement and monitoring of emission values are among our main practices that we take as reference for both compliance with environmental standards and emission reduction efforts. As a result of our Environment and Sustainability Units and accredited laboratories, emission measurements are carried out at the mine sites and their surroundings on a monthly basis and emission values are checked. All our facilities have automatic measurement stations that measure 24/7 and 365 days,

and their emission values are measured and evaluated. Measurement results are monitored regularly, and actions are taken regarding the relevant emission parameter within 24 hours when extreme values or unexpected situations are encountered.

Restoration of mining sites, restoring them to their pre-operational condition and supporting biodiversity development are among the environmental issues that have come to the forefront. Reclaiming these areas as habitats for living organisms, while at the same time strengthening their capacity as carbon sinks, plays a key role in reversing the impacts of climate change and combating climate change. By hydroseeding to enrich the surface cover, direct exposure of open surfaces to meteorological factors and erosion effects are prevented. In addition, these areas are visually improved and the emission effect is minimized. The vegetative soil resulting from the activity is preserved in the storage areas, the surface of the vegetal soil storage area is covered with the wet and dry seeding method, and negative air emissions are prevented. Thus, storage is carried out without spoiling the vegetative soil fertility, and erosion and dust control are also provided.

Sodium lignosulfonate continues to be used at regular intervals to suppress dust on the stabilized roads in the field, and humidification irrigation is carried out with backhoes during the application. In open-pit production, millisecond delay capsules are used to loosen the material, reducing the effects of air shock, noise and vibration. The buildings where crushing and screening activities are carried out and the conveyor belts where materials are transported are designed to be closed to the atmosphere, and the dust captured by the dust containment systems installed is fed back to the plant.

ENERGY MANAGEMENT

Dust formation is minimized by wetting the areas where blasting takes place; by tightening according to the type of ground, hole flying is prevented and dust formation and damage to environmental assets are minimized. The crusher unit and the fine ore silo operate in closed circuit,

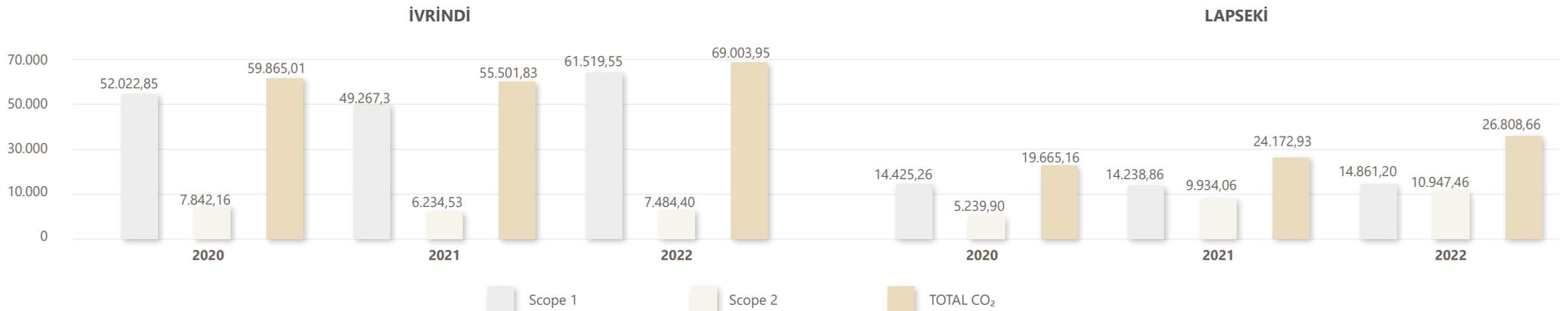
and dust control is provided with dust holding and dust suppression systems.

Monitoring in-house energy consumption values and consistently reducing energy intensity in the products and

services we provide are among our top priorities. In this context, we aim to permanently reduce emission intensity by increasing the share of renewable energy sources along with efficiency projects.

TÜMAD MINING	2020	2021	2022
In-house Energy Consumption (GJ)			
İvrindi Fuel			
Diesel	597.177,81	714.422	785.991
İvrindi Electricity			
Electricity from the Grid	291.361,57	274.773,17	297.459,75
Total Energy Consumption (İvrindi)	888.539,38	989.195,17	1.083.370,75
Lapseki Fuel			
LNG	1.308.557,79	1.441.683	2.105,18
Diesel	160.462,25	115.623	128.961
Lapseki Electricity			
Electricity from the Grid	146.570,58	153.395,52	168.123,60
Total Energy Consumption (Lapseki)	1.615.590,62	322.706,52	299.189,78
Total Energy Consumption (TÜMAD)	2.504.130	1.311.901,69	1.382.560,53

TÜMAD MINING GREENHOUSE GAS EMISSIONS





WATER MANAGEMENT

Increasing temperatures, changes in the amount and pattern of seasonal precipitation, and increased water consumption and pollution due to unconscious use pose a great threat to the rapid depletion of our water resources, especially groundwater and surface waters, and create a great pressure especially on fresh water resources. At this point, while reducing the amount of water we supply from the basins that constitute our main water resources, we attach importance to feeding these basins back with quality and clean water. We continue to use the most advanced technologies to reduce total water consumption, to reuse the waste water generated as a result of the processes in a closed loop, and to eliminate the pollution effect.

In order to prevent pollution and preserve water quality, domestic and industrial wastewater is largely reused in our Lapseki Operation. In order to reduce raw water consumption, we ensure that 82% of all water in contact with the mine site is recovered and reused. In order to monitor the water level in our water resources and to observe the level of water stress, we carry out continuous flow monitoring with Flow Monitoring Stations.

12 monitoring wells and 8 surface water sources in İvrindi Plant and 17 monitoring wells and 3 surface water sources in Lapseki Plant are monitored monthly in terms of physical parameters and quarterly in terms of biological and chemical parameters. In 2020, within the scope of the innovations made in water management, the water released from the filter press, KAD sub-drainage, underground galleries and under the rust at the Lapseki Plant is reconditioned in settling ponds and reused in the facility, within the mine site, and for road irrigation and dust suppression activities.

We act in line with the same principles in our operations at İvrindi Plant, minimizing the pressure on fresh water resources by utilizing underground water resources, and at the same time treating domestic and industrial wastewater in order to prevent environmental impact through discharge. In order to reduce the use of groundwater resources, we harvest rainwater in the excess (storm) pond. With this resource, which is used primarily in the dry season, approximately 300,000 m³ of groundwater can be saved from the groundwater that is foreseen to be used in our processes.

