

# 2020

## SUSTAINABILITY REPORT



**N** **NORM**  
HOLDING

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# Message from the Board

## Dear Stakeholders,

COVID-19 epidemic that took hold of the entire world, brought on many changes not only in medicine but also economically, socially and politically. With the COVID-19 epidemic, which affected the whole world in 2020, many changes took place not only in terms of health, but also in economic, social and political terms. We have experienced radical sectoral and economic transformations due to the pandemic. Especially in these periods when the infectiousness rate is high, the slowing or even ceasing production and the restrictions applied in different periods around the world continue to negatively affect the economies and the global supply chain. We see that production activities are approaching normal levels

thanks to the slowdown in the spread of the pandemic and the safer working environments with the increase in the vaccination rates and the development of new treatment methods.

COVID-19 virus, which spread rapidly in the first two months of the year, was first detected in our country in March. With the relatively low impact and detection of the virus in the first quarter, the Turkish economy continued to grow, but shrank along with other global economies due to the restrictions implemented after the rapid increase in the size of the pandemic. With the measures taken afterwards and the continuation of production, economic activities gained momentum and the national income grew by 6.7 percent. Our economy, which grew by 5.9 percent in the

last quarter, grew by 1.8 percent in 2020 compared to the previous year, and we were one of the few countries that closed the year positively.

The effects of the COVID-19 epidemic were felt most where we supply products, in the automotive industry. As many manufacturers around the world closed their factories and the disruptions in the supply chain narrowed the automotive market in Europe by 23.6% in 2020, 24.3% less cars and 18% less light commercial vehicles were sold in 2020 compared to the previous year. Despite the negativities experienced in Europe and all over the world, the Turkish automotive market closed 2020 with a growth rate of 61.8%, due to the provided and encouraged by the banking sector, and 77.3% of Turkey's total



**Fatih Uysal**

*Chairman  
of Norm Holding*

automotive exports worth \$25.95 billion in 2020 were made to European countries despite the fluctuations in the region.

As the problems and environmental damage caused by climate change become more apparent with the COVID-19 pandemic every year, we see that the importance given to sustainable development has increased in recent years. The Global Risks Report, published by the World Economic Forum, lists the climate crisis and its associated risks among the issues that need to be focused most urgently. The concept of stakeholder capitalism, which came to the fore again with the Davos Manifesto that was signed at the 50<sup>th</sup> anniversary of the World Economic Forum meetings last year, recommends companies to adopt a stakeholder-oriented model that creates value for everyone, beyond a growth and profitability-oriented approach. This approach also emphasizes the necessity of approaching sustainability strategically and that it should be integrated into the

methods of doing business.

As Norm Holding, we have created a strategic approach and sustainability discourse that includes the Holding and its subsidiaries within the scope of sustainability efforts for 2020 and we present our approaches and commitments in four different areas that we have identified under the Future Matters framework. In this approach, we work for the construction of this future and aim to create value for everyone, with the vision of a shared future adopted by our stakeholders in our value chain and all sectors in which we operate.

With our Future Matters vision; We focus on developing innovative products and technologies and meeting the expectations of our customers with quality and safe products by using the power of R&D and innovation. With our emphasis on digitalization and automation, which acts as a catalyst in the transformation of business during

the pandemic, we increase efficiency and strengthen communication with our stakeholders. We draw strength from equality and diversity in the business environment, and we want to design the sustainable world of the future. We aim to continuously improve people, society and the environment with a shared understanding of culture and future.



*Our goal is to increase  
the awareness and impact of sustainability  
for our country, and then for  
all our stakeholders.*

**Dear Stakeholders,**

2020 has been a year marked by the COVID-19 epidemic and radically changed our daily lives, social habits and ways of doing business. As sustainability came to the forefront in 2020, as Norm Holding, with our “Humans First” philosophy we implemented the measures recommended by both the Ministry of Health and the World Health Organization in all our companies. We continue to overcome this period with minimal damage, as we continue our measures with the same care as we did on the first day without any interruptions, and the whole team adapts to these measures with devotion and sensitivity.

Thanks to the open and continuous communication we established with all our stakeholders, we continued to grow financially while conducting our business without interruption. We are focused on fully meeting our customers' expectations and have aligned our

research and development strategies with these expectations in mind.

In order to best manage the automotive factories closed especially in Europe due to the effects of the pandemic, the fluctuations in demands after the reopening, the difficulty of sourcing raw materials, and the expectations of our stakeholders who want to keep stock with the increase in freight prices, we carried out our efforts such as turning to the domestic market and preparing alternative plans for supply chain and stock management by holding regular meetings with our teams.

With our Future Matters strategy, we aim to create value for the economy, society and environment in which we operate, and to develop together with our value chain while ensuring the sustainability of our business. In this context, we focused on digital transformation, innovation and R&D, environmental sustainability and customer experience during the year.

We aimed to save money by increasing efficiency in business processes, maximize the customer experience with the highest quality products, and most importantly, reduce our environmental impact while growing.

We are developing our strong R&D and innovation infrastructure in order to develop innovative and value-added products, respond to customers' demands, and increase efficiency in all business processes. As of 2020, the budget we have allocated to R&D and innovation has been approximately 9.2 million TL, which corresponds to 0.5% of our turnover. Our budget has increased by approximately 25% compared to 7.4 million TL in 2018. With our competent R&D unit of 61 people, we continue our efforts to move our business forward every day. In 2020, upon a request from a customer, we carried out mold design, simulation and production studies so that a product, which is difficult to produce with the cold forging method, can be



**Nedim Uysal**

*CEO / Vice Chairman  
of the Board*



produced with the cold forging method without a second treatment. We have managed to lighten the weight of this product used in automobiles by 25% and indirectly reduce CO<sub>2</sub> emissions. In 2021, we aim to increase the cumulative and calculable income from product development and process improvement projects to exceed 100 million TL.

In 2020, we worked to improve our processes and increase the quality of our products. With the increase of digitalization and automation, we have developed barcode reading and approval systems in all production processes. We have installed locking systems so that faulty products can be detected before they leave the facilities, and we have greatly reduced the error rate. In addition, we reduce the use of chemicals by replacing test methods that use dangerous chemicals with alternative methods.

In order to provide a better experience for our customers, we carried out customer segmentation studies and established the "KAM", Key Account Management department, where the customers

with the highest transaction volume are gathered. Through this division, we started to provide global service to OEM customers from a single point of contact. We aim for the KAM team sales to account for 35% and 40.5% of the turnover in 2021 and 2022, respectively.

We take steps to reduce our environmental impact in all processes, especially in production and transportation. In this context, we focus on increasing energy efficiency and generating electricity from renewable energy sources. We produce energy with 2.722 monocrystalline solar panels of 400 Wp installed at the Salihli Somun facility. In addition, we sell the excess energy to the energy line of the organized industrial zone during the summer period hours and days when there is no production at the factory. We focus on reducing water consumption to conserve dwindling water resources. In this context, we have installed water softening systems in the cooling pools in the furnaces. We have achieved water and financial savings with this application, where we control the water hardness in the pools. As a result of the transaction, we saved 4,000 m3 of

*While continuing to conduct our existing business in 2020, we started to structure our "move forward together" strategy internally and walk towards the same goal together with all our companies, departments and colleagues.*

water and achieved financial savings of 30 thousand TL annually.

We are designing NORM Campus as a more innovative and healthy technology center that will reduce our environmental impact. Campus will consume less energy during the design phase and will meet the energy it needs mostly from waste heat sources and solar energy systems during the production phase, and eventually will provide a more comfortable and safe working environment for the employees.

We support our employees' career journeys with the performance management system that includes all employees. We increase the type and

duration of training programs in order to increase competencies, and we reach more employees thanks to digitalization. In 2020, we reviewed the business models that have changed with the COVID-19 pandemic, adapting quickly to digital business models, and designed two programs, DigiConnect and DigiCampus, for the career development of domestic and international university students. In addition, we redesigned training and development programs due to the pandemic and provided them to employees through digital platforms. In 2020, we provided a total of 27,485 hours of training.

**Dear Stakeholders,**

2020 was a difficult year for humanity and the environment, especially with the COVID-19 pandemic. The temperature records broken one after another and the drought-related forest fires in Central China, Western Europe, Australia and our country show the new dimensions the climate crisis has reached. Independent of droughts, more moisture in the air causes heavy rains to turn into flood disasters. The increase in such extreme weather events directly affects human life negatively and causes damage to the environment. Damaged environment, both due to the climate crisis and due to environmental pollution, leads to the loss of biodiversity and directly affects vital sectors such as agricultural production.

In parallel with these developments, governments and the private sector are taking measures to slow down the climate crisis and adapt to the new climate conditions that have been incurred by 1.2 degrees Celsius of global warming. While countries such as the USA, EU countries, England and Russia announced their carbon-neutral goals, the European

Union signed the European Green Deal to transform the sectors that trade with its members. With the European Green Deal announced by the EU Commission in December 2019, net-zero carbon emissions are targeted by 2050. In addition, “carbon border tax and carbon regulation at the border” is planned to be implemented within the framework of the agreement. It is anticipated that this will have a significant impact on Turkey’s trade process with the European Union, one of its biggest trading partners. This poses risks and opportunities for Turkish companies. Since the products produced with low environmental impact can be exported more easily than others, this creates a competitive opportunity for the companies undergoing sustainable transformation.

We took steps to improve our strategy within the scope of sustainability issues that we prioritized in 2020. In the first phase of the studies, as Norm Holding, we conducted a prioritization analysis to determine which sustainability issues we should focus on in the short term and build on our future strategy. We examined many local and global trends

within the scope of the analysis, in which we received the opinions of internal and external stakeholders. As a result of the study, we have determined that issues such as climate change and energy consumption, R&D and innovation, occupational health and safety, responsible investment approach and customer expectations and satisfaction were among the things we should focus on. Currently, we carry out studies that tackle these priority issues with the diversity projects of the Human Resources Department, emphasis on digital transformation, and our efforts to determine our corporate footprint for energy and carbon emissions. Based on the identified priority issues and the Future Matters strategy, we determined the roadmaps that will enable us to reach our goals in the short, medium and long term and carry Norm to leadership in sustainability issues, and to achieve this we established the Sustainability Committee. In order to support the Committee which includes senior executives, and to implement the issues determined by the Committee, we created 5 working groups; Digital Transformation, R&D and Innovation, Corporate



**Duygu Uysal Simrooğlu**

*Chairperson of the  
Sustainability Committee,  
Board Member*



Governance, Human and Society and Environment. Together with our Future Matters strategy and other strategic efforts we completed during the year, we continue to work together to create shared values in the entire value chain for a sustainable future.



# Report Scope

This report contains Norm Holding Incorporated and its subsidiaries' environmental, social, governance (ESG) and economic performance. This Report, which covers our activities between January 1 and December 31, 2020, has the distinction of being our first Sustainability Report. The shared data covers all the companies affiliated with Norm Holding.

You can reach Norm Holding and all its subsidiaries from the **Norm Holding and Affiliated Companies section.**

With the report prepared in accordance with the GRI Standards "Core" option, we share our sustainability performance, our strategic management approach, our relationship with the value chain and good practices in the relevant ESG areas.

*You can forward  
any questions or comments  
regarding the report to  
**sustainability@normholding.com***

## About Norm Holding

As Norm Holding, we have been acting with the aim of creating value for all our stakeholders, especially our customers, from the first day of our foundation. In 48 years, we primarily aimed to be the leading company of Turkey in the fasteners sector and developed our vision. On the path we started our journey with the goal of becoming the leading company of our country. Today we have become one of the top five companies of the continent of Europe in our sector in terms of production capacity and product diversity. We are one of the suppliers to the world's leading white goods, brown goods, spare parts, machinery and automotive manufacturing companies.

In our journey that started with only one double-shot machine in 1973, today we are a big family with more than 2,500 employees. In 2021 we aim to reach 12 production centers, 20 companies, 12 brands, 13 logistics centers and 4 different R&D and design centers that ensure that products meet our customers. We are proud to have our companies among the 500 largest industrial enterprises in Turkey. We are positioned as a technology producing Holding with a high level of competitiveness, R&D and innovation power.



## Our Mission

To be the always trusted and preferred global solutions partner that creates value for its stakeholders.

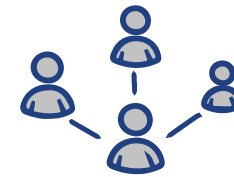
## Our Vision

To be a global company that pursues excellence together with its employees.

## Values



We make a difference for our customers



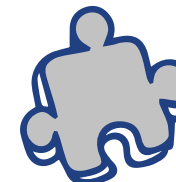
We believe in the power of teamwork



We act fairly and with respect



We add value to society and the environment



We constantly improve ourselves and our standards

# Norm Holding and its Affiliates

## Fasteners Production



## Coating



## Tooling



## Machinery and Automation



## Logistics Centers



## Marketing



## Construction



## Agriculture



## Additive Manufacturing



## E-Commerce



## Technology



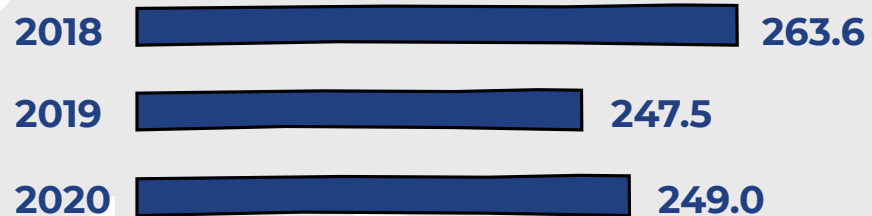
# Economic Performance

## CONSOLIDATED

Net Sales

Million €

€ 249 Million



# Corporate Governance

We adopt a transparent, accountable, fair and responsible corporate governance approach. We care about protecting the interests of the stakeholders with whom we interact directly or indirectly in all regions where we operate. We care about looking out for the interests of the stakeholders with whom we interact directly or indirectly in all regions where we operate.

Our corporate governance approach is also one of the foundations of ensuring the sustainability that spreads from the Holding to its subsidiaries. Thanks to our management structure, we monitor risks and opportunities, take actions and set targets at our Board of Directors levels. Performance indicators of top management and employees are not limited to financial results; we believe it should also include company targets in areas such as climate change and supply chain.

Succession planning is seen as one of the pillars of the success for the institutions that have proven their sustainability. With the responsibility of being a family company, we work on strategies to pass on our business to future generations.

## *Structure and Composition of the Board of Directors*

The regulations regarding the Company's Board of Directors are clearly defined in the Articles of Association, and the business of the company is conducted by a Board of Directors consisting of at least one member to be elected by the General Assembly resolution, within the framework of the regulations of the Turkish Commercial Code. At the Company's General Assembly on December 31, 2020, the Board of Directors was formed from a total of four members, including one non-partner member. At the General Assembly held on April 22, 2021, following the activity period of 2020, the Board of Directors consisted of two

non-partner members and a total of five members. For Norm companies, the election of two non-partner members to the Board of Directors for the first time since they started operation in 1973, constitutes a very important step towards institutionalization.

The duties of the Vice Chairman of the Board of Directors and the CEO, which is the highest executive position, are performed by the same person. The information about the current Board Members none of whom have executive duties except for the CEO, is as follows:

In addition to the members of the Board of Directors of the company, the advisors of the Board of Directors are selected from among those who will contribute to the Board of Directors productively and constructively and support them in making quick and rational decisions. Signing authority is detailed on the basis of positions in the internal directive prepared in accordance with the articles 367 and 371/7 of the Turkish Commercial Code and the provisions of the articles of association and the corporate governance principles, as for the signatory circular it is included in detail on the basis of names.

