ORS

ORTADOĞU RULMAN SANAYİ VE TİCARET A.Ş.

SUSTAINABILITY REPORT

2024

CONTENT

ABOUT THE REPORT

Ortadoğu Rulman Sanayi ve Ticaret A.Ş. (ORS) has decided to present its long-standing technological, economic, social, and environmental sustainability practices, along with its operational targets and performance results, to all stakeholders in the form of the "ORS Sustainability Report."

The "ORS Sustainability Report 2024," which we hereby submit for the attention of our stakeholders, covers our sustainability activities for the period from January 1, 2024 to December 31, 2024.

This report has been prepared in alignment with the United Nations Sustainable Development Goals and in accordance with the GRI Standards. In addition to the inputs guided by ORS management and detailed throughout the report, stakeholder notifications, specific requests from our customers, and applicable legal requirements have been taken into consideration.

We are committed to continuously improving our sustainability approach and reporting processes. In this regard, we welcome any comments or feedback concerning this report, which can be shared with us at plant@ors.com.tr

MESSAGE FROM THE CEO

Ahmet ASLAN - CEO

Dear Stakeholders, Business Partners, and Colleagues,
Due to the ongoing Russia-Ukraine war and the profound humanitarian crisis in the Middle East, the economy in 2024 generally continued its tumultuous course, paralleling the global conjuncture. The year 2024 was marked by a prominence of stability and cautious optimism in the global economic outlook. In this period of continued post-pandemic recovery, geopolitical tensions and uncertainties constrained economic growth. Strict monetary policies implemented to prevent the inflationary spiral created pressures that affected all real sectors and placed a significant burden on economic growth.

Our Commitment to Sustainability
Despite these global challenges, our commitment to sustainability remains unwavering. At ORS, we view sustainability not merely as an environmental responsibility, but as an integral part of our business strategy. By 2030, we aim to reduce our Scope 1 and Scope 2 emissions by 75%, and our Scope 3 emissions, including the supply chain, by 15% in both directions. Furthermore, we are determined to take the necessary steps to achieve carbon neutrality by 2050, aligning our efforts with global best practices.

As the highest-level executive of our organization, I have full confidence in our ability to achieve our environmental, social, and governance (ESG) sustainability goals. I believe that by collaborating with our employees, we will successfully take the necessary steps toward these objectives. It is clear that all sustainability initiatives undertaken within our company will provide not only environmental and social benefits but also economic advantages such as cost savings, enhanced brand value, and new business opportunities.

Environmental Developments and Initiatives
In our efforts to reduce greenhouse gas emissions, we have so far installed solar energy systems with a total capacity of 9.3 MWp at our facilities. We have also started sourcing 100% of the electricity required for our factory from renewable sources, which now constitutes 63.83% of our total energy consumption. We continue to regularly report under the Carbon Disclosure Project (CDP), which we voluntarily joined in 2021.

From a "C" rating in our 2023 CDP report, we have advanced to a "B" level as of 2024, with our short-term goal being to achieve an "A" rating.

Our corporate carbon footprint decreased from 155,175.92 tons of CO2 equivalent in 2022 to 126,263.95 tons (location-based) in 2023, achieving a total reduction of 28,911.97 tons. Additionally, as of 2024, we have voluntarily begun fulfilling the obligations of the Supply Chain Due Diligence Act. In this context, we have started publishing an annual "Due Diligence Report" to document the fulfillment of all our due diligence obligations.

Navigating Global Challenges and Market Dynamics
While 2024 was a year of uncertainties and challenges across many global sectors, it also opened doors to new opportunities and approaches. Specifically, the market dominance of low-priced, state-subsidized products from China has put pressure on our capacity utilization rate. In response, we are actively engaged in initiatives to acquire new customers and differentiate ourselves in export markets.

Operational Sustainability and Digital Transformation
At our existing facilities, we aim to produce high-quality bearings without wasting natural resources. Through continuous afforestation efforts, we have transformed our factory surroundings into an exemplary garden. Conscious of the scarcity of water resources, we strive to treat and reuse every drop of wastewater generated at our facility. In this regard, we calculate our water footprint in accordance with ISO 14046 and develop reduction strategies.