WATER MANAGEMENT

Ongoing Good Practices;

- Within the scope of innovations in water management, the water coming out of the filter press unit at the Lapseki Plant and the water collected from the DTSF sub-drainage are directly reused in the facility.
- The water managed in the settling ponds constructed as part of the dewatering system in the underground quarry operation at the Lapseki Plant is then fed directly into the process.
- Another good practice realized at the Lapseki Plant is the use of the water collected in the pond located under the tailings in road irrigation and dust prevention works within the mine site, as it is appropriate within the scope of the regulations.
- Within the scope of the innovations realized in water management, rainwater collected in the excess (storm) pond at the İvrindi Plant and system surplus water are used in the process during the dry season, saving water to be drawn from wells.
- At İvrindi Plant, dust suppression operations are carried out by using Sodium Lignosulfonate material in operations within the scope of reducing dust emissions by irrigating mine transportation roads during dry season and through these measures, water savings of 80% can be achieved in dust suppression activities to be carried out using water during the dry period.

TÜMAD MINING	2020	2021	2022
LAPSEKİ			
Supplied Well Water (m ³)	477.580	166.169	202.043
Total Amount of Water Used (m³)	477.580	166.169	202.043
Discharged Water (m ³)	14.600	21.900	27.715
Reused Water (m ³)	-	-	47.632
Total Amount of Discharged Water (m³)	14.600	21.900	27.715

TÜMAD MINING	2020	2021	2022
İVRİNDİ			
Supplied Well Water (m ³)	185.140	509.606	469.947
Total Amount of Water Used (m³)	185.140	509.606	469.947
Annual Amount of Wastewater by Discharge Method			
Discharged Water (m ³)	29.200	36.500	36.500
Total Amount of Discharged Water (m³)	29.200	36.500	36.500

WASTE MANAGEMENT

While performing our waste management, we act with the principle of reducing waste generation at its source and bringing the resulting waste into a circular economy. With the "True Cost of Waste" approach, we consider waste as a natural resource, aiming to generate less waste, while also considering the value of waste in the circular economy. We carry out our resource management by taking into account the environmental and financial cost of natural resources both as raw materials and at the point of waste.

We prioritize minimizing the environmental impact of the wastes generated during the process and in the product direction, and keep records of the quantities, physical and chemical properties and hazard categories of the wastes. Within the framework of our Waste Management Plan, we ensure that waste is correctly classified, evaluated and documented according to waste categories.

We conduct tests and monitoring activities according to an up-to-date conceptual model that shows the management of waste inventory and the long-term physical and chemical behavior and impacts of the inventory on the environment, and we analyze these physical and chemical impacts based on the results obtained. It should be carried out within the scope of TÜMAD Waste Inventory and Waste Monitoring Procedure, which is related to the proper separation, transportation, storage and management of the waste rock material, which is important in terms of environmental impact, in a structure that will not create Acid Rock Drainage.

In 2022, in addition to 558.493 kg of waste contaminated with hazardous substances, 1,457,707 kg of non-hazardous waste and 187,935 kg of plastic waste were generated at our İvrindi and Lapseki facilities. These substances were duly transported and disposed of or recovered through authorized institutions. Recyclable wastes and hazardous wastes within the scope of zero waste are shipped to licensed recycling, recovery and disposal facilities.

TÜMAD MINING	2020	2021	2022
LAPRSEKİ AND İVRİNDİ			
Quantities of Hazardous Waste (kg)			
Hazardous Waste			231.217
Medical Waste	220	110	181
Herbal Waste	1.470	400	1.011
Amount of Contaminated Packaging	126.290	131.600	154.692
Protective Clothing	127.390	105.800	46.220
Oil Filters	600	1.000	1.450
Hazardous Parts and Process Waste	10.350	8.800	90.350
Potentially Infectious Waste	-	-	-
Liquid and Solid Fats/Oils	16.320	22.870	33.372
Total Quantity of Hazardous Waste	282.640	270.580	558.493
Quantities of Non-hazardous Waste (kg)			
Scrap Waste	82.150	68.200	582.435
Domestic Waste	536.030	573.660	182.487
Plastic Waste	165.250	273.500	187.935
Iron and Steel	181.250	304.900	202.650
Mixed Metals	9.110	30.500	277.950
Packaging Waste (Paper - Cardboard-Glass-Plastic)	4.750	26.000	18.250
Cables		850	6.000
Total Quantity of Non-hazardous Waste	978.540	1.277.610	1.457.707





OCCUPATIONAL HEALTH AND SAFETY PRINCIPLES

As TÜMAD, we place minimizing occupational accidents at the heart of our OHS approach while keeping the safety of our employees at the highest level. In this context, we periodically monitor accident frequency and accident severity rates and reflect these results in our evaluation processes. While conducting situation assessments at the Weekly Accident Evaluation Meetings, we identify the root causes of accidents and include preventive and regulatory activities in our business plans. We create a roadmap for a proactive approach to accident prevention with our work outputs that we reflect in Risk Assessment Reports.

In addition, we offer awareness-raising trainings to our employees with the awareness that progress in the field of OHS can be achieved by our employees adopting our principles. Within the scope of our OHS management policy, which is open to the participation of our employees, we ensure that all our employees have a say in the processes through Weekly Representative Meetings, OHS Observation Forms, Complaint and Feedback System, OHS Board Meetings and Personal Protective Equipment Assessments.

We support our Risk Assessments, which we carry out comprehensively considering the sensitivity in our work areas, with "Job Safety Analyses". Thus, while acting with the principle of continuous improvement in our processes, we give priority to making life comfortable and keeping our employees safe, and we follow policies that will provide the highest service to the health of our employees with a stance that focuses on people.