Name	Position	Execution and Responsibility Status	Other Responsibilities
Mehmet Fatih UYSAL	Chairman		Chairperson and Board Membership in Holding and non-Holding companies
Nedim UYSAL	Vice Chairman	CEO	Company CEO, Vice Chairperson and Board Membership in Holding companies
Duygu UYSAL SİMROOÇLU	Board Member		Chairperson of the Sustainability Committee
Muhittin BİLGET	Board Member		Board Membership in Holding and non-Holding companies
Ceyhun ARAZ	Board Member		Board Membership in Holding and non-Holding companies

There is executive liability insurance for the members of the Company's Board of Directors and senior executives. Members of the Board of Directors are authorized to make transactions with the company on behalf of themselves or someone else, without obtaining permission from the General Assembly, pursuant to the provisions of Article 395 of the Turkish Commercial Code. In addition, members of the Board of Directors may also take part in the Board of Directors of the Company's subsidiaries.

### *Board of Directors Meetings and Operating Principles*

Although for many years there have been established practices for how the Board of Directors meetings should be conducted, there is no written in-house regulation specific to this issue. Even though this does not have a negative impact on the effectiveness of the Board of Directors, we aimed to put the working principles of the Board of Directors into writing in 2021. In

addition to the members of the Board of Directors, advisors and senior executives regularly attend the Board of Directors meetings.

The agenda of the Board of Directors meetings is gathered and formed in the General Secretariat of the Board of Directors according to the demands of the Board of Directors advisors and the executive board, as well as according to the issues that need to be resolved by the Board of Directors as required by the relevant legislation.

Each member of the Board of Directors has one vote, and the opinions of the advisors of the Board of Directors are taken into account in the formation of the decisions. Non-partner members of the Board of Directors can freely convey and express their views.

In-person board meetings can be held at the company headquarters in İzmir AOSB or at the facilities of other group



1- Nedim Uysal, 2-Duygu Uysal Simrooğlu, 3-Mehmet Fatih Uysal, 4- Ceyhun Araz, 5-Muhittin Bilget

### *Advisors of the Board of Directors*



Mustafa  
Doğrusoy



Erkut  
Uludağ



Zafer Uran  
Zaman

companies in İzmir or Salihli. In addition, online board meetings can be held electronically.

In 2020, Board of Directors meetings were held regularly every month with a participation rate of over 80%. The first two meetings of the year were held in-person, while the following 10 meetings were held online due to the COVID-19 outbreak. At the Board of Directors meetings held in 2020, there were no different or opposing opinions of note put forward. In addition, we regularly informed the members of the Board of Directors about the company's performance and developments outside the meetings, and monitored whether the actions to be taken in line with the decisions of the Board of Directors and the execution activities were carried out on time, in full and with the expected quality.

*Committees within the Board of Directors*

In order for the Board of Directors to fulfill

its duties and responsibilities in a healthy manner, the Audit Committee continued its activities effectively throughout the year in order to monitor the operation and adequacy of accounting, financial reporting and internal control systems and the effectiveness of independent auditing. The Audit Committee held a total of four meetings in 2020, three of which were in-person.

Norm Holding Inc. is not subject to capital market legislation, as it is not a publicly traded company. Within the scope of the Company Institutionalization Project, which is planned to start in 2021; It is aimed to comply with the Capital Markets Law, which includes the regulations of the Capital Markets Board regarding the Corporate Governance Principles (Principles), and the communiqués prepared based on this Law, only on the condition that it is in compliance with the good management example and Company management codes and its



<b>Corporate Governance Committee</b>	<i>It reviews and evaluates the systems and processes for the implementation of methods and practices that will increase the company's performance, and makes recommendations to the Board of Directors. Recommends committees to be established within the company to the Board of Directors in accordance with good management practices.</i>
<b>Audit Committee</b>	<i>It is responsible for the selection of the independent audit firm that audits the accuracy, transparency, compliance of the financial statements and other financial information with the legislation and international accounting standards, as well as the preparation of the contracts and initiation of the independent audit process. The Committee ensures coordination with the work of the independent audit firm at every stage and reports the opinion of the independent audit firm in writing to the Board of Directors.</i>
<b>Early Risk Detection Committee</b>	<i>Evaluates the methods and practices deemed necessary for corporate risk management, and makes suggestions for the review of the systems and processes that have been created.</i>
<b>Sustainability Committee</b>	<i>It evaluates the future of Norm Holding and its companies by taking into account the economic, environmental, social and cultural dimensions, and makes recommendations on developing new programs and practices on sustainability issues.</i>
<b>Business Development and Investment Committee</b>	<i>It makes recommendations on determining, defining, prioritizing by calculating impact and possibilities, monitoring and reviewing of strategic, financial and operational opportunities that will improve activities.</i>



## *We plan to complete the Corporate Risk Management project in 2022.*

borders are approved by the Board of Directors. Accordingly, in addition to the Audit Committee, which continued its activities in 2020, it is aimed to establish Corporate Governance, Early Risk Detection, Sustainability and Business Development & Investment committees in 2021 and put the working principles of all committees into writing. It is envisioned that good practices will be taken into account in this direction and that the members of the committee should be assigned based on their knowledge and experience.

### *General Assembly Meetings*

Following the announcement of the company's financial statements, the General Assembly preparation begins, and after the necessary legal procedures are completed, the General Assembly convenes. During the General Assembly meeting, the issues on the agenda are clearly conveyed to the shareholders in an impartial, transparent

and detailed manner; it is a point of emphasis to create an effective discussion environment by giving the shareholders the opportunity to express their ideas and ask questions under equal conditions. Board members pertinent to the issues on the agenda, officials responsible for the preparation of the financial statements and the independent auditor are present at the General Assembly meeting to provide the necessary information and answer the questions. The General Assembly is held under the supervision of the Ministry of Commerce Representative.

The company held one regular General Assembly meeting in 2020. The aforementioned meeting was held at the Company's headquarters on December 30<sup>th</sup> 2020 in accordance with the legislation in effect, Company Articles of Association and other company regulations. All of the Company's capital was represented in person at the aforementioned regular General Assembly meeting, where the

activities of 2019 were discussed. Company shareholders (directly or by proxy), Board members, independent auditors and other company officials attended the meeting. The agenda topics of the Company's General Assembly are expressed clearly and in a way that does not lead to different interpretations.

### *Voting and Dividend Rights*

There is no other legal person, whether or not affiliated with the company, among the shareholders of the company. There is no provision in the Articles of Association that prevents a non-shareholder from voting by proxy as a representative. The capital consists of A and B Group shares. Group A shares have the privilege of nominating candidates to the Board of Directors, the privilege of dividends and privileges in voting.

### *Risk Management*

The Early Risk Detection Committee evaluates the risks of Norm Holding and its subsidiaries in general. The Holding Internal Audit Department that is assigned by the Audit Committee, periodically examines and reports internal risks through risk-based audit activities. Within the scope of the Corporate Risk Management project that we plan to complete in 2022, we plan to conduct risk assessments of all companies and processes affiliated with the Holding, and aim to adopt a trackable risk management system.



# Sustainability Journey

As the first step in our sustainability journey, we determined our strategic approach to sustainability issues. We put forward our approaches and commitments in 4 different areas that we have identified under the **Future Matters** framework.

As Norm Holding, with a common **future** vision that is embraced by the sectors and stakeholders in which all affiliated companies operate, we work to build a future that creates **value** for everyone. We develop innovative products and technologies with the investments we make in R&D and innovation. We meet the expectations of our customers with high quality and safe products. By focusing on digitalization and automation, we increase both the efficiency in business processes and strengthen communication with our stakeholders.

As a holding, we gain strength from equality and diversity and establish collaborations and partnerships with

the aim of creating mutual benefits. We want to continuously develop people and society from a shared cultural perspective.

The rapidly changing climate conditions with global warming and the inadequacy of the measures taken, are turning climate change into a crisis. In order to slow down the effects of the climate crisis, adapt to changing climate conditions and promote the sustainable use of natural resources, we say **Planet Matters** and we believe in the importance of acting quickly on this issue. We adopt energy and emission management in the fight against the climate crisis and invest in renewable energy and efficiency projects. Our target is to reduce carbon emissions as we continue to grow. We are working on purchasing energy from renewable sources, and we are also working to increase and expand energy production from sources such as wind and sun. For a sustainable future, we ensure the development of products that are mindful

*We put forward our approaches and commitments in 4 different areas that we have identified under the Future Matters framework.*



# FUTURE MATTERS



## Work Matters

Responsible Investments

Customer Expectations  
and Satisfaction

Product Quality  
and Safety



## Planet Matters

Climate Crisis

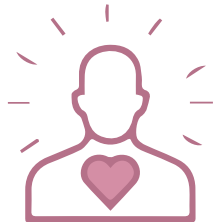
Water and Waste  
Management



## Technology Matters

Digitalization and  
Automation

R&D and Innovation



## Human Life Matters

Talent Management

Equal Opportunity and  
Diversity

Occupational Health  
and Safety

## FOUNDATIONS

CORPORATE GOVERNANCE

ECONOMIC PERFORMANCE

INTEGRATED RISK MANAGEMENT



of environmental impact, and improve the environmental performance of our customers.

In order to reduce the pressure on natural resources and the economic loss due to inefficient use of resources, it is necessary to move away from the direct economy model that produces disposable production. Alternatively adopting a circular model, in which products and resources that have finished their life cycles are fully reintegrated into the economy without loss, is becoming more important day by day and as Norm Holding we focus on the recycling of resources and wastes with circular economy. We support cyclical systems by increasing the rate of recycled materials used in products. Thus, we reduce our environmental impact by making responsible purchases, and we achieve financial savings by using waste as input in production.

Technology and digital transformation offer important tools for solving the environmental crises we face today, increasing social welfare, and ensuring efficiency and savings in the business world. With technological investments and digitalization, companies reduce their environmental footprint and increase productivity, gain agility in business processes and transform the workforce. We say **Technology Matters** to combat today's environmental and social problems, turn risks into opportunities, and create the ideal conditions for the future. We draw our strength from research, development and innovation. With the sustainable world vision, we invest in innovation, innovative ideas, products, services and technologies and work to increase our R&D and innovation capacity. Our investments in digitalization and automation support efficiency in business processes and increase production capacity, while allowing us to adapt to the requirements of the new age.

We embrace innovative ideas within our institution, and we work with stakeholders from academia to ensure that information is brought in from outside.

Talent management plays an important role in companies adapting to changing global trends and maintaining their competitiveness. Companies that follow a people-oriented management approach seem to be more successful at attracting and retaining new talent. The training programs developed to gain the necessary competencies of the new age directly affect the satisfaction and loyalty of the employees. As Norm Holding, we emphasize talent management, equality of opportunity and diversity with our human-centered **Human Life Matters** approach. We aim to retain existing talents and attract new talents in order to work with a competent workforce in all sectors in which we operate. We devise training programs according to the needs of our employees, and aim to create value

*We put utmost emphasis on equality of opportunity, gender equality and diversity.*

in the long run with our development programs.

Ensuring diversity in the workplace and providing equal rights and opportunities to all employees make a successful work environment possible, while contributing to socioeconomic development. Norm Holding and its subsidiaries do not discriminate on the basis of language, race, color, gender, sexual orientation, political opinion, belief, religion, sect, age, physical disability and other similar reasons. We put utmost emphasis on equality of opportunity, gender equality and diversity. We offer equal opportunities to our employees from the moment of recruitment, and we benefit from the potential strength of diversity





and differences. We know that disabled individuals having equal rights while participating in employment is closely related to socioeconomic development level. As Norm Holding, we strive to provide physical facilities for disabled employees in order for them to work as efficiently as possible.

Responsible investments with social and environmental benefit goals come to the forefront, in order to make sustainable transformation permanent. At Norm Holding, we embrace making sustainable and responsible investments and transforming societies. We aim to manage our portfolio within the principles of responsibility, and aim to create economic, social and environmental values in new investments made for subsidiaries and the Holding's expansion into new business lines. With these investments, we contribute to sustainable economic growth. We contribute to sustainable economic growth through these investments.

As Norm Holding, we are aware that saying **Work Matters** and placing great value on work is critical for us in being a leader in the sectors that we operate and in producing quality and safe products. These products we have developed, in turn allow our customers to develop products with high added value while reducing their environmental impact with their innovative features. We make use of local and global quality and management system standards during our production phases. Since the day we were founded, we are aware that we have to work as a team with our stakeholders in production, those who actually produce our products.

We draw strength from certain foundations and leverage in realizing our sustainability vision and goals. **The economic value** we create is the most important leverage for us to expand our influence in the value areas we have identified. We support stable, inclusive and sustainable economic growth,

employment and social development. Among the strategic steps we take to create economic value are strengthening our economic performance, making responsible investments and increasing technology investments. In addition to economic performance, we implement **corporate governance practices** that set good examples at Norm Holding. Having a corporate governance approach that is shaped around the principles of transparency, fairness and accountability is one of the foundations of ensuring that sustainability

spreads from the Holding to its subsidiaries and to the society as a whole.

**Managing financial and non-financial risks in an integrated manner** has an important place within the scope of future business strategies of Norm Holding and its subsidiaries. Thanks to the integrated risk management we aim to develop, we will identify the risks that may arise in our portfolio and operations, manage them effectively and turn them into opportunities.





*Sustainability Management*

Responsibility of carrying out studies on sustainability in Norm Holding and its subsidiaries rests with the Sustainability Committee. This committee is responsible for measuring sustainability performance in social, environmental, managerial and economic fields, determining strategies and policies and developing projects to improve this performance. The committee also organizes training programs about dissemination of sustainability and its integration into the Norm Holding culture.

Norm Holding Sustainability Committee consists of at least three members elected among board members and board advisors; and when necessary, Norm Holding executives who are not members of the Board of Directors, professional managers from the relevant departments of Norm Holding and its companies, and experts in their fields who do not work within Norm Holding can also

serve in this committee temporarily. The coordination of the committee is provided by the Brand Management and Corporate Communications Manager. Currently, the CEO, two Board members, a Board consultant, the General Secretary of the Board of Directors and the Corporate Communications Manager are taking part in this committee.