To increase energy efficiency and prevent waste, we have conducted awareness campaigns for our employees. Beyond daily habits like turning off idle machines and unnecessary lights, we have implemented technical improvements and equipment modernizations in our production processes to achieve energy savings.

We also continue to advance in certification. In addition to continuously developing our ISO 14001, ISO 45001, ISO 27001, TISAX, and ISO 50001 Management Systems, we have continued to calculate our Corporate Carbon Footprint across all categories in accordance with ISO 14064-1 and develop reduction action plans. As of 2024, we have also started sharing product carbon footprint calculations in the bearing quotes we provide to our customers.

Beyond our sustainability projects, we have made significant progress in digital transformation. Our production, from raw material input to finished product output, is tracked through the globally utilized SAP program.

An Ongoing Journey
Conscious that sustainability is a long-term and continuous journey, we will steadfastly continue our efforts toward improvement. We will continue to advance our goal of transforming our sector into a more efficient, environmentally conscious, and community-focused structure. I extend my sincere gratitude to all our customers, business partners, colleagues, and stakeholders who have trusted and contributed to us over our 40-year journey since our establishment.
Sincerely,
Ahmet ASLAN
CEO

ABOUT ORS

Ortadoğu Rulman Sanayi ve Tic. A.Ş. (ORS) was established in Ankara in 1982 as one of Türkiye's first bearing manufacturing facilities and continues to operate as a privately held joint-stock company. The company's headquarters and sole production facility are located in Ankara, supported by warehouse locations in various provinces across Türkiye to facilitate product logistics.

In its early years, ORS carried out its production and design activities under a technical licensing agreement with Steyr-Austria. Since 1992, the company has operated all manufacturing processes using its own engineering capabilities. Through ongoing investments, ORS has expanded its annual production capacity to 100 million units and currently employs more than 1,000 people.

The company's production portfolio includes single-row deep groove ball bearings, self-aligning ball bearings, special automotive bearings, double-row ball bearings, tapered roller bearings, cylindrical roller bearings, as well as various bushings and rollers, with outside diameters ranging from 26 mm to 250 mm.

ORS transforms bearing steel directly involved in the production process into fully packaged final products, generating high value-added output. As of today, approximately 75% of its production is exported—primarily to European countries and the United States, with a focus on the automotive and electric motor industries—while the remaining 25% is supplied to the domestic market.

According to the "Türkiye's Top 500 Industrial Enterprises" list published by the Istanbul Chamber of Industry, ORS ranked 420th in 2022, 443rd in 2023, and 487th in 2024.

OUR VISION

To become a globally recognized and sought-after bearing manufacturer, achieving industry leadership.

OUR MISSION

To manufacture superior-quality bearings, increase employment and contribute to the national level of prosperity.

OUR VALUES

Customer Orientation
Integrity and Transparency
Innovation
Responsibility and Accountability
Continuous Improvement
Teamwork
Diversity and Inclusion
Quality
Social Responsibility

MILESTONES

1982

Ortadoğu Rulman Sanayi ve Tic. A.Ş. established.

1993

ISO 9000 certification

-

Wastewater treatment plant constructed.

1997

New forging facility of 10.000 m² and co-generation power plant running.

2003

ISO/TS 16949, ISO 14001 and OHSAS 18001 certification

completed

2004

Automated Storage and Retrieval System built.

2005

50 M bearings /year capacity.

-

Ford Q1 audit certificate.

-

Two new Natural Gas Co-Generation Power Plants.

2008

Production of Cylindrical and Tapered Roller Bearings started.

2009

R&D Center has been established.

-

Production of Sheet Metal Clutch Bearings.

2013

New 26.000 m² facility for fully automatic grinding and assembly lines running.

-

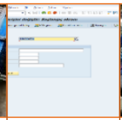
ISO/IEC 27001:2005 Certification (ISMS).

2015

Investment planned to increase annual capacity up to 135M pieces.

-

30.000 m² facility construction started.