OCCUPATIONAL HEALTH AND SAFETY ACTIVITIES

Annual Number of Accidents: **12**
Total Accident Frequency: **2,45**
Total Accident Severity Rate: **0,0951**
Total Working Hours: **4.891.126**

OHS TRAININGS	Total Training (employees / hour)			Training Per Employee (hours/employee)		
	2020	2021	2022	2020	2021	2022
OHS TRAININGS (İVRİNDİ)	10.376	13.627	17.515	20,39	25,42	25,97
OHS TRAININGS (LAPSEKİ)	2.840	9.045	11.357	9,16	27,83	32,82

- All risk assessments in both operation have been reviewed.
- “Emergency Plans” have been revised.
- Within the scope of OHS Trainings in facilities, 6,883 employees participated in the trainings.
- Within the scope of International Cyanide Management Code (ICMC) requirements, after Lapseki Plant, İvrindi Plant was also audited with respect to compliance with the code and the final audit report is expected to be approved by the International Cyanide Management Institute (ICMI).
- Necessary improvements were made according to occupational hygiene measurements and conclusion reports.
- TÜMAD Search and Rescue Team Trainings were held and the “Best New Team Award” was won by participating in the 2nd Mine Rescue Competition organized by the Turkish Miners Association.
- OHS requirements were completed within the scope of the Authorized Obligation System (AYS) and contributions were made to the certification work.
- We contributed to Risk Assessments and audits within the scope of OHS requirements in the SA 8000 Social Accountability Certification program.
- In cooperation with Dokuz Eylül University, a study was conducted to measure and disseminate the OHS Culture.
- Occupational Health and Safety Trainings were organized for Nurettin ÇARMIKLI Vocational and Technical Anatolian High School students, Traffic Safety Trainings for stakeholders in nearby villages, and Occupational Health and Safety Trainings for stakeholders in courses supported by TÜMAD Public and Community Relations.
- Goals are improved by determining TÜMAD’s position on a sectoral basis by making comparisons with other international examples in similar business lines.



VALUE CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

- TÜMAD, which carries out supply chain processes in line with its local procurement policy, gives priority to local suppliers and individuals in the case of sufficient quality and capacity for the regular and systematic procurement of its supplies and services in order to maximize the supply of local goods and services and to support the development of the region. In this context, needs such as the use of goods and services, equipment rental, use of transportation services, transportation services for the mine workforce, purchase of food or catering services, etc. are procured through the requirements of the existing TÜMAD Local Procurement Management Plan.
- In 2022, it worked with a total of 1693 different suppliers. Evaluation visits were made to over thirty critical suppliers with the participation of different departments and more than 150 suppliers were included in the qualification assessment. 70 new supplier applications were examined.
- Local suppliers were visited as part of dialogue development in line with the EBRD's local procurement targets. Suppliers were informed about their evaluation scores and development targets were set.
- Supplier development is monitored by creating a development table with past scores and supplier scores for 2022.
- At least two alternative suppliers were determined for each product group and a list of equivalent suppliers was created.

STAKEHOLDER RELATIONS

- Nurettin ÇARMIKLI Vocational and Technical Anatolian Anatolian High School, which was brought into education and training life in order to provide our country with the trained human resources needed by our sector, with the awareness that the path to social development and permanent economic development passes through education, has achieved success in a short time, and has been declared the 51st R&D Center of our country and became the first project funded in the field of mining in Europe. In our school, our students are trained on avoiding and protecting themselves from the dangers they will encounter in mines by using simulation and VR technologies in laboratories equipped with virtual reality fiction.
- Havran Science and Technology Center, which is the first and only one in Balkesir, Çanakkale and Izmir, which will attract children and young people's interest in science and technology, present scientific subjects in an easy-to-understand and entertaining way and contribute to the training of future scientists, has hosted more than 10 thousand science-curious young people as of March 2022.
- Erol ÇARMIKLI Anatolian High School, which is located in Lapseki district of Çanakkale province and equipped with modern classrooms and laboratories just below the Çanakkale 1915 bridge connecting both sides of the Bosphorus, was completed and opened for education in 2022-2023.
- In the light of the basic data obtained in the Social Impact Assessment studies, the Livelihood Improvement Plans and projects that will contribute to the economic and social development of the local people, such as "Strawberry Scented Fields", "Let Saplings Become Trees", "Mushroom Growing", "Cone Dyeing", "Filigree", "Work Shirt Sewing", "Computer Literacy", "Fodder Crop Growing" Programs were implemented in 2022.



HUMAN RESOURCES PRACTICES

GENDER EQUALITY

The trainings we initiated in order to establish a gender equality perspective in policies, services, communication, organization and employment within the company are part of a program developed for people employed by TÜMAD at all levels. Inspired by good practices that show that companies prioritizing gender equality increase productivity, economic growth and institutional capacity, these trainings will be held in Ankara, where the company is headquartered, and in two locations (in Balıkesir and Çanakkale), with the participation of company employees and managers. Awareness trainings aimed at instilling a gender equality perspective are empowering activities carried out by private sector organizations in many countries. We believe that trainings in this direction will improve managerial skills in decision-making and problem-solving, and increase employee loyalty, trust, self-confidence, satisfaction and performance. This will also increase the reputation of the company.

Total Training Hours:

22,723 hours*

Training Hours Per Employee:

11.33 hours/employee

*Excluding OHS, Environment, Orientation and Internal Training.

At the end of the trainings, it is aimed to ensure that the principles and procedures in all management, communication, finance, impact assessment, human resources, promotion and similar processes of the company are gender sensitive. The extent to which this target has been achieved will be measured by conducting a gender impact assessment. These trainings will explain that gender equality is necessary for all of us in all areas of life, that it is constructive and empowering, that we have responsibilities as women and men in achieving equality, that equality is something that is necessary not only here and now but throughout our lives, and that we have a responsibility to pass it on to generations, and that we aim to develop our skills to do all this "together". It is essential to adopt the culture of seeking rights through democratic communication methods and to develop a dialogue that takes gender into account at all levels. Making good practices visible within TÜMAD, supporting and improving the company's vision on gender equality are also among the objectives of this activity.

TALENT ACQUISITION AND MANAGEMENT

In line with the TÜMAD Human Resources Training procedure, in order to carry out talent management activities, our employees are given opportunities to improve themselves in line with the training needs analyses conducted on a positional, organizational and personal basis at the beginning of each year. In order to increase the productivity and knowledge level of employees, the competencies of each employee are determined and their development is supported through the trainings offered.

EMPLOYEE SATISFACTION

Employee Satisfaction and Loyalty Surveys are conducted to measure employee satisfaction and loyalty, and the results of the surveys are evaluated together with senior management to formulate Action Plans.

As TÜMAD, with the awareness that the real investment is the investment in people, we organize personal development trainings by experts in their fields in order to increase the motivation of our employees, to be more successful and to discover their hidden talents, and we organize organizations where our employees will feel valuable on special occasions.