*Sustainability Committee:*

*It is the Committee that determines and executes the strategy, goals and actions within the framework of the sustainability approach determined by Norm Holding.*

*Norm Holding and its companies work towards the United Nations (UN) Sustainable Development Goals and the transition to a low carbon economy as well as efficiency, sustainable industry and circular economy, sustainable agriculture and access to food, diversity and inclusion, sustainable finance and risk management.*

*This Committee determines which of the 17 articles of the UN Sustainable Development Goals Norm Holding and its companies can comply with and contribute to, then submits the decisions to the Norm Holding Board of Directors for approval.*

*It determines the performance criteria of the sustainability goals and practices of Norm Holding and its companies, contributes to the development of standards, monitors the performance in line with the targets and ensures the participation of all relevant units in this process.*

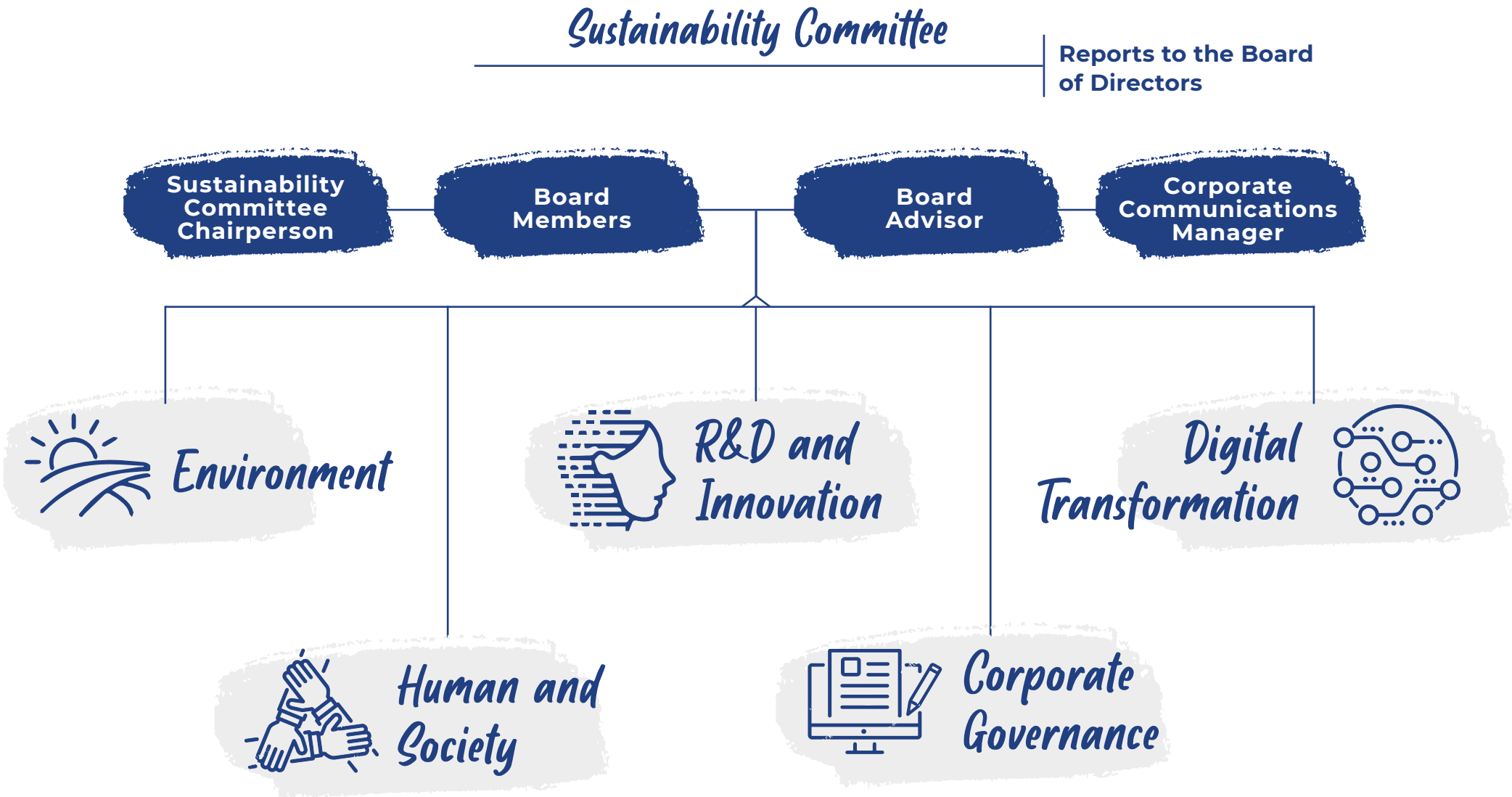
*It ensures that Norm Holding's sustainability policy, goals and practices are informed to the employees of Norm Holding and its companies and works to internalize sustainability issues.*

*It coordinates communication and participation so that the sustainability policy of Norm Holding is adopted by all stakeholders of Norm Holding.*

*The committee meets at least once a month. The frequency of meetings can be increased according to the effectiveness of the studies and the volume of the agenda, depending on the committee's decision. Once a year, the Committee prepares a report on its activities, reviews the committee's assignments and working principles document, and submits what needs to be updated to the approval of the Holding Board of Directors.*

*In order to ensure the effectiveness of its work, the Committee establishes a sub-working group or groups within Norm Holding and ensures its authorization and coordination.*

# NORM SUSTAINABILITY COMMITTEE AND SUB-WORKING GROUPS STRUCTURE





Working groups serve to support the Sustainability Committee. There are five groups, namely Digital Transformation, R&D and Innovation, Corporate Governance, Human and Society, and Environment. Working groups, whose members are determined by open call, are planned to have a minimum of seven members. The distribution of the participants may be two experts, two senior experts, two team leaders and a manager.

### ***These Working Groups:***

*They are responsible for implementing the topics determined by the committee.*

*The subjects and purposes of the working groups are determined by the committee and conveyed to the Norm Holding Executive Board with the names and assignments determined according to the company and departments.*

*Working groups set targets in accordance with the decisions taken in the committee, implement and monitor sustainability studies, make revisions, and fulfill all assignments regarding sustainability given by the committee.*

*Working groups submit their work and reports to the committee.*

*The members of the working groups also participate and contribute to the work of the committee when necessary.*







Sustainability Priorities

We conducted an analysis to determine the focus points of Norm Holding and its subsidiaries on sustainability issues and to determine the priority issues that will form the basis of its future strategy. This analysis was conducted in accordance with the AA1000 Stakeholder Engagement Standard and a multi-layered materiality matrix was created.

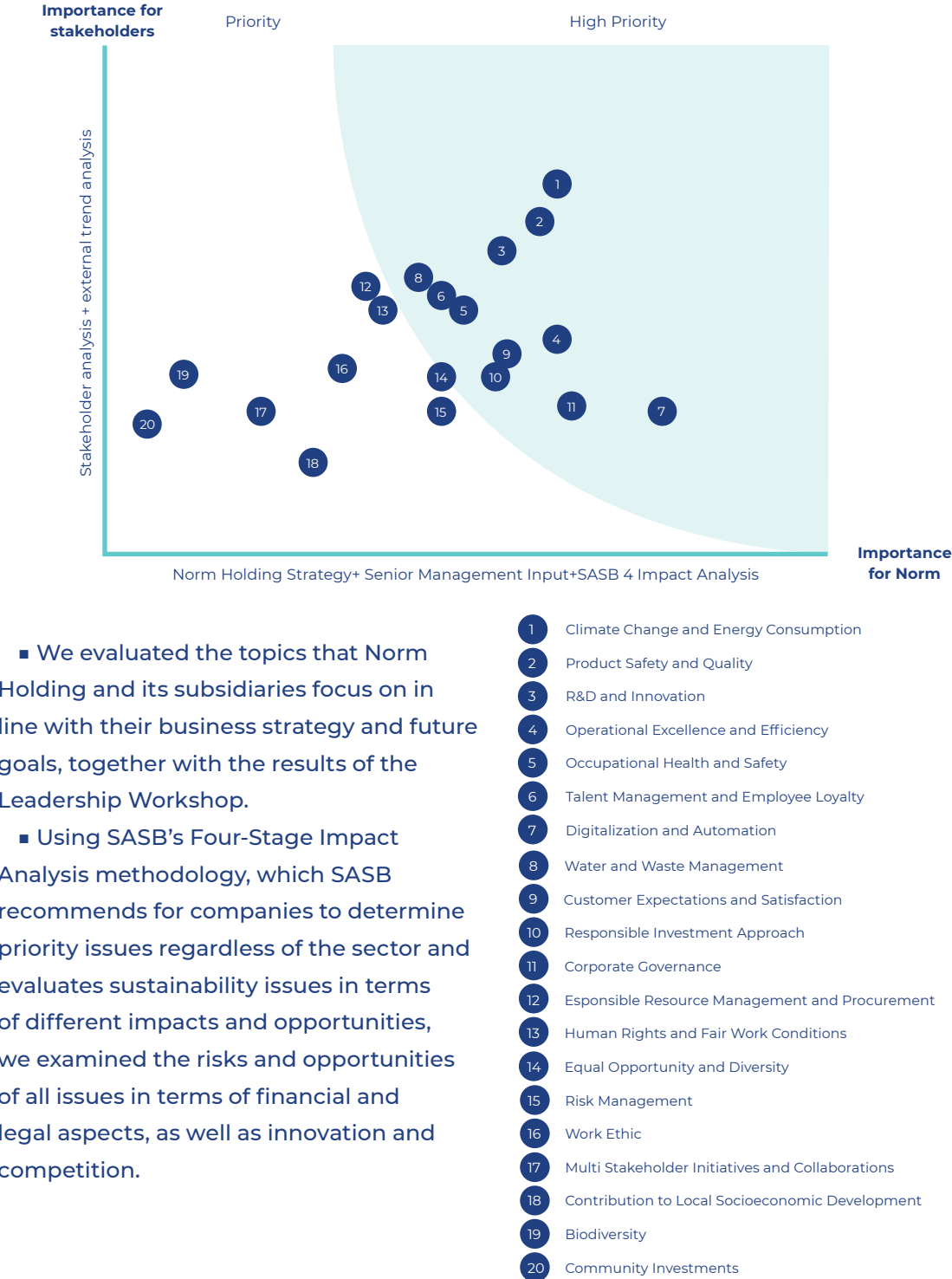
While determining the priorities of internal and external stakeholders in the process;

- Internal and external stakeholder mapping has been completed, and the relationship of all stakeholders with Norm Holding has been determined.
- We collected feedback through an online questionnaire from internal stakeholders such as our employees, and international organizations, universities, customers, non-governmental organizations (associations, etc.), financial institutions and suppliers in the external stakeholder category.




- In addition to stakeholder feedback, the analysis also addressed global sustainability trends. These trends include the 11<sup>th</sup> Development Plan, the European Green Deal, the priority issues prepared specifically for each sector by the Sustainability Accounting Standards Board (SASB), the Sustainable Development Goals Industry Index and the priority issues of local and global peer companies.

We analyzed the important priorities of the stakeholders according to the report prepared within the scope of the Norm Holding strategy and Leadership Workshop. In this analysis;

- We collected the opinions of Norm Holding senior management with an online questionnaire.
- In addition to the online questionnaire, we took into account the opinions that emerged in the focus group organized with the participation of the Board of Directors.



- We evaluated the topics that Norm Holding and its subsidiaries focus on in line with their business strategy and future goals, together with the results of the Leadership Workshop.
- Using SASB's Four-Stage Impact Analysis methodology, which SASB recommends for companies to determine priority issues regardless of the sector and evaluates sustainability issues in terms of different impacts and opportunities, we examined the risks and opportunities of all issues in terms of financial and legal aspects, as well as innovation and competition.

Priority Level	Priority Issue	Relevant SDGs	How do we manage?
High Priority	Climate change and energy consumption		We are working to reduce greenhouse gas emissions in the fight against the climate crisis and to reach a carbon neutral future. In this context, we invest in energy efficiency and renewable energy, identify climate risks and measure their impact on our business.
	Product safety and quality		We comply with high product safety standards so that our customers always have access to safe products, and we develop projects and applications to maintain and improve product quality standards.
	R&D and innovation		Producing innovative and responsible products has a very important place in competition. For this reason, we invest in research and development studies and develop products that meet our customer's and future needs.
	Operational excellence and efficiency		By improving business processes and operations, we emphasize efficiency, increase our competitive advantage and reduce our environmental impact.
	Occupational health and safety		Protecting the physical, mental and spiritual health of employees in all business processes is among the most important issues for both our business and our employees, who are our most valuable stakeholders. For this reason, we take the necessary measures to create a healthy and safe work environment.
	Talent management and employee loyalty	 	We work to bring new generation talents and competencies to Norm Holding companies, retain talent, and develop talents and competencies through personal development and career planning practices. Accordingly, we regularly measure the commitment and satisfaction levels of our employees, and carry out projects and practices to increase these levels.
	Digitalization and automation		Digitalization and automation play an important role in increasing efficiency and safety in all business processes. As Norm Holding, we invest in both new technology and digitalization, and also prioritize increasing automation in all business processes.
	Water and waste management		In our production-based business model, we adopt the "Zero Waste" approach in waste management and aim to bring waste and by-products back to the economy. In addition, we aim to reduce the consumption of water and other valuable natural resources and to prevent environmental pollution.
	Customer expectations and satisfaction		We collect the expectations and feedback of our customers, who are among our most important stakeholders, through effective communication channels, and ensure that satisfaction is kept high with quality products and services.
	Responsible investment approach		We aim to observe environmental, social and corporate governance principles in new investment decisions. We consider the social and / or environmental benefits before developing new products and services.
	Corporate governance		We adopt a fair, transparent, accountable and responsible form of corporate governance.

Priority Level	Priority Issue	Relevant SDGs	How do we manage?
Priority	Responsible resource management and procurement		We aim to integrate and control environmental, social and ethical conditions in supply chain management, and we aim to develop our suppliers along with us in our sustainability transformation.
	Human rights and fair work conditions		Protecting employee rights along the entire value chain is an important issue for Norm Holding and its subsidiaries. In this regard, we care about preventing all kinds of discrimination and creating a fair and equal working environment for everyone.
	Equal opportunity and diversity		We emphasize equality of opportunity and diversity in the business environment, especially in recruitment processes. We do not discriminate on the basis of religion, language, race, ethnicity, gender, sexual orientation or disability.
	Work ethic		We manage Norm Holding and its subsidiaries with an ethical business approach and prevent unfair competition.
	Risk management		We continue to work on the integrated management of financial and non-financial risks.
	Biodiversity		Even though the regions where we operate are not important points in terms of biodiversity, we care about the protection of all living species and habitats.
	Community Investments		We develop strategic and long-term social responsibility programs that benefit both our Holding and the society.
	Multi stakeholder initiatives and collaborations		We became a signatory member by signing the United Nations Global Compact in March 2021. We aim to continue participating in local and global initiatives and establishing collaborations in order to create value in the field of sustainability on a larger scale.
	Contribution to local socioeconomic development		Starting with Izmir and its surrounding regions, we contribute to the development of the regions that we operate in by creating employment.



Stakeholder Relations

The concept of stakeholder capitalism came to the fore in the Davos Manifesto signed on the 50<sup>th</sup> anniversary of the World Economic Forum meetings. This concept suggests that companies move beyond a growth and profitability-oriented approach to adopt a stakeholder-oriented model that creates value for all.<sup>1</sup> The disruptions experienced by the COVID-19 pandemic show how important it is to effectively manage the supply chain and support sustainability across the entire value chain.

As Norm Holding and its subsidiaries, we establish two-way communication with all our stakeholders and keep communication open all the time by using different channels.