2017

SAP ERP and QDAS SPC System in use.

-

Facility for centerless and face grinding & advanced waste water treatment system with vacuum evaporator in use.

2019

30.000 m² facility construction for both automatic and manual assembly completed.

-

A Sustainability Committee was established.

-

The first Sustainability Report was published in accordance with the Global Reporting Initiative (GRI) Standards.

2020

Digital Transfor-mation Program started.

-

ISO 50001 certification completed.

2021

ISO 45001 certification completed.

-

Participation in the Carbon Disclosure Project (CDP) was achives.

-

Greenhouse gas emissions were calculated for the first time in line with the ISO 14064-1:2018 Standard and verified by an independent thirs part.

2022

Robotic Applications have been deployed.

2023

ORS Korea SAP integration

-

The 3 MW Renewable Energy Project has been completed.

2024

6,3 MW Renewable Energy Project has been completed.

-

TISAX certification achieved.

-

Product Carbon Footprint were calculated for 20 bearing types.

PRODUCTS

Ball Bearings
Deep groove
Self-aligning
Four-point contact
Deep groove with filling slots

Angular Contact Bearings
Single row
Double row
Double row with two inner rings

Roller Bearings
Cylindrical roller
Tapered roller

Steel Sheet Products
Clutch bearings
Steel sheet cages
Steel sheet sealings

Others
Rings
Rollers
Bushings
Axisymetric parts

ACTIVITIES, VALUE CHAIN AND OTHER BUSINESS RELATIONSHIPS

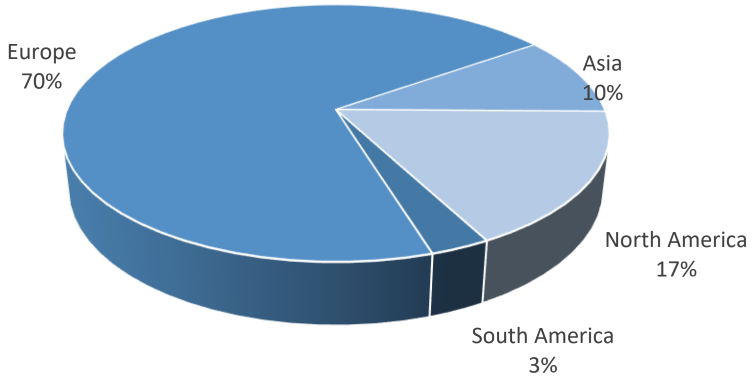
As a global bearing manufacturer, ORS adopts sustainability as a fundamental principle at every stage of its production processes. In this context, the company integrates sustainable engineering practices into product design and conducts technical studies aligned with its social and environmental sustainability objectives.

During the product development phase, ORS embraces an approach that incorporates raw material selection, extended product lifetime, energy efficiency, waste minimization, and recyclability as key design inputs in line with customer expectations. Accordingly, the design process prioritizes lower environmental impact, improved energy performance, and enhanced durability. To support these objectives, collaborations are established with both domestic and global suppliers to promote the responsible and efficient use of raw materials.

While defining technical specifications in the design phase, high-efficiency products and processes, along with long-lasting components, are evaluated using insights gained from R&D initiatives, ensuring a sustainability-driven approach. Design activities directly influence every link of the value chain—from raw material procurement to production processes, from quality assurance to after-sales services. Consequently, improvements made throughout the design process also lead to broader advancements across the entire value chain.

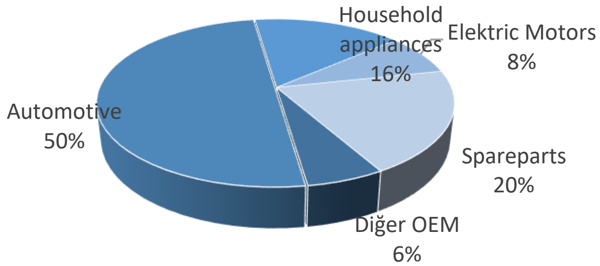
Sectoral Distribution

Half of our sales are to automotive, one-fourth are to home appliances and electric motors, and the rest are in the spare parts sectors. Considering that half of the sales to the spare parts sector are also indirectly directed to the automotive sector, it can be assumed that 75% of all sales occur in this sector.