Number of TÜMAD Mining Employees in 2022	Full Time		
	Male	Female	Total
	859	120	979

Number of Newly Hired Employees in TÜMAD Mining in 2022	Male			Female		
	<30 years of age	Aged 30-50	Aged over 50	<30 years of age	Aged 30-50	Aged over 50
	44	29	0	11	6	0

CORPORATE MEMBERSHIPS

NUROL CONSTRUCTION	NUROL MAKINA	FNSS	NUROL TEKNOLOJİ	TÜMAD MINING
United Nations Global Compact	Türkiye Exporters Assembly	Türkiye-U.S. Business Council	Internet Tax Office – IVD	Global Compact
Women's Empowerment Principles (WEPs)	Engineering Workbench	Turkish Society for Quality (KalDer)	Turkish Statistical Institute – TURKSTAT	AMD (Turkish Gold Miners Association)
30% Club	Central Anatolian Exporters Association	The Union of Chambers and Commodity Exchanges of Türkiye (TOBB)	CBRT SRVTS (Systematic Risk Data Monitoring System) – Monthly Data Form	TMD (Turkish Miners Association)
Sustainable Development Association (SKD) – Materials Marketplace Platform	Ankara Chamber of Industry	Defense and Aerospace Industry Manufacturers Association (SASAD) (Membership of the Board of Directors)	Defense and Aerospace Industry Manufacturers Association (SASAD)	YERMAM (Association of GeoScience, Mining and Metallurgy Professionals)
TÜSIAD (Turkish Industry & Business Association)	Ankara Chamber of Commerce	Foreign Economic Relations Association (DEİK)	Defense and Aerospace Industry Exporters' Association (OAIB)	SKD (Sustainable Development Association)
World Water Council	ASD (AeroSpace and Defence Industries Association of Europe)	Turkish Defence and Aerospace Industry Exporters' Association (SSI)	Türkiye Exporters Assembly (TIM)	
Foreign Economic Relations Board – DEİK	Defense and Aerospace Industry Manufacturers Association (SASAD)	Ostim Industrialists and Business People's Association (OSIAD)	Turkish Employers' Association of Metal Industries (MESS)	
Istanbul Chamber of Industry – ISO	Turkish Society for Quality (KalDer)	Ankara Chamber of Commerce (ATO)	Turkish Society for Quality (KalDer)	
Istanbul Chamber of Commerce – ITO		Ankara Chamber of Industry (ASO)		
Turkish Asphalt Contractors Association – ASMÜD		METU TSSK (Teknokent Defence Industry Cluster)		
Turkish Employers' Association of Construction – INTES		Ostim Defense and Aviation Cluster (OSSA)		
Türkiye Exporters Assembly – TIM		Chamber of Mechanical Engineers		
TMMOB Chamber of Civil Engineers		Central Anatolian Exporters' Association (OAIB)		
PERYÖN (People Management Association of Türkiye)		Ankara Young Businessmen Association – ANGIAD		
		ASQ American Society for Quality		
		Peryön Central Anatolian Association		
		Peryön Central Anatolian Association		
		Peryön Central Anatolian Association		
		International Coaching Federation (ICF) – Global		
		International Coaching Federation (ICF) – Türkiye		
		Society For Human Resource Management (SHRM)		
		Society For Human Resource Management (SHRM)		
		Human Resources Professional Association		
		Human Resources Professional Association		
		Human Resources Professional Association		
		Vizyon 100		
		HRDergi		
		Harvard Business Review		
		SASAD – R&D and Technology Management		
		Global Industrial Cooperation Association (GICA)		

NUROL HOLDING GROUP SUSTAINABILITY PRIORITIES

Nurol Holding's goal of becoming a leading global company that creates sustainable value for all its stakeholders serves as a guiding principle for Nurol Group of Companies. Within the Holding, we see sustainability not only as a responsibility, but also an opportunity. In this regard, while generate financial benefits within our supply chain, direct operations or through the collaborations we develop with our customers, we take the necessary steps to facilitate our companies' transition toward a low carbon economy and support them at the highest level. While undertaking this journey, we have identified four factors that ensure the companies within our organization can meet on a common ground, and our objective is for these companies to align their actions based on these factors. These focal points, encompassing all of our companies, are as follows:

- **Environmental Sustainability:** Monitoring parameters have been set to reduce greenhouse gas emissions, water consumption and waste generation. Investments into renewable energy and sustainable transportation solutions are planned.
- **Social Sustainability:** Nurol Holding is committed to creating a safe, healthy and inclusive workplace for all employees. It invests in the development of all its employees as a strong supporter of education and social development.
- **Economic Sustainability:** Nurol Holding is committed to creating long-term economic value for its shareholders and other stakeholders. It is focused on growing this value in sustainable ways while at the same time providing a competitive return on investment.
- **Sustainability of Governance:** Nurol Holding adopts the highest standards of corporate governance and ethics. It has a strong board and a well-defined code of conduct. Nurol Holding is also a signatory to the United Nations Global Compact.

The principles of "Equality, Justice, Loyalty" and "Social Benefit" outlined in Nurol Holding's corporate culture further contribute to our efforts in this direction. In Nurol Holding, sustainability has been imbedded within our entire value chain by ensuring the alignment with our areas of focus and corporate principles, and we move forward setting more ambitious goals for the future while working with great dedication to embracing sustainability in all areas.

SUSTAINABILITY GOVERNANCE

In recognition of its pioneering role in all the sectors in which it operates, Nurol Holding implements a strong sustainability management model that is based on the understanding that sustainability is a culture that needs to be internalized at all levels of the organization.

The Board of Directors of Holding is responsible for determining the company's sustainability strategy and implementing it in all business units. The board is also responsible for overseeing the company's sustainability reporting and communication with stakeholders.