Stakeholder Group	Communication Type
Employees	Mailing (Euromessage) Intranet Juno mobile app N'Haber magazine Screens Employee engagement research and surveys Focus groups Reward system (Loyalty rewards) Performance Management System (PYS)
	Annual Report and Sustainability Report Press releases Interviews and talks Meetings and discussions Special circumstances disclosures
Vocational Schools, Universities and Academy	Training and technical support Sponsorships Annual Report and Sustainability Report Academic conferences and seminars Meetings and talks Joint projects Articles and publications Joint studies

Stakeholder Group	Communication Type
Norm Holding Companies	Annual Report and Sustainability Report Working groups Project partnerships
Public Institutions	Annual Report and Sustainability Report Audits Meetings and talks Training programs Joint projects (TUBITAK-IBB)
Suppliers and Subcontractors	Annual Report and Sustainability Report Norm Holding Work Principles One-on-one conversations OHS Committees Award ceremony Training programs
Non-Governmental Organizations	Annual Report and Sustainability Report Working Groups, Committee and Board memberships Memberships Joint projects and initiatives Meetings and talks

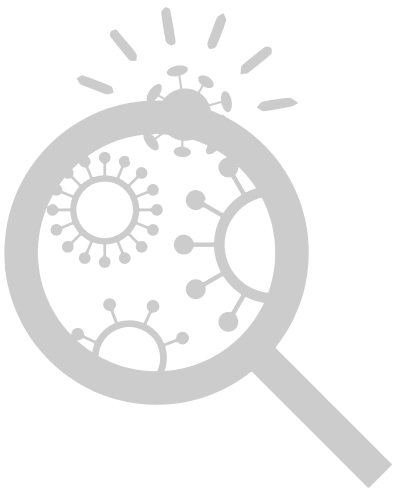
<sup>1</sup>What Is Stakeholder Capitalism?, World Economic Forum






# COVID-19 Outbreak

The COVID-19 pandemic and its accompanying restrictions continue to impact the business world. Production activities came to a standstill with the restrictions implemented in the first months of the pandemic when the infection rate was high. However, as a result of the measures taken, the spread rate of the pandemic slowed down and the work environments were made safer with various regulations, and the production activities returned nearly to normal levels. The continuation of the pandemic with different fluctuations leads countries to bring up restrictions again. While the global supply chain is negatively affected by the slowdown in raw material supplies with these restrictions, companies are trying to compensate for this problem with practices such as counter capacity reduction or stock increase.

The pandemic and the negatives it brings pose financial and operational risks for the Holding and its subsidiaries. Since the

first days of the pandemic, we have been keeping the health of our employees at the forefront by taking all kinds of measures, especially by increasing digitalization of business processes. We manage the cases seen in our work environment through comprehensive analysis of the precautions we take and the coronavirus case scenarios, activity reports, risk assessments, vaccination rate tracking.

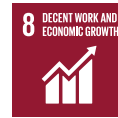


Measures Taken	Applications Under the Measure	
Travel and Event Restrictions		We have stopped all business related international travel. We have informed those who had mandatory international trips that they need to get approval from their senior manager and notify the company's OHS unit. During the pandemic period, we canceled all meetings, training, conferences, fair participations and events. We have taken measures to reduce and prevent contact with practices such as social distancing compliance and new seating arrangement in common areas such as resting areas,dining halls, and dressing rooms.
Risk Assessment and Update of Emergency Action Plans		We determined our roadmap by working on a coronavirus risk assessment table and the measures to be taken. We enabled the Human Resources department to contact all units in order to take measures rapidly. We have updated our contingency plans and risk assessments.
Visitor and Movement Restrictions		We stopped visitors from outside, we canceled employee visits to all other companies. We kept company transfers within the holding to a minimum as much as possible and tracked them safely. In addition, we restricted access to common areas by allocating a waiting room to drivers arriving for transportation. We have integrated the HES Code and fever monitoring at the security entry points into the system. We have made the use of masks mandatory in all areas.
Organization of Remote Working Infrastructure		We assigned the Technology and Digital Transformation Directorate to organize the selection, use and support of technology related to working remotely, and we created an efficient work system by creating an I.T. infrastructure. We switched to the e-payroll application for contactless distribution of payroll to employees. In addition to this, we launched the online learning and development program "DigiConnect" in 2020 in two programs, summer term and long term.
Transition of Risk Groups to Remote Working System		We ensured that employees who have relatives coming from Umrah, are over the age of 65, have a chronic illness, are disabled, pregnant and/or are in contact with a medical professional in the same house, switch to working from home and/or work safely in the field in isolation.

Measures Taken		Applications Under the Measure
Occupational Safety Instructions		We started the remote working model by identifying the roles that can be fulfilled from home in accordance with the duties and structure of the job. We created OHS, indoor pandemic and biological risk instructions for remote work and published them in the Corporate Management System. We increased awareness by hanging posters published by the Ministry of Health in every suitable area in the field in order to inform the employees.
Hygiene and Disinfection Efforts		We disinfect all areas against viral threats and increase cleaning and hygiene measures. In addition, we ensure that employees are healthy at work by providing masks, visors and alcohol-based disinfectants. We continue to disinfect employee transportations regularly at the beginning of each trip. In the cafeteria, we switched to the packaged service and the selection of disposable materials. We have implemented bottled water service.
Health Check ups / Obtaining Reports		In all cases deemed necessary by the occupational physician, we have started hospital referrals and reports. We prioritize employee health and safety with instant interventions in the field with the guidance of the Ministry of Health and the occupational physician regarding the employees with complaints of infection (fever, cough, shortness of breath). We started to offer complementary health insurance services to all our personnel within the coverage of private health insurance.
COVID-19 Team and Training Programs		We formed teams to ensure measures that are taken at the workplace are implemented in the field. We provided training to the members about the responsibilities of the teams and the disease. We actively followed up on the cases in the field through these teams.
Vaccination Tracking		Through actively following the vaccination status of all our personnel, we increased awareness in the field by providing educational information. We allowed our non-vaccinated personnel to work only on the condition that they provide PCR testing.



# WORK MATTERS



*We say Work Matters to support the transformation and development of society and the business world, especially our customers. While ensuring this transformation with high value-added, high quality, safe and innovative products, we support the development of the sectors and regions in which we operate, thanks to the responsible investment approach we have adopted as the Holding.*



# Work Matters

Today, the continuity of companies is not independent of the environment and society in which they operate. Especially the environmental and social negativities that have increased with the climate crisis directly concern the private sector. Therefore, the value created by companies today is far from being dependent only on financial metrics, and the environmental, social and managerial performance of companies and the value created by them are starting to be on the forefront. In addition to the focus on financial profitability, the adoption of models that create value for all stakeholders are standing out. The concept of “stakeholder capitalism”, brought back to the forefront by the World Economic Forum in 2020, encourages companies to create a shared and sustainable value for all their stakeholders.<sup>2</sup>

As Norm Holding and Group companies, we aim to create a long-term impact with a business model that will add

value to society and support sustainable development. In this context, we pass the investments made in Holding and Group companies through the responsibility filter, and factor in the positive environmental and social impacts of investments made in new business lines. We act with an approach focused on quality and safe products in the business lines in which we operate. We aim to create value for our stakeholders, starting with the environment and our customers, thanks to the excellence and efficiency we base our production on.

In this sense, we are changing our production structures in a way that will add value to both people and society, and the environment. We have developed a new architectural project, remembering that the areas we work in are also our living spaces. With our new corporate identity, our biggest goal is to provide a more peaceful, safe and motivating work environment to our employees in terms of

architecture. In addition to the importance we attach to design, it is also a priority of this architectural work to recover the energy we consume in a cyclical sense and to take actions that reduce energy consumption as much as possible. With the

*As Norm Holding, Group companies and all its employees, thanks to our efforts to provide social benefit and our responsible investment approach, among Sustainable Development Goals we contribute to Quality Education (4), Gender Equality (5), Decent Work and Economic Growth (8), Reducing Inequalities (10), and Partnerships for Purposes (17)*

responsible investments we have made in this context, we aim to supply the electricity consumption of 35 million kWh from renewable energy, with Solar Electricity Generation Facilities (GES) established on the roof of our three factories so far.

	Providing inclusive and equitable quality education and promoting life opportunities for all
	Ensuring gender equality and empowering all women
	Promoting stable, inclusive and sustainable economic growth, full and productive employment and decent work for all
	Reducing inequalities within countries
	Strengthening implementation tools and revitalizing partnerships and collaborations for sustainable development

<sup>2</sup>What is Stakeholder Capitalism, WEF

# Responsible Investment

Responsible investments around the world continue to increase exponentially each year. The concept of responsible investment, which takes into account environmental, social and managerial factors as well as financial factors, accounts for one third of global investments by 2020.<sup>3</sup> This type of investment, which has become the first choice of investors and the business world, is more resistant to global risks and creates more social value by taking into account non-financial factors.<sup>4</sup>

As Norm Holding, we support the increase of responsible investments in new sectors in our nearby geography, especially in the Aegean Region where we operate. As an investor ourselves, we prioritize responsible investments in our portfolio and work to make our current portfolio more responsible. We established our **Norm Agriculture and Norm Digital** companies with this perspective in mind. We believe that we will add value to

society, people and the environment with these two companies we have established, as we are aware of the social importance of investment in agriculture and focus on digital transformation. In addition to conventional production, which is the field in which we are most experienced, we also invested in additive manufacturing with Norm Additive company. For fasteners, with Norm Forging we are investing in hot forging in addition to cold forging in order to be able to respond to the demands of our customers correctly. We have a goal of expanding to many other sectors, not just limited to the fastener sector. In this sense, we are taking various steps to manage our portfolio responsibly in our strategic investor role, and we are drawing a new vision for ourselves. In this journey we embarked on with the aim of creating value, we support the transformation in manufacturing and logistics with our products, especially in the automotive sector. We are increasing our presence and effectiveness in new markets and

countries thanks to our vertical growth and wide sales network. Beyond being an operational company, we aim to increase our effectiveness in all geographies in which we operate, through international partnerships, mergers and acquisitions. We aim to grow with different investment and business areas, sectors and brands. Thanks to the logistics centers we have opened **in Romania and the USA**, we offer our customers the closest and most exclusive service possible. Our priority is to maximize not only product safety and quality, but also customer satisfaction. In this sense, we work shoulder to shoulder with our customers in their production with **our on-site engineering service in China and the UK.**



*We support the increase of responsible investments in new sectors in our nearby geography, especially in the Aegean Region where we operate.*

<sup>3</sup>ESG assets may hit \$53 trillion by 2025, Bloomberg, <sup>4</sup>Sustainable Investing: Resilience amid uncertainty, Blackrock

# Customer Expectations and Satisfaction

As Norm Holding and Group companies, we implement a management model that puts customers at the center and aims to provide the best service and communication. Mainly for corporate customers, we produce for different sectors such as the automotive main industry (OEM), domestic and international wholesalers and durable consumer goods.

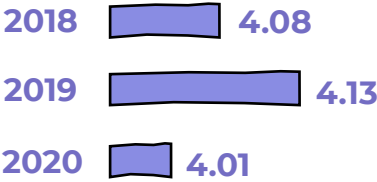
Developing competencies and measuring performance play an important role in keeping customer expectations at a high level. We provide training on customer relations within the scope of our executive training program called “Most Leader is You”. In addition, we ensure that the performance is managed effectively by adding the customer satisfaction score to the key performance indicators of the employees. Due to the COVID-19 pandemic, we conducted our customer visits and communications online. We strengthened our infrastructure in order

to increase accessibility to departments such as Sales, Logistics, etc.

Every year, we conduct satisfaction and loyalty surveys covering all our customers and thus we receive their feedback on a regular basis. 25% of the customers participated in the satisfaction survey we conducted in 2020 and as a result of the survey, we achieved a score of 4.1 out of five. We monitor customer loyalty with the Net Promoter Score included in the satisfaction survey. While approximately 15% of our customers participated in this survey, the survey result was measured as 44%. We evaluate the results of the Customer Satisfaction Survey, which is carried out regularly every year, with the Board of Directors. By looking at the results, we compare the previous years and targets, and determine the necessary actions for improvement.

We focus on improving the customer experience with R&D and innovation.

## Customer Satisfaction Survey

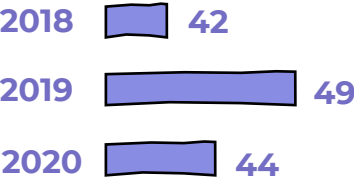


With Normie, the new customer portal, we allow automatic order entry and can quickly confirm orders. With the effective use of the Normie platform, we not only provide quick response to customers, but also save labor as a result of increased automation in business processes.

Within the scope of customer segmentation efforts we established the Key Account Management (KAM) department, where mainly our A / A+ customers are served, and started to provide global service to OEM customers from a single point of contact. Thanks to the regular and effective communication with our customers, we have provided



## Net Promoter Score



a higher level of service and achieved new gains. While the share of sales made by the KAM team in the turnover was 29% in 2018, this rate increased to 31% in 2020. We target this rate to reach 35% and 40.5% for the years 2021 and 2022, respectively.

As Norm Holding, we serve our customers as a Full Service Provider (FSP) with products for which we undertake the continuity of supply and quality processes, apart from our own products. We became the supplier of TOGG and Ford 2023 Transit projects with the development of the FSP department under the Sales & Marketing Directorate.

# Product Quality and Safety

As Norm Holding, we consider the production of quality and safe products as one of the highest priorities. We go beyond national regulatory obligations to ensure high quality and safety requirements. We benefit from international management standard certificates in production processes. We are positioned as the solution partner of customers in the ecosystem in which we operate, and we offer products that meet their needs and the requirements of our era. Thanks to R&D and innovation investments, we bring innovative and sustainable products to customers from different sectors.

We produce fasteners, machinery, coating and molds (with) in a total of 11 factories in different cities in the Aegean Region. We market the products that we manufacture in Turkey directly to 36 countries with our facilities abroad.

Quality experts collect feedback on product quality and safety via e-mails sent

directly to them. Our OEM customers, on the other hand, can report potential quality problems through supplier management portals.

In 2020, we made various improvements, especially by increasing digitalization, in production processes in order to increase the quality of products. We use barcode reading and approval systems from raw material entry to product delivery. We have established systems to stop the approval status and lock the machine so that the faulty product can be detected in the production facilities. In this way, we reduced the error rate in production. We reduce the use of chemicals by replacing the test methods that use dangerous chemicals with alternative methods. By making measurements with automatic devices, we transfer the data directly to the SAP system, so that employees, including field operators, can access technical documents (technical drawing, control plan, etc.) quickly.



*We go beyond national regulatory obligations to ensure high quality and safety requirements.*



Certification Name	Number of Facilities Covered	Facilities
ISO 9001	11	MS Vida Norm Tooling Norm Bursa Norm Cıvata İzmir Norm Cıvata Salihli Norm Somun İzmir Norm Somun Salihli Norm Coating İzmir Norm America Norm Germany Standart Cıvata
IATF 16949	9	MS Vida Norm Bursa Norm Cıvata İzmir Norm Cıvata Salihli Norm Somun İzmir Norm Somun Salihli Norm Coating İzmir Norm America Norm Germany
ISO 14001	1	Norm Cıvata İzmir
OHSAS 18001 / ISO 45001	1	Norm Cıvata İzmir
ISO / IEC 27001	2	Norm Cıvata İzmir Standart Cıvata
EN 14399-1	2	Norm Cıvata İzmir Norm Somun İzmir
EN 15048-1	2	Norm Cıvata İzmir Norm Somun İzmir
ISO 4014	2	Norm Cıvata İzmir Norm Cıvata Salihli
ISO 4017	2	Norm Cıvata İzmir Norm Cıvata Salihli
ISO 4032	3	Norm Cıvata İzmir Norm Somun İzmir Norm Somun Salihli
TS EN ISO 13918	1	Norm Cıvata İzmir

We emphasize that the products reach our customers in the fastest and most efficient way.

Logistics Operations

We emphasize that the products reach our customers in the fastest and most efficient way. We follow all the movements of raw materials, semi-finished and finished materials through the SAP system and record all the movements of the past with the system. The progress of all materials in product orders in the production processes is managed from a single center by the Logistics Department. The products entering the stock are sent to the Warehouse Management with the loading orders created via SAP, and they are prepared and shipped in accordance with customer demands and expectations.