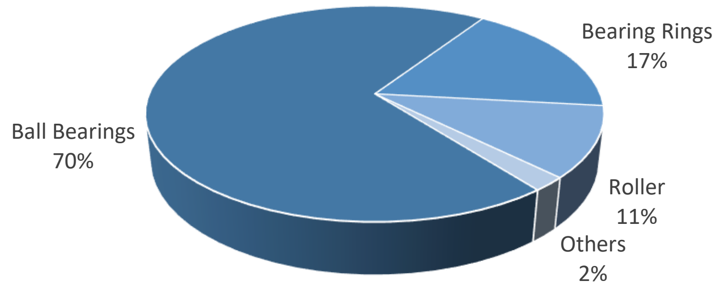
Product Distribution

70% of our production consists of ball bearings, 17% of bearing rings, and 11% of rollers. Our general product portfolio includes radial and angular contact ball bearings, rings, bushings and special profile rollers with hole diameters from 10 mm to 250 mm, tapered and cylindrical roller bearings with hole diameters from 10 mm to 150 mm, sheet metal cages and hair caps.



Export-Country Distribution

ORS shares its engineering skills and quality with its customers in a total of 34 countries, especially Germany, England and France. %70 of production is exported to these countries. German automotive giants such as Mercedes, Audi and Volkswagen, which are the world's leading car manufacturers, also use ORS bearings. In their fortieth year ORS bearings, which have also become the choice of leading manufacturers in their field, despite the low costs in China, makes %90 of their production to developed Western European and North American countries. This table is a result that clearly shows the success of the Turkish entrepreneur when the opportunity is provided.



ORS was founded in 1982 with the motto "As Quiet as a Butterfly" and has adopted a global customer-oriented service approach by operating in 34 countries since its establishment. Our company, which continuously improves its production volume and quality standards, is moving forward with the goal of sustainable growth.

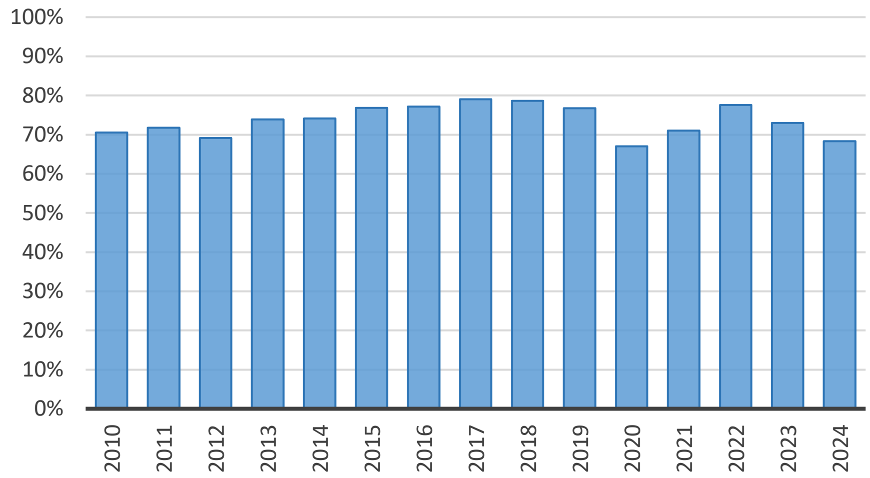
The expectations of our customers to increase their operational efficiency and ensure uninterrupted production continuity while minimizing costs are in line with ORS' strategic goals.

In this direction, while steadily increasing our production capacity since our establishment, our understanding of quality, sensitivity and environmental awareness has been registered with various international certificates and has increased our success graph.

Compliance with globally recognized quality and management systems standards such as ISO 9001:2015, IATF 16949:2016, ISO 14001:2015, ISO 45001:2018, ISO 50001:2018, ISO 14064-1:2018, ISO/IEC 27001:2013 and FORD Q1 has reinforced the reliability of our company in the sector.