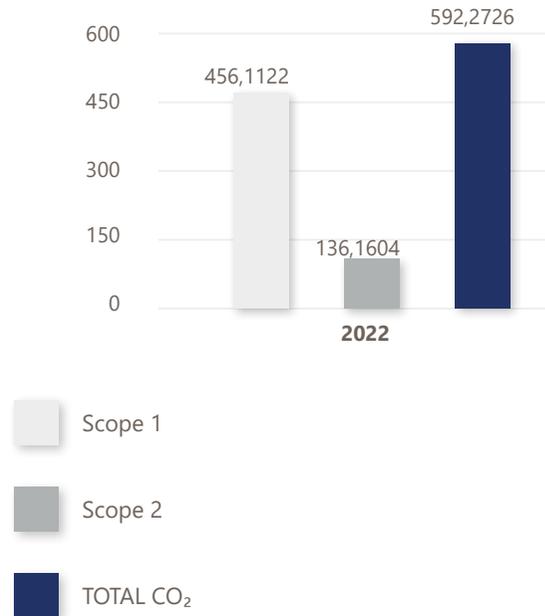
The Sustainability Committee, which was established in 2019, is responsible for implementing the company's sustainability strategy, and consists of representatives of all business units under the chairmanship of the General Manager. Its regular meetings serve as a platform for the sharing of sustainability practices and their dissemination among the Group companies, ensuring that the company progresses towards achieving its sustainability goals.

The Committee's responsibilities include:

- Determining follow-up parameters,
- Identifying and managing sustainability risks and opportunities,
- Developing and implementing sustainability policies and procedures,
- Monitoring and reporting sustainability performance,
- Communicating with stakeholders on sustainability issues.

As part of our sustainability-related efforts, we measured our carbon footprint based on a calculation of our emissions in 2022, and as a result, our greenhouse gas emissions have been confirmed as approximately 456 tCO₂ and energy-related greenhouse gas emissions as 136 tCO₂.

NUROL HOLDING GHG EMISSIONS IN 2022



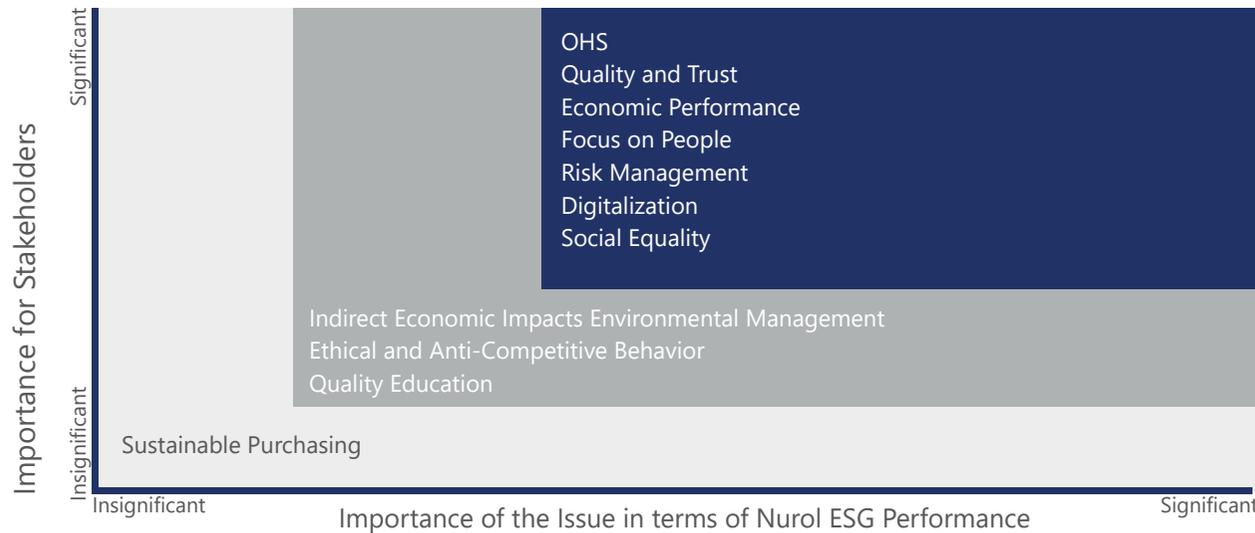
PRIORITIZATION ANALYSIS

NUROL Holding organized a workshop with the participation of all its companies in 2020 to move its sustainability management model forward. The workshop focused on the following topics:

- Fundamental principles of sustainability
- Combating Climate Change
- Developing a sustainability strategy with employee participation
- Identifying and understanding stakeholder groups
- Determining the frequency and channels of communication with stakeholders
- Defining the needs and expectations of key stakeholders
- The key topics of sustainability

The sustainability principles, the Nurol Holding prioritization analysis, and stakeholder dialogue table, that created through this study conducted within the framework of important issues and stakeholders of each company, are presented to our stakeholders within this report.

The follow-up parameters and targets identified during the prioritization analysis as our current priority issues are progressing with the participation of all our companies.





STAKEHOLDER RELATIONS

STAKEHOLDERS	DIALOG PLATFORMS	FREQUENCY OF DIALOG
Legislative and Regulatory Bodies	Visits and dialog, Annual Reports, corporate website, congresses and seminars, joint projects developed	Annually, when necessary
Shareholders	Meetings of the Board of Directors , General Assembly Meetings, Company Performance Meetings, Annual Reports	Annually, once every 3 months, when necessary
Financial Institutions	Visits and dialog, Annual Reports, IFRS audit reports, company performance reports, corporate website	Annually, every 6 months, when necessary
Competitors and the Private Sector	Seminars, Fairs, Congresses, meetings of sectoral bodies, Activity Reports, corporate website, corporate magazine (World of Nurol), co-projects developed, Nurol social media accounts	Annually, when necessary
Investors	Activity Reports, corporate website, general council, questions, ads, Nurol social media accounts	Annually, when necessary
Employees	Training, social events, World of Nurol magazine, Intranet, Internal communication, materials, corporate website, Nurol social media accounts	Annually, every 6 months, when necessary
Society	Activity Reports, corporate website, social media, corporate social responsibility projects, sponsorships, Nurol Art Gallery, Nurol social media accounts	Annually, monthly, when necessary
Media	Press releases, interviews, Activity Reports, corporate website, social media, corporate social responsibility projects, sponsorships, Nurol Art Gallery, World of Nurol magazine, Nurol social media accounts	Annually, monthly, when necessary
Sector-wide Associations	Association meetings, congresses and seminars, corporate website, Activity Report, Nurol social media accounts	Annually, when necessary
Consultants	Meetings and trainings, World of Nurol magazine, corporate website, Intranet	Bimonthly; if necessary; face-to-face when requested
Suppliers	Meetings, offers, contracts	Annually, when necessary
NGOs	Meetings, Intranet, World of Nurol magazine, corporate website, Nurol social media accounts	Biannually, when necessary