We ship our products primarily by sea and land routes and in cases of emergency, by air. We determine the shipping responsibility within the scope of the sales agreements with the customers and we organize 50% of the shipping tonnage on

average in exports and approximately 45% of the tonnage in domestic shipments.

We carry out all domestic and international product shipments from İzmir and Salihli product warehouses and in order to increase efficiency, we are creating new shipping points. With the new logistics area opened in the Norm Salihli in 2021, we started to ship the products produced in this facility directly to our customers. Thanks to the logistics activities that started to be managed from two facilities, we are reducing the number of trips between Salihli and İzmir and in this way we provide both energy and financial savings. In addition, we do Milkrun<sup>5</sup> optimizations for the shipments made by Norm Cıvata. While some shipments were transported by more than one vehicle before, thanks to the space optimization we have conducted we are able to carry out the same amount of shipment with a single vehicle.

<sup>5</sup> It is the consolidation of the loads of the customers in close proximity to each other in the country and dispatching them with a single vehicle.



# PLANET MATTERS



*In order to slow down the effects of the climate crisis, adapt to changing climate conditions and promote the sustainable use of natural resources, we say Planet Matters, and we believe in the importance of acting quickly on this issue.*

# Planet Matters



Ensuring environmental sustainability is among the common responsibilities of all stakeholders in today’s world, where the effects of the climate crisis are spreading and deepening all over the world and the pressure on all natural resources, especially water resources, is increasing. It is critical for the continuity of the business world and the well-being of humanity that all the sectors work to improve their performance by monitoring their environmental impacts and partnering to find solutions for the global issues.

We believe that taking a role in solving environmental problems facing the world is among our fundamental responsibilities. We focus on reducing our environmental impact while doing business, and indirectly contribute to the improvement of environmental performance of different sectors with the solutions we offer. While managing our environmental performance, we follow the global agenda closely and emphasize our contribution to the UN Global Goals.

The scope of environmental management is determined by ISO 14001 and ISO 50001 Management Systems owned by Norm Civata. Within the scope of ISO 14001:2015 Environmental Management System Standard, within our facilities we take into account all environmental aspects including significant negative environmental impacts of any service or activity, depending on the defined processes and according to the nature of the work. We evaluated environmental risks with a 5\*5 matrix in order to determine the effects on the environment, to prevent / reduce undesirable effects and to determine the methods and controls to be followed for continuous improvement.

*We support Responsible Production and Consumption (12) with our investments in clean and renewable energy and our effective management approach regarding waste and water, and support the Climate Action (13) with our efforts on improving energy efficiency.*



*Ensuring sustainable production and consumption patterns*



*Taking urgent action to combat climate change and its effects*





# Climate Crisis

According to the Global Risks Report, the climate crisis and the associated environmental risks are among the top five risks in terms of its probability and impact<sup>6</sup>. Extreme weather events due to the climate crisis have caused a lot of damage in Turkey as it did all over the world in the last year and events with significant negative financial impact also cause damage to ecosystems.

The European Green Deal Call<sup>7</sup>, which is a political response to the multidimensional global climate crisis issue, requires action for the climate in the region and in the

countries that have trade relations with the EU.

With this call, the EU commits to reducing its greenhouse gas emissions by at least 55% by 2030 in comparison to the 1990 levels by implementing climate, energy, transport and taxation policies, and aims to make Europe<sup>8</sup> a climate-neutral continent by 2050.

As Norm Holding, we support the fight against environmental pollution and climate crisis by reducing our impact in all activities, especially in production and transportation.



In this sense, we focus on increasing energy efficiency and generating electricity from renewable energy sources. With effective waste management, we aim to reduce waste at its source, increase the recycling rate, and reduce consumption by increasing the reuse of water resources. In addition, we aim to protect ecosystems with the emphasis we put on the use of sustainable resources.

The hardening oil in the furnaces used in the production phases used to be cooled by the water coming from the cooling pool through the heat exchanger system. During this process, the heated water also returned to the pool tower, and the process was repeated in this way. In order to increase energy efficiency and to better evaluate the waste heat generated in the processes, we have made various improvements in the systems. Instead of cooling the hardening oil with pool water, we cool it with the water in the central heating system, which is used for heating the offices. Thus, while the offices are heated with waste heat,

*We support the fight against environmental pollution and climate crisis by reducing our impact in all activities.*

the amount of water pumped from the pool tower decreases, reducing the energy consumption of the motors. In addition, we saved approximately 73,000 TL in 2020 with the Evaluation of Waste Heat Generated in Heat Treatment Furnaces project. We use rooftop solar panels to generate electricity directly from renewable energy. So far, we have produced a total of 685,712 MWh of energy with 2,722 monocrystalline solar panels of 400 Wp installed at the Salihli Nuts facility. In addition, we sold 25,000 kWh of excess energy monthly to the organized industrial zone during the summer period hours and days when there is no production at the factory.

<sup>6</sup> World Economic Forum, Global Risks Report, 2021

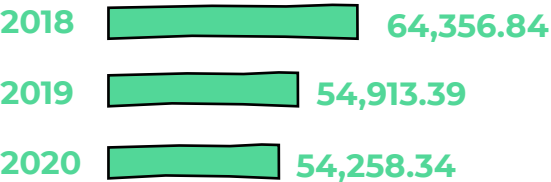
<sup>7</sup> EU Green Deal Calls

<sup>8</sup> Preventing carbon emissions or eliminating carbon emissions with various applications

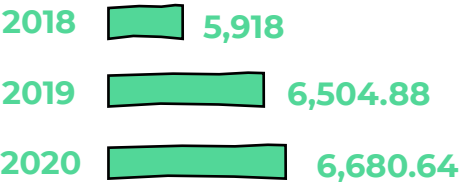




Natural Gas Consumption



Electricity Consumption



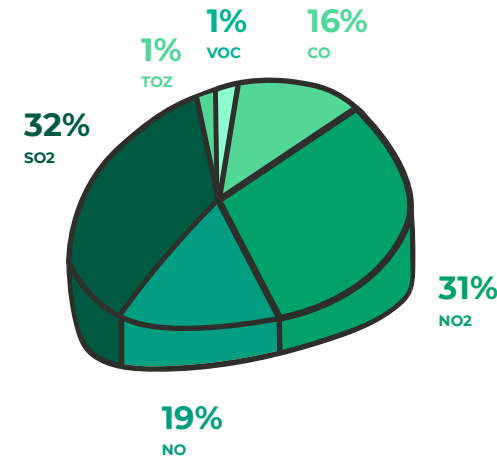
Considering the impact of industrial facilities and organized industrial zones on the climate, it is important to design the facilities efficiently. As Norm Holding, we are designing NORM Smart Campus, which will be a more innovative, greener and healthier technology center. Campus will consume less energy during the design phase and will get the energy it needs mostly from the solar energy systems and the waste heat sources obtained from the production phase. This way, it will play a major role in reducing carbon emissions

while providing financial savings. Campus will also be the technology center that meets the metabolic needs of its employees in the healthiest and most comfortable way.

We respond to special product demands from our customers with our strong R&D and innovation infrastructure, and produce solutions with added value and better performance. In 2020, upon the request of a Thin-Walled and Flanged Reduced Weight Bushing product from one of our customers, we carried out mold design, simulation and production studies so that this product, which is difficult to produce with the cold forging method, can be produced by the cold forging method without a second process. By developing this product, which does not have many suppliers internationally in the automotive sector, we have reduced the dependence on imports for these high value added products. With this project, we also indirectly contributed to the reduction of CO<sub>2</sub> emissions by reducing the weight of the product used in automobiles by 25%.

We monitor greenhouse gas emissions as well as air emissions by type. We aim to evaluate practices that will reduce air emissions in order to reduce the negative impact we create on the environment. In 2021, we aim to calculate and share our entire corporate carbon footprint, starting with Scope 1 and Scope 2.

Gas Emissions  
kg/hour





# Water and Waste Management

Due to various environmental factors, especially the climate crisis, the pressure on water resources is increasing. Access to water is expected to become a major global crisis worldwide in the future. In parallel with this, pollution of aquatic ecosystems is a critical factor for depletion of natural resources and damage to all ecosystems. The mucilage seen in the Sea of Marmara last year was a striking example of the connection between environmental problems, the destruction of ecosystems and the triangle of human well-being. Being an inland sea, Marmara hosts an ecosystem that is very vulnerable to the negative effects of the climate crisis due to the scarcity of surface water currents. The increase in water and air temperatures due to the climate crisis, the location of industrial production facilities around the Marmara Sea, and the pollution due to the increasing population were among the most important reasons that triggered this environmental problem. Protecting water resources and protecting the health of aquatic ecosystems with an awareness spread throughout the society, especially

the business world, play a key role in sustaining human welfare in the future.

We make technical updates in production phases to reduce water consumption. In this context, we installed water softening systems in the cooling pools of the furnaces. With this implementation, where we control the water hardness in pools, we have achieved water savings of 4,000 m<sup>3</sup> and financial savings of 30 thousand TL annually.

We completed our wastewater treatment system improvement projects in 2020. In this way, we reduced the 8.244 mg/L oil grease contained in the raw wastewater to below 10mg/L. We have also started work on the spread of this process in 2021. We have achieved a 49% increase in production efficiency by making improvements in the process in which the wastewater of the surface treatment baths is treated.

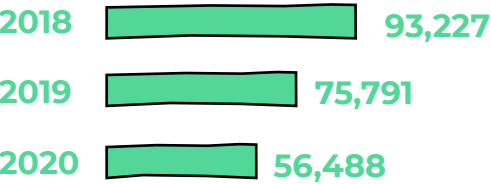
*We make technical updates in production phases to reduce water consumption.*





In addition to the effective management of water resources, producing solutions to the waste problem facing the world, reducing wastes with a circular economy approach and reusing them are prominent in preventing environmental pollution.

Tap Water Consumption (m³)



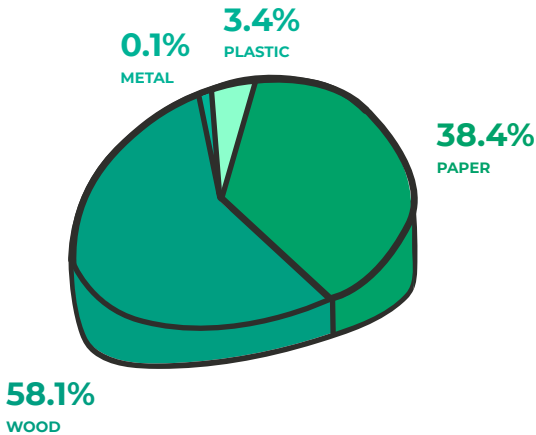
Increasing resource efficiency in production processes not only provides financial savings, but also contributes to supporting the circular economy. For this purpose, we switched to sandblasting operation to reduce the amount of chemical waste used in production processes. Thanks to this process, we reduce the amount of waste by proceeding on a mechanical level instead of chemical surface treatment, and we achieve financial savings by reducing the purchase of chemicals. We sell all

hazardous and non-hazardous wastes to licensed companies, ensuring their correct disposal and recycling.

Norm Bolts, which has considerable production volume among the group companies, sent 82% of its hazardous waste in 2020 to licensed disposal facilities with appropriate methods, meanwhile 18% was sent to recycling. 100% of non-hazardous waste was recycled in licensed recycling facilities.

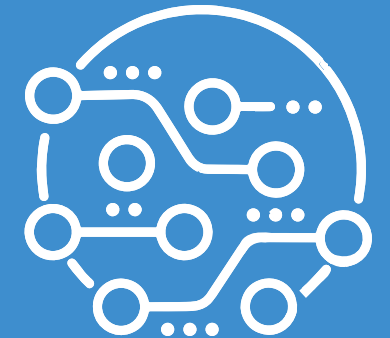
We implement new practices in production phases to increase efficiency in resource consumption and reduce environmental pollution. In 2020, we switched from chemical surface cleaning to mechanical surface cleaning with sandblasting management. Thanks to this process, which provided 10% improvement in production efficiency compared to the average of the previous year, we ended the breakdown and re-installation of acid baths every two weeks, and ensured that the wastes generated at the end of the cleaning processes were safe.

Packaging Raw Materials



*We implement new practices in production phases to increase efficiency in resource consumption and reduce environmental pollution.*

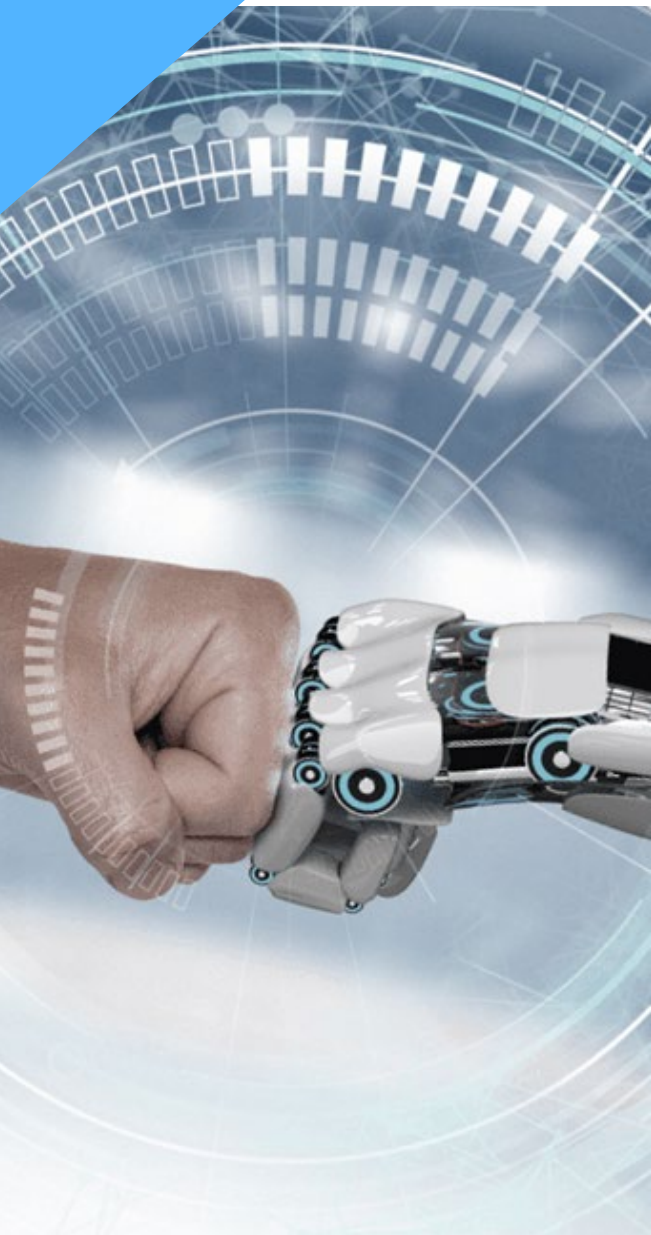
# TECHNOLOGY MATTERS



*We say Technology Matters in order to combat today's environmental and social problems, turn risks into opportunities, and create the ideal conditions for the business world of the future, and we derive our strength from research, development and innovation.*



# Technology Matters



The leaps in technological developments in recent years make it necessary for the business world to keep up with these leaps by improving their R&D and innovation capacity. Companies that offer innovative products and solutions by investing in R&D and innovation gain competitive advantage and respond to the needs of the future today. Taking digitalization as a basis in all processes, from the production stage to the management of resources, helps business methods adapt to the changes brought by the new age.

We draw strength from innovation and digitalization to respond agilely to the change the world is going through, to meet the demands and needs of our customers, and to transform our own processes. We shape all processes within our operations according to the latest developments, and focus on improving the performance of our customers with the innovation.