SUSTAINABILITY TARGETS

TARGET AREA	TARGET YEAR	GOALS
Sustainability Management	2023	Developing sustainability policies and procedures
	2023	Inclusion of emission calculations into the report on holding bases
	2023	Planning of Sustainability Trainings
Governance	2024	Establishment of Sustainability Governance Structure
Risk Management	2024	Inclusion of sustainability issues within the scope of risk studies
Human Resources	2024	Developing a Human Resources Policy
Environment	2024	Investigating the financial impact of environmental and climate-based risks as part of Enterprise Risk Management

Code

NH-MP-CoG-02
Publication No: 02 | **of Governance**



ETHICS MANAGEMENT

As a Holding company, we determine our ethical boundaries and principles in accordance with the "Nurool Ethical Policy and Rules", which serves as a guide for all companies within our Group. Our Board of Directors vigilantly monitors and reviews the compliance of our organization with the Ethical Policy and Rules, as required by our corporate governance structure. In accordance with the code of ethics to which we are bound, our organization prohibits activities such as forced and compulsory labor, child labor and unregistered labor. We expect each and every employee within our organization to conduct themselves in accordance with our ethical principles as a matter of principle. At a corporate level, we cultivate a fair and equal working environment in which discrimination and favoritism of all kinds are forbidden. We provide ethics training at regular intervals to inform our employees about our code of ethics, and aim to ensure our principles are internalized by all employees within our organization.

IMPLEMENTATION PRINCIPLES OF ETHICAL POLICY

Our Ethics Policy is based on a set of rules to which we faithfully adhere in all our internal and external relationships and operational activities, and that reflects our values and codes of conduct. This Policy is applied in all of our operational processes and serves as a reference for other policies related to risk management, working principles, ethical approach principles and audits. The "Nurool Code of Ethics", which has been published in order to bring all our employees together on a common ground and to understand our ethical framework with the same discourse and stance, is a text open to the access of our employees and also covers third parties acting on behalf of our Group.

The "Nurool Code of Ethics" includes the 10th Principle of the United Nations Global Compact (UNGC), entitled Anti-Corruption, among its basic ethical values. Thus, while determining the ethical working principles with which every employee must comply as part of a fair, transparent and equal business approach, we are motivated to set an example for society as a whole through the values that we place at the heart of our corporate identity and heritage.

Main Topics of Nurol Code of Ethics:

- Human resources and employee relations
- Customer, supplier and contractor relations
- Safety and protection of assets
- Protection of the Entity's information
- Anti-fraud, accurate accounting and accuracy of company records
- Conflicts of interest
- Honest communication with society and the media
- Occupational Health and Safety
- Product quality and safety
- Environmental awareness
- Respect for, and compliance with the law
- Anti-corruption and bribery
- Facilitation payments
- Gifts, representation and entertainment
- Consultants
- Work with partners and other business arrangements
- Lobbying, political support and political donations
- Sponsorship
- Disaster management
- Risk management
- Operational assurance statement
- Social responsibility and volunteering
- Compliance with Sanctions and Embargoes
- Charitable donations
- Reporting Violations.

To ensure the optimal transmission of our legacy to forthcoming generations, we proceed on the basis of justice and trust, and have established ethical rules and working principles that guide us on this journey on the axis of five basic principles.

REPORTING VIOLATIONS

In accordance with our Holding policy, any employee who witnesses or suspects a breach to our Ethical Policy and Rules is expected to report the violation through the appropriate notification channels we offer. In such situations, employees can notify the appropriate person through our website, in writing to the e-mail address etik.bildirim@nurol.com.tr, anonymously via the Ethics Line or verbally to the Ethics and Discipline Committee, Ethics Officer and/or the relevant Company General Manager.

All such notifications are addressed with full respect to the privacy of the employee making the report, and are examined objectively. Any deliberate misreporting is treated as an ethical violation. Based on the veracity of the declarant's claim, the person is protected and his/her identity is kept confidential to avoid any retaliation or threats against him/her. Any necessary investigations of ethical violations are carried out by the Disciplinary Committee or the Ethics Officer, the results of which shared with the Board of Directors of the Holding and the necessary actions are taken.

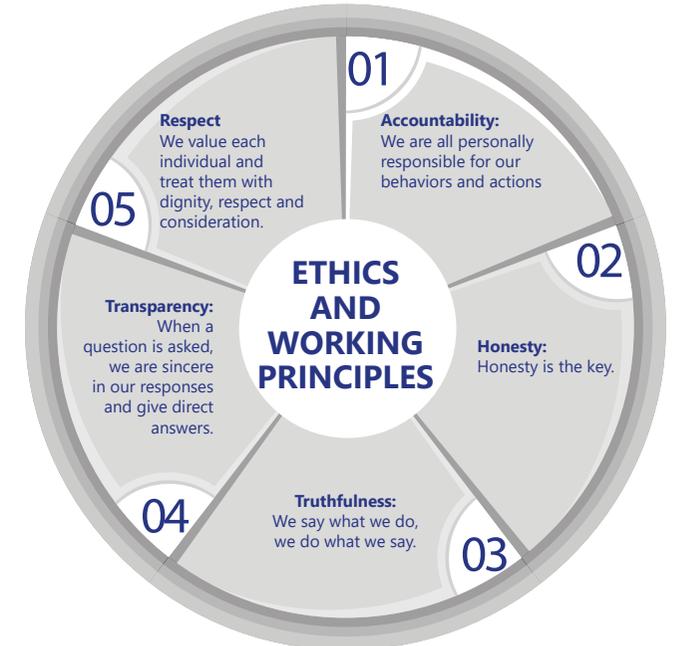
A single violation of the Group's ethical principles, policies and rules was reported in the period covered by this report. As a result of the investigation, the relevant persons were given a warning and reprimanded.

ETHICS AND DISCIPLINARY COMMITTEE

The Ethics and Disciplinary Committee is responsible for ensuring the adoption of our code of ethics by all employees under the roof of our Holding, and for the successful reflection and protection of our corporate

heritage and reputation. The Committee comprises the Human Resources Coordinator, the Chief Legal Counsel of the Holding, the Human Resources Manager of the Holding and two employees from the Internal Audit Department. It carries out its activities with reference to the "NUROL Holding Ethics and Discipline Committee Working Procedures and Principles Regulation". The Committee aims to ensure that employees embrace the Code of Ethics and to raise ethical awareness, while the Board of Directors of Nurol Holding is responsible for the effective implementation of the code within the Holding.

The Ethics and Disciplinary Committee monitors and develops policies related to ethics, and presents the outputs of its work to the Board of Directors once a year. If deemed appropriate by the Board of Directors, the suggestions of the Committee are reflected in the Code of Ethics and the necessary changes are made.





WORKING LIFE IN NUROL GROUP

HUMAN RESOURCES

NUROL Holding's approach is underpinned by our belief that "our employees are integral to our family", and are considered our most important asset. In this context, we centralize the happiness and contentment of our employees as the focal point of our human resources strategy, and support them with personal development and professional and technical training to increase their competencies and capabilities. Under our talent acquisition and management policy, which hinges on perpetual advancement, we furnish our employees with the necessary resources to harness their potential. This not only nurtures growth in the professional realm, but also supports broader personal development. We are, thus, instrumental in raising sustainability awareness among our employees and guiding them to gain an awareness of the social, environmental and governance aspects of sustainability. As part of our efforts in this direction, we address gender equality in our organization from a holistic perspective and work to increase the number of female employees at all levels. We offer our employees a fair remuneration policy with the policy of equal pay for equal work, and provide the necessary conditions for our employees to gain a sense of corporate belonging with the awareness that success comes from acting together with devotion.

We keep open communication and the formation of an inclusive culture at the center of our working environment, which has been built considering the comfort and happiness of our employees. We create communication channels through which our employees can reflect their views, such as through periodic meetings, and move forward by making use of the feedback from our employees for the improvement of our processes. Aligned with the "Decent Work and Economic Growth" objective outlined in the United Nations Sustainable Development Goals, our goal is to meld financial growth with sustainability and to establish a fair, equitable, ethical, and transparent environment for our employees.

WORKING LIFE

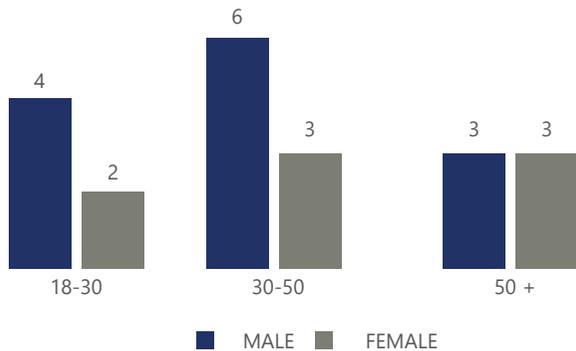
Under the Talent Acquisition and Management Policy we implement in our organization, we adopt an employee-oriented approach that supports the career development of our workforce. We ensure transparency in our promotion and recruitment processes and allow horizontal and vertical transfers within the organization based on employee performance. Roles that have a high impact on our business performance are defined as critical positions in our organization. Assignments to these positions are determined based on an evaluation of performance metrics, depth of experience and criteria rooted in competency assessment.

Within the scope of the performance system, all employees are evaluated according to fair and equal parameters, and successful employees are rewarded with monetary (raise/premium) and non-monetary rewards (promotion). Our employees are supported in all processes with training to improve their technical and professional skills, and are also encouraged to partake in the fields of art and social responsibility, and opportunities are created for the development of their intellectual capacities.

EMPLOYEE PROFILE

NUROL HOLDING		
NUMBER OF EMPLOYEES	MALE	FEMALE
	92	55

Breakdown of New Hires by Gender (2022)



Expectations from each NUROL employee are;

Respect for the work and time of co-workers, and efforts to engage in good-faith communication, Fulfillment of what is expected of them in a timely, understandable and correct manner, Respecting differences, not discriminating on the basis of age, gender, language, religion, race and political leanings, and adopting this understanding in all communication within and outside the organization, Acting with transparency, fairness and responsibility, and being accountable for ones actions, and Acting in line with the company's goals and strategies, and contributing to the creation of team spirit.

COMMUNICATION RULES

As Nurool Group Companies, we place great importance in our communication with our internal and external stakeholders, and carry out exchanges of information based on this communication adhering to certain rules and legislation. Guided by the principle of sustainability in our communication policy, we take care to ensure that our communication is harmonious and peaceful, to encourage creativity and to maintain an environment of inclusive discourse. By integrating the sustainability awareness, we have created within the organization into our communication policy, we aim to ensure that this awareness finds a social response. Driven by this motivation, we center our actions on the principles of transparency and respect. We safeguard the privacy of all actors with which we are engaged, and cultivate our communication environment in alignment with our ethical values.

COMMUNICATION WITH INTERNAL STAKEHOLDERS

An effective internal communication policy is followed to establish a common language with our employees, to facilitate the full adoption of our vision, mission and values, to ensure that our goals are embraced by our internal stakeholders and to increase operational efficiency. The actions carried out for internal stakeholders within the scope of our communication activities in this context are as follows:

- Internal publications, Intranet posts and announcements
- Meetings and meeting minutes
- E-mails
- Social responsibility activities, non-business social partnerships and social club activities
- Celebrations
- Condolences
- Notifications of entries and departures to/from the company

Among these actions, social activities are carried out by the Public Relations department with the approval of the Coordinatorship, and such activities are announced to all employees via the Nurool Intranet and e-mail.

COMMUNICATION IN EMERGENCIES

Our emergency action plan details who should be contacted, via what channels and under what circumstances in the event of an accident, fire, flood, sabotage, state of emergency or dangerous situation in production. In the event of an emergency, the initial action should be to immediately inform the Coordination Office as the basic principle for all Group companies.

For the monitoring of emergencies, each company within the Group is to periodically carry out Emergency Analyses and Risk Assessments, and apply the necessary improvements after communicating the assessment outputs to the Board of Directors.

COMMUNICATION WITH EXTERNAL STAKEHOLDERS

We pursue an effective external communication policy to convey our corporate heritage, to accurately reflect our identity and to protect our reputation. Our external communications with external stakeholders within the scope of the communication activities carried out to this end are as follows:

- Public statements
- Advertising, sponsorship, social responsibility activities, donations, advertisements, brochures and other promotional printed materials
- Activity reports
- Correspondence
- Social media
- Fair, congress, workshop, etc. activities
- Statements and disclaimers in response to unfounded news
- Press releases, press conferences, public statements made in response to information and interview requests from the press
- Explanations of all kinds of intellectual property rights, trademark and patent rights and applications,
- Information and announcements about Nurool's shareholders, board of directors and executives
- Nurool's collaborations
- Nurool's information and announcements on mergers, acquisitions, procurements, and outsourcing and restructuring activities

PRINCIPLES OF EXTERNAL COMMUNICATION

In all external communication activities, full disclosure is essential, as well as the use of accurate and understandable language, providing accurate information at the right time and adopting a stance that protects the reputation of our organization at the highest level.