*We draw strength from innovation and digitalization.*

*Innovation and digitalization powered business approach that we use to provide benefits to our community, our country's economy and especially to our customers, also allows us to contribute to the Sustainable Development Goals. In this context, we support the objectives of Decent Work and Economic Growth (8) with the social and economic value we create through production and employment, and Industry, Innovation and Infrastructure (9) with our R&D and innovation focus. The products and services we develop with this focus enable us to support Responsible Production and Consumption (12) and we contribute to Partnerships for the Goals (17) through our collaborations.*

	Promoting stable, inclusive and sustainable economic growth, full and productive employment and decent work for all
	Building resilient infrastructures, support inclusive and sustainable industrialization and strengthen innovation
	Ensuring sustainable production and consumption patterns
	Strengthening the means of implementation and reinvigorating the global partnership for sustainable development



# R&D and Innovation



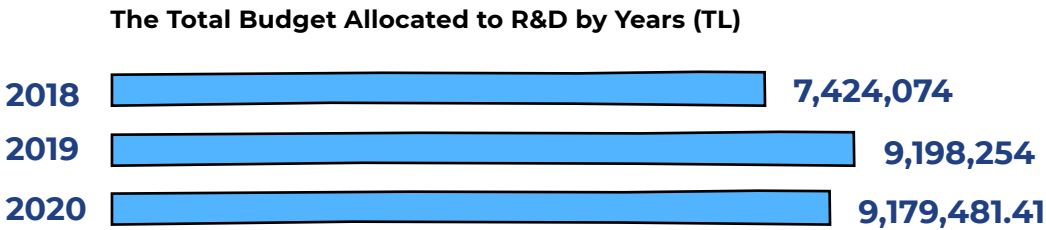
R&D and innovation are important tools and facilitators that enable our business to progress and develop. The basis of our R&D approach is to develop the knowledge of the companies within our organization and this allows us to design new processes, systems and applications. With this approach, we not only produce environmentally friendly, high quality and safe products, but also contribute to scientific and technological developments in the sectors in which we operate.

Starting with the development of high value-added products with patent and utility model potential, our focus areas within the scope of R&D are:

- Serving our customers with our common designer identity as a solution partner and establishing our necessary physical and engineering infrastructure for this,
- Developing high value-added, environmentally friendly, commercializable, technological products by cooperating

with universities and R&D institutions, and carrying out activities to acquire qualified manpower, knowledge and experience for the development of such products,

- Contributing more to the country's economy by making efforts to domestically produce fasteners that are imported and not domestically produced in our country,
- Increasing the rate of nationally and internationally funded R&D projects whose scientific content and R&D quality are approved,
- Engaging in process improvement and/ or development activities that will reduce our unit production costs and increase our efficiency and final product quality,
- Turning our R&D Center into a center of excellence in the design and production of fasteners, and adding all fastener users and manufacturers to our customer portfolio with the testing and engineering services we offer.



The budget we allocate to R&D and innovation in 2020 is approximately 9.2 million TL, about 0.5% of our revenue. Our budget has increased by approximately 25% compared to 7.4 million TL in 2018. With our competent R&D unit of 61 people, we continue to work to move our business forward day by day.

We determined the framework of process improvement efforts by creating the R&D work flow chart. Basis of the workflow in R&D formed by internal projects focusing on issues such as production problems, productivity increase and cost improvements, as well as the creation of external projects in areas such as new product development, integration of new technologies and the establishment of cooperation with universities, main and sub-industry organizations in these projects. We document the details of the project in order to make the knowledge

and know-how obtained as a result of our efforts permanent, and we work to ensure that the R&D culture is adopted by all employees.

The amount of calculable income generated from the products developed by the R&D and Design Centers in the last three years is 12.9 million TL. Since we took the title of R&D and Design Center, the amount of cumulative income that can be calculated from product development and process improvement projects reached 78.7 million TL in 2020, an increase of approximately 20% compared to the previous year. In 2021, we aim to increase the cumulative and calculable income to be obtained from product development and process improvement projects to exceed 100 million TL.

Open Innovation and Employee Participation

We believe that seeking the opinions of stakeholders and co-creating with them play a key role in bringing innovation to life and spreading it. We evaluate the ideas coming from academicians and customers (main and sub-industry	organizations) in our country and abroad in line with needs or problems. We learn about the ideas and needs of stakeholders through corporate visits and one-on-one meetings. Working in continuous cooperation with stakeholders	and establishing solution partnerships throughout the duration of the projects carried out, we use their guidance and feedback in product and process designs, regardless of new product or existing product. We undertake projects in which	ideas are developed and implemented together within the scope of open innovation.
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R&D and Innovation Projects		
Project Name	The Global Trends, Issues and Global Goals We Respond To	Project Details
Reduced Weight Fasteners Design and Production	<b>•Climate Crisis:</b> As a result of the climate crisis, which has become more visible in the region with the European Green Deal, there is a significant increase in the need for weight reduction in different sectors, especially in the automotive sector. The new emission regulations that fossil fuel vehicles must comply with lead to Original Equipment Manufacturers (OEMs) producing lighter vehicles.  <b>•Electrification:</b> Electrification is becoming increasingly important. One of the bottlenecks observed in current electric vehicles is range increase. One of the solutions for this is to keep the weight of electric and hybrid vehicles at a minimum level.	We carried out analytical and numerical simulation studies to respond to the weight reduction need emerging in the industry. Without sacrificing mechanical properties, we have achieved a weight reduction of up to 40% in the head form of the fasteners. The “Hexlight” brand has been registered for the products developed with the studies. We have also filed five national and three international patent applications for our designed products. While one of our foreign patent applications was accepted, five national and one international industrial design registration applications were made within the scope of products with reduced weight, and our products, which we call Extremelight and 7380-2, were registered in Turkey and abroad.
Aluminum Fastener Design and Production		Within the scope of weight reduction studies, the use of aluminum fasteners is on the agenda in applications that will provide mechanical strength instead of using steel fasteners. We have produced fasteners, especially aluminum bolts and bushings, for this need. As an output of the project, we also gained the competence of producing aluminum fasteners.
Flanged Reduced Weight Nut Design and Production Studies		The nuts in question is a product with high added value, which currently is not produced at the national or international level. Norm Nuts took action to produce this product group in order to meet the needs of the industry and to be competitive in weight reduction activities at the international level. In previous activity periods, joint studies were carried out with Norm Bolts R&D Center on weight reduction; however, this project is a first for Norm Nuts in terms of the M24 flanged nut being studied. In addition, the fact that the weight of the product has been reduced from the key grip surfaces increases the difficulty level considerably. Thanks to this work carried out for the product, the competence of the project team in the design of different mold geometries was increased.

R&D and Innovation Projects		
Project Name	The Global Trends, Issues and Global Goals We Respond To	Project Details
Ultra High Strength Fastener Production	<b>•Responsible Production and Consumption:</b> The 12 <sup>th</sup> of the UN Sustainable Development Goals: Ensuring Sustainable Production and Consumption Patterns aims to reduce the environmental impact of consumers with responsible products with low and zero environmental impact, and to spread responsible consumption habits across sectors and society. Preventing excessive consumption by producing more durable equipment in the automotive sector is important for the transition to a low carbon economy.	In order to respond to the need for high-strength fasteners, we have developed 14.9 quality fasteners, which can be defined as ultra-high strength class. In this way, fasteners that can be preferred in applications requiring high mechanical strength were produced. In addition, these fasteners can also be used in weight reduction studies, as they allow reducing the number of fasteners used in assembly conditions and downsizing the existing fastener metric.
Integration of Cryogenic Based Cooling Systems to be Developed in accordance with Machining Methods and Examining the Effects on Tool Life (CryoMach)-SMART EUREKA		In the international project we are involved in within the scope of the SMART EUREKA program, we use cryogenic CO <sub>2</sub> and N <sub>2</sub> instead of coolants in conventional machining methods such as turning and milling. In this way, we aimed to increase the service life of the tool tips by obtaining a more effective cooling of the tooltips, to increase the surface quality of the processed workpieces and to complete the manufacturing processes in a shorter time. Efficiency increases in tool bits and coolants used as consumables in the process are expected to result in cost savings. In addition, it is predicted that the lifespan improvement in the tooltips will reduce the cost of not producing the product. Within the scope of this international project, in which we took part with partners from Belgium, Spain and Sweden, CO <sub>2</sub> and N <sub>2</sub> storage and transfer systems, integration with conventional machining machines, special tool inserts design, creation of simulation models to provide process optimization, the creation of simulation models that emerged and optimized with the project. Testing and validation studies are planned for the system.
Increasing the Lifespan by Creating Compression Residual Stress in Cold Forging Dies and Ball Injection Process Design		Within the scope of the project, we created compressive residual stresses in cold forging die consumables, increased their surface hardness, improved their fatigue strength, and prevented damage caused by excessive stress concentrations. At the end of the project, with the mechanical and tribological improvements created in the mold consumables, approximately 2.5 times improvement was achieved in the mold life. The project won the first place in the best R&D projects competition organized by İZTEK Innovation Platform in 2018.

# Digitalisation and Automation

Digitalization, one of the mega-trends whose effects are seen in every field, is changing all the ways of doing business from resource management to production phases. Companies that have the capacity to respond to this trend not only gain competitive advantage by transforming their processes in line with innovations, but also contribute better to the fight against important environmental problems such as the climate crisis.

With the process and Key Performance Indicator (KPI) design project carried out within the body of Management Consulting in 2020, we redesigned more than 80 main processes, more than 700 sub-processes and arranged KPI maps. In addition:

- With the Digital Factory, we moved the planning and production phases to the digital environment,

- By transferring non-value-added processes to our digital employee

“Normie” with Robotic Process Automation tools, we achieved an annual productivity of more than 500 person/day.

- We established the Digital Transformation Committee, consisting of 22 people, with the participation of representatives from all businesses and functions in order to coordinate the spread of digitalization to the grassroots.,

- We have started the Digital Transformation Academy infrastructure efforts and we are planning to put this project into use by December 2021.,

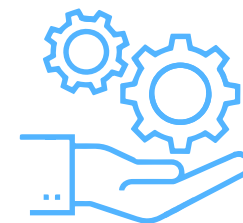
- We began pilot phases for data collection and data analytics from the field.

- For maintenance phases, we launched the project where field workers coordinated data over tablets.

In order to determine what stage we are at in the rapidly advancing digitalization phase, we participated in the Automotive

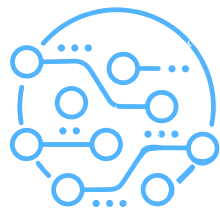
Suppliers Digital Maturity Survey in 2020, conducted by an independent company and conducted under six main headings: governance, innovation, technology, customer, operations and people. In the evaluation, where the average maturity level of the companies participating in the research is 2.9, we received the grade of 3.3<sup>9</sup> and were evaluated as a digitally integrated level. We continue our efforts to further digitalize, and we carry out 37 projects across the Holding that we have classified into 10 basic steps for this purpose.

We have 17 projects that specifically serve the end-to-end visibility and integration of supply chain processes. As Norm holding, we quickly define, analyze and automate processes. We focus on 3 main priorities in hyperautomation, which provides business flexibility with accelerated growth; improving business quality, accelerating business processes and increasing decision-making agility.



Number of processes transferred to “Normie”, which is Norm family’s first digital employee in hyper automation’s first step RPA, has exceeded 20. In addition, the subject of data analytics has become one of the most important topics that we have completed the preliminary preparations for and we have been working to make the processes more efficient, where the input-output relations of our functions are defined by collecting data from the field. In today’s world, companies and employees need to be able to read and evaluate data in their fields. In this direction, Data Analytics and machine learning can be considered as our first steps for the Artificial intelligence ecosystem in Norm, our next phase.

<sup>9</sup> Evaluation is made out of 5 points.



Project Group	Project Number
Digital Archive	1
Digital HR	2
Digital Financial Affairs	1
Digital Customer Mngmt. / Sales	2
Digital Supply Chain	17
Digital Production/ Maintenance	2
Energy Efficiency/ Optimization	1
Business Intelligence	1
Robotic Process Automation	6
Data Analytics / Machine Learning	4

We evaluate the efficiency of digitalization projects within the framework of focus areas such as shortening the product life cycle, reducing the manpower spent on the process, reducing the production cost, creating new technology, and then we start the projects. One of the most important projects carried out within the scope of digital transformation is the Digital Factory project. We started to use this solution which was developed with internal resources within Norm Digital in our factories. An important step on the road to paperless factories, the Digital Factory is a software solution that democratizes data and enables access to planning, production, maintenance, quality and engineering data whenever required.

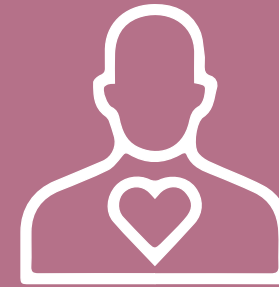
Development of the Mold Tracking System and Integration into Production System project records the molds in question with the RFID method from the stage of entry to the warehouse. This way, we can, without user intervention,

simultaneously in the computer environment access critical information such as on which machine and in which product group the molds with singular identities work, and in how many cycles they break. Thanks to the project, we detect important information such as the success rate of the revisions made to the molds, the average mold life or the remaining average life of the used molds, the instant position of the mold, and thus prevent unnecessary mold consumption and reduce unit costs. The outputs of the project take our Industry 4.0 transformation to the next level by contributing to machine-to-machine communication.

In addition to creating an ecosystem where technology beneficiaries and technology suppliers come together, sharing and disseminating good practice examples, the automatic cold forging press setting project we carried out jointly with Alp Engineering received the national competitiveness award under the scope of TÜSİAD SD2 program, which

is carried out to promote the technology supplier network in Turkey and the competence of those in this network. In fastener production, precise station settings are one of the most critical steps in terms of production efficiency. Since these settings are made by the operators, the sensitivity of the settings also differs depending on the experience and competence of the operators. This can cause changes in the adjustment times and breakage of the mold. With this project, we aim to perform the adjustment process automatically with this system we developed and as a result prevent errors and losses.

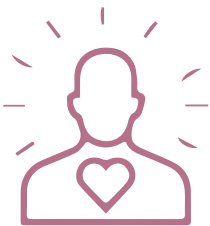
# HUMAN LIFE MATTERS



*We say Human Life Matters and adopt a people-centered approach to support gender equality, protect our competitiveness by utilizing the power of diversity and inclusion, train competent employees for the sectors in which we operate, increase local employment, and we want to create value for people.*



# Human Life Matters



We have had people-oriented philosophy for 48 years. Employees of companies that attach importance to diversity and develop human resources fairly and equally are both more committed to their companies and their jobs, and are happier. It is one of our top priorities that our employees, who spend most of their lives at work, feel peaceful, happy and safe. Employees who feel safe and peaceful add more value to both society and the business in every sense and employees with increased motivation and productivity directly positively affect the financial success and reputation of their companies.<sup>10</sup>

Technologies and digitalization, along with the growing importance of diversity and inclusion, are shaping the future of work and the workplace. This transformation, which started in the business environment, requires change and development of the skills and competencies of the employees. On the other hand, talent wars, which are the result of increasing competition

among companies, point to the difficulty of acquiring and retaining talent. In the light of all this, human resource management, which brings many risks and opportunities with it, is one of the issues that companies should focus on today.

We see employees as one of the most fundamental components of our business. We carry out talent, career and performance management processes to continuously improve our human resources and we take a three-layered approach to acquire, develop and retain talent. We listen to our employees and offer them a healthy and safe working environment. By putting equal opportunity, diversity and inclusion at the center, we approach all our employees equally and always support them.

*We see employees as one of the most fundamental components of our business.*

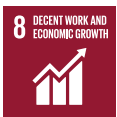
*We contribute to Quality Education (4), one of the Sustainable Development Goals, with the training programs we organize to develop human resources, support the career journey of employees and increase social capacity. While effective performance and talent management practices support the goal of Decent Work and Economic Growth (8), our attitude towards ensuring gender equality and empowering women enables us to support Gender Equality (5) and Reducing Inequalities (10).*



Providing inclusive and equitable quality education and promoting lifelong learning opportunities for all



Ensuring gender equality and empowering all women



Promoting stable, inclusive and sustainable economic growth, full and productive employment and decent work for all



Reducing inequalities within and between countries

<sup>10</sup> Getting Serious About Diversity: Enough Already with the Business Case, HBR, 2020

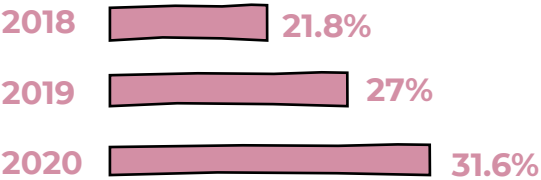
# Equal Opportunity and Diversity

We know that in order to strengthen the values of equality and diversity in the society we live in, we must first start with our company. In addition, research shows that companies that emphasize diversity in their human resources procedures are more successful financially. To ensure diversity, a perspective focused on equal opportunity and inclusion is required. Companies that are fair, equitable and inclusive in their business processes gain a more important place in the business world by having a variety of talents.<sup>11</sup>

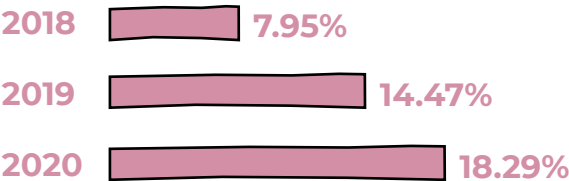
As Norm Holding, we work with a focus on equality of opportunity, diversity and inclusion. We believe that innovations and productivity will increase in an environment where diversity is strong, and (remove) with this in mind, we focus on improving our corporate culture and we aim to eliminate the difficulties that women and young people may encounter in their career journeys.

<sup>11</sup> Diversity wins: How inclusion matters, McKinsey, 2020

Percentage of White-Collar Female Workers



Percentage of Female Employees in Managerial Positions



*We believe that innovations and productivity will increase in an environment where diversity is strong, and (remove) with this in mind, we focus on improving our corporate culture.*



# Talent Management

Rapidly developing global trends led by digitalization and automation, along with sudden shocks such as the COVID-19 global pandemic deeply affect the way of doing business. As a result, having employees who have the skills required by the job, who are committed, who feel happy and safe, becomes more important and more difficult. Companies are working to acquire new talents for rapidly changing job descriptions and to develop and retain existing talents. Companies that are successful in talent management, which includes many risks and opportunities, gain competitive advantage and strengthen their positions in the sector.<sup>12</sup>

As Norm Holding we approach talent management from three areas; acquiring, developing and retaining talent, and we aim to increase our qualified manpower by working on these topics. As part of our globalization strategy, we are investing in talent and are aware that our human resources will shape the future of the company. We carry out performance

rewarding systems, conduct recruitment and career management, design training and development programs, and also emphasize being fair, transparent and up-to-date in our human resources processes.



## Acquiring the Talent

Within the scope of Norm Holding talent management, we aim to recruit the right talents first. To recruit competent, qualified, open-minded and innovative

employees to Norm Holding; we prioritize evaluating the right talent in the right position. In this context, we keep the Norm Holding Talent Pool updated throughout the year, and we carry out projects such as young talent programs with our human resources team to discover new talents.

In 2020, we designed two programs, DigiConnect and DigiCampus, for the career development of domestic and international university students by reviewing the business models that have changed with the COVID-19 pandemic and adapting rapidly to digital business models.

We launched **DigiConnect**, an online learning and development program, in two terms, summer term and long term. Within this program, activities such as project management, experience sharing with Norm Holding leaders, conversations, online training programs

<sup>12</sup> The key role of dynamic talent allocation in shaping the future of work, McKinsey, 2020





*In 2020, we redesigned training and development activities due to the pandemic and offered opportunities to our employees through digital media.*

and department orientations are organized. This way, we support the personal and career development of young people. A total of 20 students benefited from this program in 2020.

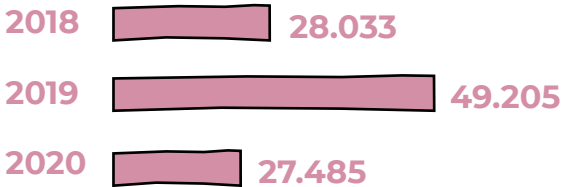
**DigiCampus** was designed as a one-day digital career day event for university students. The program consists of experience sharing with Norm Holding executives and online interview simulations with the human resources team. We aim for young talents to get to know business life closely, learn about current trends, find answers to all their questions about career and development opportunities, and gain a professional interview experience.

*The Young Talent Part-Time Working Model*, on the other hand, is a program in which high-potential university senior and graduate students take part in the department they are interested in on certain days of the week, carry out projects and receive training. Students who are successful in this program are evaluated for vacant positions in the Holding and affiliated companies after graduation.

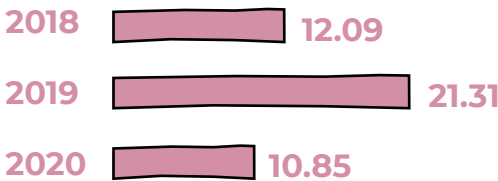
*Developing Talent*  
We see the development of existing talents as one of the most important layers of talent management. We design training and development programs for our employees, both on technical

issues and in areas such as leadership and mentoring. With the development programs we have brought together under the umbrella of Norm Academy, we aim to improve the performance of our employees, work more efficiently and prepare them for the future, in line with our strategy. In 2020, we redesigned training and development activities due to the pandemic and offered opportunities to our employees through digital media. We conducted a total of 27,485 hours of training and the training hour per employee was 10.85.

Total Training Hours (Hour per Person)



Average Training Hours per Year (Total Training Hours/Employee Number)



# Training and Development Programs

## NorMentor Program

The NorMentor Program aims for our employees to benefit from the knowledge and experience of their managers and develop them. In the first year, 12 senior executives and 12 employees from different companies and departments participated in the NorMentor program, which we implemented for the first time in 2019 and completed in 2020, believing in the power of learning from each other. During the one-year program, mentors and mentees were supported by training, articles, books and development guides prepared for them. In 2021, we plan to expand the participant pool and enable more managers and employees to benefit from the mentoring process.

## Engineering Academy

In 2019, we designed the Engineering Development Academy in order to update the process knowledge of the employees working in production, quality, R&D and supply chain functions and to ensure that they have complete command of the production processes. In addition to technical training, the academy also includes personal development and financial development training programs.

## TReverse Mentorship Program

We started the Reverse Mentoring Program in 2019, where we aim to increase knowledge sharing by bringing together the Y generation and previous generation managers. In the program, which included four mentors and two mentees, interviews were held on topics such as Industry 4.0, social media, and digital transformation.

## Field Employees Online Development Program

In parallel with the changing conditions with the pandemic in 2020, we designed the online development program for field workers, with titles I Develop Myself, I Develop My Business and I Develop My Organization. We aimed to increase the technical knowledge of our employees with the training programs that include the content that the employees can access from their computers or phones. In the future, we plan to enrich this content and learning tools.

## ENLiderSensin

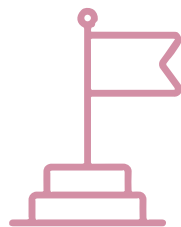
In line with our strategy, we designed the ENLiderSensin Leadership Development Program in 2020 in order to demonstrate a common leadership approach while achieving our goals. We anticipate that the program, which includes all managers working within Norm Holding, will be completed in 2021. We plan to have 135 executives participate in the program, which spans an eight-month period.

## Power of the Field Power of Norm



Since 2018, we have been continuing the Power of the Field Norm's Power project, which we designed with the principle of managing the field and aiming the development of first-level managers. This program, which trains candidates for the positions of Field Leader and Team Leader, was awarded the Silver award in the category of Blue Collar Development Programs by the TEGEP Training and Development Platform Association in 2020.





### Retention of Talent

Another area that is as important as acquiring new talent and developing talent is retaining talent. Employees who are committed, happy, and safe add value to the company and improve company performance with their innovative ideas. On the other hand, companies that fail to retain existing talent and have high turnover rates suffer losses both financially and in terms of reputation. As Norm Holding, we know the impact of our competent employees on our business, and we work to keep talent within the company. We support our employees in their career journeys, listen to them and encourage them with an effective performance management and reward system.

Employees can access vacant positions in all Holding companies, with Direct Your Career, the internal announcement system of Norm Holding. We give priority to the employees of Norm Holding in filling the vacant positions. In this way, we offer employees the opportunity to play an active role in their careers and direct their career development. In 2020, we filled 43% of manager and

above positions and 6% of all open positions with Norm employees. We prepare short, medium and long-term succession plans that will carry the organization of Norm Holding and its companies into the future in a sustainable way. In these plans, we match employees with suitable management positions, make rotation plans, and invest in personal development with individual development plans. We carry out the entire career management process online through the KANKA platform, our digital human resources application. We manage processes such as recruitment, performance management, graduate and doctoral applications through the platform.

**We implement a performance management system to evaluate the performance of our employees with fair, systematic and measurable methods.**

This feedback-oriented process covers all Norm Holding companies and proceeds with online methods and all employees are included in the performance management system. The targets of the employees are determined annually, they are reviewed

*We carry out the entire career management process online through the KANKA platform, our digital human resources application.*





during the interim evaluation periods and their developments are followed. We have started our studies to measure the performance management system, which we have designed to serve the company's strategy and goals, with the Objectives and Key Results (OKR) method.

In order to improve the employee experience, we measure employee satisfaction and loyalty with an independent research company every two years. We reveal the current situation with the survey, prioritize the employee experience, and determine our priorities to provide a fair and safe work environment. We take actions regarding the opportunities and development areas that emerged as a result of the survey, and we hold focus group meetings with the committees working on this issue. We implement the planned activities under the leadership of management teams. 1,947 employees participated in the satisfaction and loyalty surveys we conducted in 2019. In these surveys, the employee satisfaction score was measured as 68 and the employee engagement score as 77. We will repeat the surveys in 2021.

### Project Marketplace

To support a corporate culture that improves systems in line with Norm Holding goals and strategies, uses resources efficiently, always observes occupational health and safety, and is sensitive to the environment and society; We organize the Project Marketplace competition every year in order to ensure that successful practices are maintained and spread through all our companies. After the committee evaluation, we reward the top 3 projects among the projects at the idea stage and the projects that have been implemented.

One of the projects that won the first prize in the Project Marketplace is Hexlight. Our HEXLIGHT product line, which is trademarked and has many accepted and pending patent applications, is one of the projects that support our sustainability strategy.

In Project Marketplace, the categories were divided into two, referring to our institution's focus on digitalization this year, and more resources were allocated for projects that included digital or technological tools.





# Occupational Health and Safety

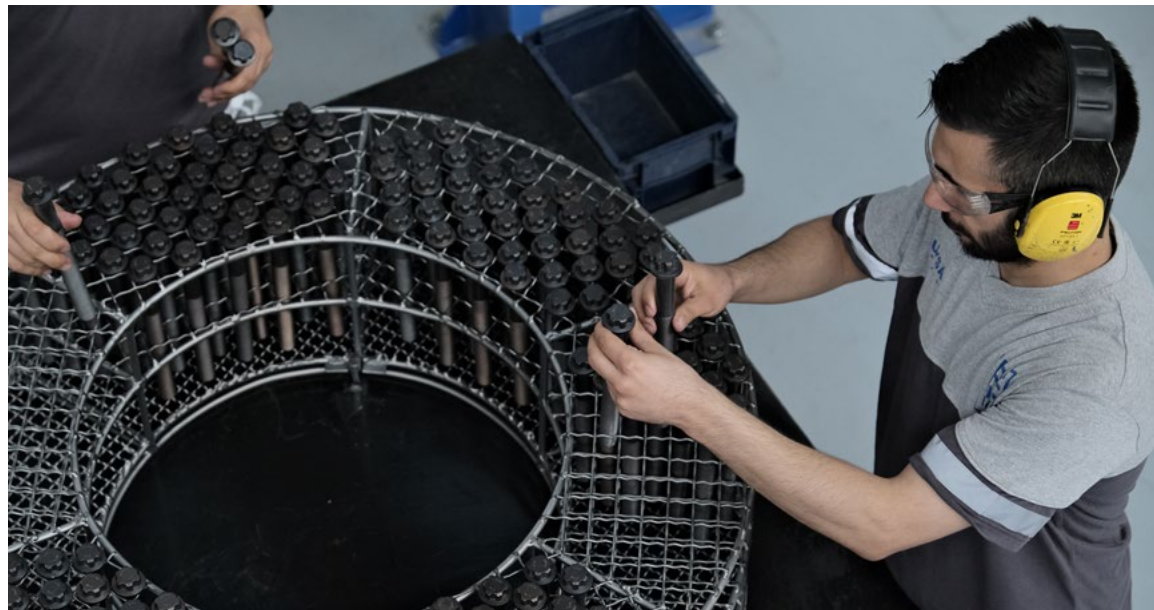
We offer a work environment where employees can feel healthy, safe and happy. In this direction, we implement occupational health and safety practices in our offices and production areas in accordance with all current legal regulations.

These practices are guided by our Occupational Health and Safety Policy. Norm Civata, one of our group companies, has an ISO 45001 Occupational Health and Safety Management System certificate and works in accordance with these international standards. We provide the necessary technical, financial and human support for the continuity of safe and healthy working environments at every stage of the supply, production, transportation of raw materials and other services. We are working to eliminate the dangers that may cause work accidents and occupational diseases, increase the awareness of employees on occupational health and safety, and make occupational health and safety a part of the corporate culture. With the improvements we make

in business processes, we aim to reduce reported work accidents in the short term and reduce work accidents to zero in the long run.

You can access the Norm Holding Occupational Health and Safety Policy [here.](#)

We regularly prepare risk assessment reports in order to proactively manage occupational health and safety risks and map risks. The intervals of risk assessment reports differ in each subsidiary and



campus according to the hazard class. Reports are renewed every 6 years in Less Dangerous places (Holding), every four years in Dangerous places (Nut, Bolt, MS, NEDU factories) and every two years in Very Dangerous places (Uysal). These reports are prepared and signed by the occupational safety specialist, workplace doctor, support staff and employee representatives determined by the employer's representative in each factory. If necessary, the employer's representative can include other employees in the team preparing the report for technical support.

Reports are updated for reasons such as changes in the facilities and work accidents. For the actions to be taken in line with these reports, corrective and preventive actions (CAPA) are opened and followed up by prioritizing them according to their risk levels.

At Norm Holding, the most authorized manager responsible for OHS is the Industry Group President and reports directly to the CEO. In the Norm Holding OHS Board, all employees are represented by 54 employee representatives, at a ratio of 1.8%.