Advertising, sponsorships, social responsibility initiatives, donations, advertisements, brochures and any other printed promotional material issued by our organization is conducted with a sense of social responsibility according to the principles specified in the Nurool Corporate Identity Guide.

Within our organization, Annual Reports and Sustainability Reports are prepared and presented to our stakeholders under the guidance of the Board of Directors of the Holding, based on the principles defined in the External Communication Policy.

As part of our external communication activities, the Coordinatorship is responsible for the effective and widespread execution of social media activities and the provision of social media content. Our employees are prohibited from sharing any statements related to our organization's activities, confidential information, or working conditions in the visual or written press, or on social media platforms. Furthermore, they are forbidden from including the Nurool Holding brand or logo in their posts. When using social media networks owned and managed by our organization, employees are deemed to have accepted their responsibility to comply with the above-mentioned principles.

Our organization does not make any announcements or statements regarding the news in the visual and written media, but, if necessary, to protect the interests of the organization, the Coordination Office carries out the necessary retractions, legal requests and proceedings in the event of such unfounded news being broadcast/published. Nurool's Corporate Communication Rules cover all Nurool employees, and any violation of these rules constitutes a disciplinary offense that may include dismissal. In this context, any violations are subject to disciplinary action.



CORPORATE SOCIAL RESPONSIBILITY

Today, the terms have undergone transformation, and sustainability has developed into an overarching structure. Ensuring the effective functioning of this structure demands a robust foundation. As we earnestly strive to enhance Nurol Holding's sustainability endeavors, our confidence in the steadfastness of our foundation remains unwavering. For many years, we have strived to create value for the society in which we live with an awareness of our corporate social responsibility. Our corporate social responsibility strategy is based on the following four principles;

- **Education:** Nurol Holding extends its support to education through avenues such as scholarships, the construction of school buildings and various other initiatives. The company believes that education is the key to a better future for individuals and society as a whole.
- **Environment:** Nurol Holding is dedicated to minimizing its environmental impact. The company has set ambitious targets for the reduction of greenhouse gas emissions, water consumption and waste generation.
- **Social Development:** Nurol Holding supports social development through initiatives such as poverty reduction, the empowerment of women and disaster relief. The company believes that everyone deserves to live in a safe and prosperous society.
- **Art and Culture:** Nurol Holding believes that art and culture are essential for a vibrant society. The company supports the arts through sponsorships, donations and other initiatives.

Nurol Holding's corporate social responsibility (CSR) strategy is considered an integral part of the company's overall business strategy, and is seen as an investment in the future rather than a cost. Within the scope of our CSR projects, we organized the "Kaleidoscope Glass Exhibition" with the Glass Department of Anadolu University and the "Glazes in the Mirror" Ceramic Exhibition with the Ceramics Department of Hacettepe University. We have extended our collaboration network with young individuals through partnerships with universities, establishing platforms that enable them to exhibit their skills and creativity, and have injected fresh vitality into the arts through the support we provide.



NUROL EDUCATIONAL, CULTURAL AND SPORTS FOUNDATION

The Nurool Education, Culture and Sports Foundation, established based on the vision of brothers Nurettin, Erol and M. Oğuz ÇARMIKLI, and whose financing needs are met through real estate and cash donations as in-kind capital, carries out its activities with annual donations from the Nurool Group Companies. Focusing on improving quality of life in society, Nurool continues to support modern education, sports, culture and the arts with a view to creating a better future.

The foundation emphasizes the sustainable benefit of its contributions to the educational and cultural development of young people. It provides scholarships at various levels of education to successful students with insufficient financial means, and closely monitors their educational journeys. Cultural buildings such as schools, libraries, sports facilities, education and congress halls, cinemas and theaters all over Türkiye have been built and donated to the Ministry of National Education, together with the landscaping, as part of the works of the Foundation, and these continue to be at the disposal of the Turkish nation.

The Foundation continues to contribute to the development of our national culture by preserving ties with the past, and to the efforts of our country to reach the level of a modern civilization that will allow it to take its rightful place in the international arena. The decisions taken by the members of the Board of Trustees of the Foundation are approved by the Board of Directors, which has five members.



NUROL ART GALLERY

Opened within the Nurol Education, Culture and Sports Foundation, Nurol Art Gallery has won the appreciation of art lovers through its diligent and meticulous work over the past 20 years. The works of Bedri Rahmi Eyüboğlu, Ercüment Kalmık, Mehmet Gülyüz, Aydın Ayan, Mevlut Akyıldız, Mehmet Güler, Bedri Baykam, Nuri İyem, Turan Erol, Habip Aydoğdu, Christo Yotov, Duran Karaca, Adnan Turani, Hikmet Çetinkaya, Hayati Misman and Kuo Hsin-i, and many other important artists have all been hosted by the Gallery. At least eight exhibitions are held annually in our gallery, featuring the works of young artists as well as masters, as powerful representatives of the Turkish Plastic Arts. Our gallery considers it its duty to display original works of art, and has made it its mission to support young artists by holding exhibitions of the works of the fine arts students of universities, and to open exhibitions within the scope of social aid projects.

Nurol Art gallery, as a meeting point for contemporary art and art lovers in Ankara, has become the capital's most qualified and successful center of culture and art as a result of the artistic workshops, interviews, signing sessions and panels it organizes, as well as its exhibitions. Nurol Foundation, through the financing it provides, has played an active role in the publication of many books and documentaries, and has reached large audiences with the artistic and cultural projects it has prepared.

In addition to exhibitions, the Gallery also hosts concerts, interviews, book signings and promotional days, conferences and workshops in its 120 m² exhibition area, and efforts to turn it into a real art center are continuing. Nurol Art Gallery also participates in national and international art fairs, and has joined events outside the Gallery in recent years. In particular, the International Ankara Art Fair saw the participation of more than 100 galleries from 15 countries with stands, and was visited by some 40,000 visitors, making it a highly productive event for both our artists and our gallery. Nurol Art Gallery has overseen the addition of the works of Turkish and foreign painters to many collections since the day it was founded, and has its own special collection containing many valuable works.



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