OHS Committees work on the basis of meeting at least once every two months. The committees meet under the management of the employer's representative, together with the occupational safety specialist, workplace doctor, human resources representative, administrative affairs representative, employee representative, and experienced employees from the field, as well as other representatives deemed appropriate by the



employer’s representative. The occupational safety specialist acts as a secretary in the committee and gives training to all committee members about the working principles of the committee. Decisions in the committee are taken and recorded by majority vote. All decisions are binding on the employer’s representative.

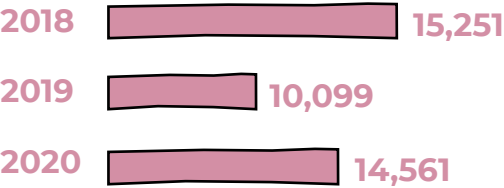
We record and track occupational accidents with IOVA soft ware. Thanks to this system, instant notification can be provided within the company. These accidents are reported to the Ministry of Labor and Social Security by the occupational safety expert within three working days.

Investigations on the accidents are carried out together with the production supervisor, department supervisor, occupational safety specialist and method supervisor, depending on the nature of the accident. If a physical precaution is required according to the nature of the accident, necessary actions are taken in line with the investigations and assessments made for the accident after the accident. Measures

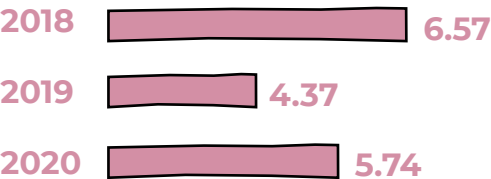
are taken by the relevant departments, under the supervision of an occupational safety specialist. Taken actions are shared with the Holding and its subsidiaries and, if deemed necessary, extended to other companies as well.

One of the most important ways to improve the OHS awareness and culture within the organization is to provide regular OHS training to the employees. Accordingly, we provided 14,561 person\*hour of OHS training to our employees in 2020, and the number of OHS training hours per employee was 5.7.

**Total OHS Training (Employee\*Hour)**



**OHS Training Hours per Employee**



*We are working to increase the awareness of employees on occupational health and safety, and make occupational health and safety a part of the corporate culture.*





# Community Activities



As Norm Holding and Group companies, we make investments to support local socio-economic development in the regions where we operate. In this context, we develop projects in different fields, especially in education.

## *Private İzmir Atatürk Organized Industrial Zone (İAOSB) Nedim Uysal Vocational and Technical High School*

With the Private İAOSB Nedim Uysal Vocational and Technical High School established in 2014, we aim to train the technical talents of the future. With the training provided, we aim to train competent employees in the fields of industrial automation, electrical electronics and machine technologies both in the Aegean Region and throughout the country. In addition to the theoretical courses given, we support students with workshops and laboratories specially designed for each technical field.

## *Norm Vocational Training Center*

We established apprenticeship training centers in İzmir in 2007 and in Salihli in 2015 in order to train qualified manpower for the sector and to provide vocational skills to young people who cannot continue their education for different reasons. A total of 112 students have graduated from these centers so far and 59 of them are still working within Norm Holding. In these centers, where a total of 83 students studied in 2020, the progress of students is closely followed and in addition to the current curriculum, additional programs in the fields of technical and personal development contribute to their development..





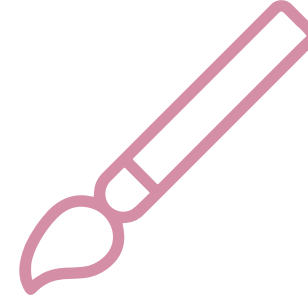


### Norm Art Gallery

We support art through the Norm Art Gallery, which has been operating in the Atatürk Organized Industrial Zone since 2003, as the only one of its kind in the sector. With Norm Art Gallery, which has hosted more than 150 exhibitions to date, we demonstrate the support and value we give to art and artists. At the same time, we organize courses in various fields such as oil painting, woodblock printing and linoleum printing every year in October and May for both adults who want to get art training and those who are preparing for academia. We provide these courses in collaboration with artists and educators Gülperi Çelik Yıldız and Gültekin Yıldız, who are known for their artistic identities and works in fields such

as oil painting and printing in Europe and Turkey.

We believe that art helps people to get to know themselves and society. In order to contribute to the development of society, we support contemporary dance in addition to plastic arts. With the initiatives of Duygu Uysal Simrooğlu, Member of the Board of Directors and Chairman of the Sustainability Committee, we undertook the organization and sponsorship of 2 separate dance and art performances at **Izmir St. Vukolos Church Cultural Center** last year. We supported the contemporary dance performance Let Me Be, which we organized in cooperation with Bilgi University, and the



performance called Araf, which reflects **Japanese, Turkish and Iranian cultures.** We supported the contemporary dance performance Let Me Be, which we carried out in cooperation with Bilgi University, and the performance called Araf, which reflects Japanese, Turkish and Iranian cultures. At the end of the dance performances, we held interviews with the artists in order to better explain contemporary dance and art to the audience. These interviews helped the audience better understand and interpret the scope of art and performance, while also helping to create an interactive and friendly environment where the audience could communicate with the artist. We will continue our work in this field in the years to come.



# PERFORMANCE INDICATORS

Environmental Performance Indicators	61
Social Performance Indicators	61-63
GRI Table	64

Environmental Performance Indicators

Energy Consumption(MWh)	2018	2019	2020
Natural Gas	64.356,836	54.913,394	54.258,344
Electricity	5.918	6.504,879	6.680,641

Annual Air Emissions (kg)	2018	2019	2020
NOx	-	-	4.351
SOx	-	-	4.563
Volatile Organic Compounds (VOC)	-	-	0.1889

Water Usage and Wastewater (m³)	2018	2019	2020
Tap Water	93.227	75.791	56.488
Wastewater	83.318	57.294	50.252

Waste* (ton)	2018	2019	2020
Total hazardous waste	556,534	644,789	665,371
Total non-hazardous waste	2.703,55	1.841,9	2010,93

\*All waste is passed on to third parties for proper disposal and recycling.

Raw Materials and Materials Used in Packaging (ton)	2020
Metal	4.539
Plastic	183.867
Paper	2.065,31
Wood	3.118,13

Social Performance Indicators

Employees by Category	2018		2019		2020	
	Female	Male	Female	Male	Female	Male
Total number of employees	146	2.172	207	2.246	231	2.479
Number of white collar employees	102	365	149	403	191	413
Number of blue collar employees	44	1.807	58	1.843	40	2.066
Number of employees covered by the collective bargaining agreement	0	0	0	0	0	0

Employees by Working Time	2018		2019		2020	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Number of employees by working time	2.318	0	2.453	0	2.710	0
Number of white collar employees	467	0	552	0	604	0
Number of blue collar employees	1.851	0	1.901	0	2.106	0

Social Performance Indicators						
Employment	2018		2019		2020	
Employee Turnover	Female	Male	Female	Male	Female	Male
Total number of employees quit	2	412	47	302	27	195
Number of employees under the age of 30 who quit their job	0	392	43	149	9	115
Number of employees who quit between ages 30 and 50 (including 30 and 50 years old)	2	18	4	139	16	65
Number of employees over the age of 50 who quit their job	0	0	0	14	2	15
Employee turnover rate calculated by including employees who left voluntarily	%0,01	%8,5	%0,5	%6	%0,5	%6
Number of positions filled with internal candidates	8	39	26	90	7	17
Number of all open positions	430		483		436	
Number of Employees by Years	Female	Male	Female	Male	Female	Male
Number of employees working for 0-5 years	52	689	61	814	120	1.133
Number of employees working for 5-10 years	53	998	87	942	71	954
Number of employees working for 10 years or more	41	485	59	490	40	392
Maternity / Parental Leave	Female	Male	Female	Male	Female	Male
Number of employees benefiting from maternity/parental leave	12	-	7	37	5	40
Number of employees returning to work after maternity/parental leave ends	12	-	7	37	5	40

Social Performance Indicators						
Subcontracted Workers	2018		2019		2020	
	Female	Male	Female	Male	Female	Male
Number of subcontracted employees by gender	35	49	42	71	47	73
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Number of subcontracted employees by working time	84	0	113	0	120	0
Training Hours	2018		2019		2020	
Total training hours (excluding OHS training)	28.033		49.205		27.485	
Average training hours per employee per year	12,09		21,31		10,85	
Performance management	2018		2019		2020	
	Female	Male	Female	Male	Female	Male
Number of employees subjected to a regular performance and career development evaluation	146	2.172	207	2.102	231	2.479
Number of employees who had multidimensional performance evaluation	146	2.172	207	2.102	231	2.479
Number of employees who were evaluated by official benchmarks	146	2.172	207	2.102	231	2.479
The number of employees evaluated by the achievement of measurable targets	146	2.172	207	2.102	231	2.479

Social Performance Indicators

Employees in Managerial Positions	2018		2019		2020	
	Female	Male	Female	Male	Female	Male
Under 30	0	0	0	0	0	0
30-50 years (including 30 and 50 years old)	6	62	10	44	14	49
Over 50	0	13	1	16	1	13
	Female	Male	Female	Male	Female	Male
Number of males and females on the Board of Directors	1	6	1	5	1	5

OHS Data	2018	2019	2020
Accident frequency rate (IR)	191,52	329,36	1.139,10
Occupational disease rate(ODR)	0,00	0,00	0,00
Lost Days Rate(LDR)	1117,13	411,30	291,61
Absenteeism rate (AR)	%0,28	%0,14	%0,10

OHS Training (hour)	2018	2019	2020
Total OHS training	15.251	10.099	14.561
OHS training per employee	6,57	4,37	5,74
OHS training per subcontractor	0	0	0

GRI Standard	Disclosure	Page Number / Link
GRI 101: Foundation 2016		
GRI 102: General Disclosures 2016	Organizational Profile	
	102-1	8
	102-2	8, 10
	102-3	<a href="http://www.normholding.com.tr/en/contact-us">http://www.normholding.com.tr/en/contact-us</a>
	102-4	8
	102-6	8, 10, 32
	102-7	8, 10, 11
	102-8	50
	102-9	24, 25
	102-10	There is no change.
	102-11	15
	Strategy	
	102-14	3, 4, 5, 6, 7
	102-15	23, 24
	Ethics and integrity	
	102-16	9
	102-17	12, 13, 14, 15
	Governance	
	102-18	12, 15
	Stakeholder Engagement	
	102-40	25
	102-42	25
	102-43	23, 25
	102-44	23, 25
	Reporting Practice	
	102-45	8
	102-46	8
	102-47	23
	102-48	Non-existent.
	102-50	8
	102-51	1 January-31 December 2020
	102-52	Annually
	102-53	<a href="http://www.normholding.com.tr/en/contact-us">http://www.normholding.com.tr/en/contact-us</a>
	102-54	8
	102-55	64, 65, 66
	102-56	Non-existent.



GRI Standard	Disclosure		Page Number / Link
GRI 200: Economic Standard Series			
	Economic Performance		
GRI 103: Management Approach 2016	103-1	8	
	103-2	8	
	103-3	8	
GRI 201: Economic Performance 2016	204-1	11	
GRI 300: Environmental Standard Series			
	Energy		
GRI 103: Management Approach 2016	103-1	37, 38	
	103-2	37, 38	
	103-3	37, 38	
GRI 302: Energy 2016	302-1	61	
	302-3	61	
	302-4	37, 61	
	Water and Wastewater		
GRI 103: Management Approach 2016	103-1	39, 40	
	103-2	39, 40	
	103-3	39, 40	
GRI 303: Water 2018	303-1	39, 40	
	303-2	39, 40	
	303-3	61	
	303-4	61	
	Effluents and Waste		
GRI 103: Management Approach 2016	103-1	39, 40	
	103-2	39, 40	
	103-3	39, 40	
GRI 306: Waste 2020	306-1	39, 40	
	306-2	39, 40	
	306-3	61	

GRI Standard	Disclosure		Page Number / Link
	Environmental Compliance		
GRI 103: Management Approach 2016	103-1	36	
	103-2	36	
	103-3	36	
GRI 307: Environmental Compliance 2016	307-1	No incidents of non-compliance or any penalties due to this reason.	
GRI 400: Social Standard Series			
	Employment		
GRI 103: Management Approach 2016	103-1	24, 49	
	103-2	24, 49	
	103-3	24, 49	
GRI 401: Employment 2016	401-1	49, 50	
	401-2	49, 50	
	401-3	61, 62	
	Labor/Management Relations		
GRI 103: Management Approach 2016	103-1	24, 49	
	103-2	24, 49	
	103-3	24, 49	
GRI 402: Labor/ Management Relations	402-2	In case of critical operational changes, legal notice periods are complied with.	
	Occupational Health and Safety		
GRI 103: Management Approach 2016	103-1	24, 56	
	103-2	24, 56	
	103-3	24, 56	
GRI 403: Occupational Health and Safety 2016	403-1	24, 56	
	403-2	56	
	403-3	56, 57	
	403-5	57, 63	
	403-9	63	

GRI Standard	Disclosure		Page Number / Link	
GRI 103: Management Approach 2016	Training and Education			
	103-1	24, 49		
	103-2	24, 49		
	103-3	24, 49		
	GRI 404: Training and Education 2016	404-1	49, 52, 53, 54, 55	
		404-2	52, 53, 54, 55	
404-3		62, 63		
GRI 103: Management Approach 2016	Diversity and Equal Opportunity			
	103-1	24, 49		
	103-2	24, 49		
	103-3	24, 49		
	GRI 405: Diversity and Equal Opportunity 2016	405-1	49, 50	
GRI 103: Management Approach 2016	Local Communities			
	103-1	24, 58		
	103-2	24, 58		
	103-3	24, 58		
	GRI 413: Local Communities 2016	413-1	58, 59	
GRI 103: Management Approach 2016	Customer Health Safety			
	103-1	24, 32, 33		
	103-2	24, 32, 33		
	103-3	24, 32, 33		
	GRI 416: Customer Health Safety 2016	416-1	32, 33	
Material Issues				
GRI 103: Management Approach 2016	Product Quality and Safety			
	103-1	33, 34		
	103-2	33, 34		
	103-3	33, 34		

UN Global Compact Communication on Progress

Norm Holding, as a signatory to the UN Global Compact, aligns its strategies and operations with the 10 Principles in the areas of human rights, labor standards, environment and anti-corruption to create a sustainable and inclusive global economy that benefits our world, people, communities and markets.

Areas	Global Principles	Page numbers and/or links
HUMAN RIGHTS	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and Principle 2: make sure that they are not complicit in human rights abuses.	9 23-24-25 56-57 <a href="https://normholding.com/politikalarimiz/">https://normholding.com/politikalarimiz/</a>
LABOUR STANDARDS	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; Principle 4: the elimination of all forms of forced and compulsory labour; Principle 5: the effective abolition of child labour; and Principle 6: the elimination of discrimination in respect of employment and occupation.	9 23-24-25 48-55 58-59
ENVIRONMENT	Principle 7: Businesses should support a precautionary approach to environmental challenges; Principle 8: undertake initiatives to promote greater environmental responsibility; and Principle 9: encourage the development and diffusion of environmentally friendly technologies.	9 23-24-25 37-40
ANTI-CORRUPTION	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	9 12-15 23-24-25 Norm Holding Code of Conduct <a href="https://normholding.com/wp-content/uploads/2022/03/norm-holding_code-of-conduct.pdf">https://normholding.com/wp-content/uploads/2022/03/norm-holding_code-of-conduct.pdf</a>



[www.normholding.com](http://www.normholding.com)