In 2020, a temporary decrease in sales was observed due to the global effects of the COVID-19 pandemic; however, efforts to eliminate this effect and recover the market continue to increase.

Export Rates by Years



ORS CORPORATE GOVERNANCE

Ortadoğu Rulman Sanayi ve Ticaret A.Ş. (ORS) was established in 1982 in Ankara and operates as a privately held joint-stock company in compliance with the Turkish Commercial Code (Law No. 6102) and all relevant regulations.

The highest governing body of ORS is the General Assembly, which appoints the Board of Directors. The authority to manage and represent the company is vested in a two-member Board of Directors, consisting of a Chairperson and a Vice Chairperson. Executive authority is held solely by the Chairperson (CEO), while the Vice Chairperson does not have executive powers. Members of the General Assembly—comprising seven shareholders—elect board members for a maximum term of three years based on merit, without gender discrimination. In determining candidates, preference is given to shareholders under the age of 75. When electing board members, the company considers the representation of key stakeholder groups—employees, shareholders, customers, suppliers, local communities, environmental organizations, etc.—and ensures that members possess the knowledge and experience necessary to reflect these stakeholders' expectations. All appointments and resolutions are registered and publicly announced in the Turkish Trade Registry Gazette.

Every three years, the General Assembly reconvenes to elect new Board members. During this process, the Board's annual activity report and financial statements are audited by an independent audit firm licensed by the Public Oversight Authority (KGK), in accordance with the Turkish Auditing Standards (TDS) and International Standards on Auditing (ISA). The audited reports are then submitted to the General Assembly for approval.

Corporate governance at ORS is structured around the principles of transparency and accountability. In the selection of Board members, criteria such as independence, diversity, sensitivity to stakeholder expectations, and technical and managerial competencies related to environmental, social, and governance (ESG) impacts are taken into consideration. The Board also places emphasis on diversity criteria—including gender balance and representation of different social groups. External professional roles of Board members are recorded through a disclosure procedure to mitigate conflict-of-interest risks, and independent members play an active role in ensuring objective decision-making.

The Chairperson of the Board does not take part in executive management, focusing instead on strategic oversight and governance responsibilities. This separation strengthens independence in decision-making and prevents potential conflicts of interest. In accordance with the Code of Ethics and Compliance Policy, any situation that may create a conflict of interest triggers formal ethical declarations and internal audit mechanisms.

Diversity objectives for the Board of Directors are determined by the General Assembly, and indicators such as gender, age, educational background, nationality, and areas of expertise are monitored in line with these objectives.

Within ORS's organizational structure, a Factory Director and ten departmental managers report directly to the Board of Directors. Ethical and sustainability-related activities are coordinated through committees operating under the Chairperson of the Board, including the Sustainability Committee, Occupational Health and Safety Committee, Ethics Committee, and Environmental Management Committee. Domestic and international sales, marketing, and import processes are carried out from the company's headquarters in Ankara.

Throughout its mandate, the Board consults with the Factory Director and the Managers' Board prior to major investments and strategic decisions; however, all resolutions are ultimately taken by the Board in accordance with the TCC and the company's Articles of Association. Board members are liable to both the company and stakeholders in the event that they breach any legal or contractual obligations during the performance of their duties.

SUSTAINABILITY MANAGEMENT

At ORS, sustainability activities are carried out on the fundamental principle that our planet is a **"Trust Entrusted to Us by Future Generations."** All sustainability efforts are executed under the direct leadership of the highest-ranking executive, the Chair of the Board and CEO. The company's sustainability strategies are shaped under the direct oversight and guidance of senior management, and all related practices are formally approved by the Board of Directors. The CEO's active role in sustainability ensures that decisions regarding environmental, social and governance (ESG) impacts are addressed in full alignment with the corporate strategy. This structure guarantees the highest level of accountability and leadership in sustainability-related decision-making processes.

Within ORS, a Sustainability Committee operates directly under the authority of the Chair of the Board (CEO) to coordinate all sustainability activities. The committee is responsible for developing corporate sustainability policies, creating strategies aligned with regulatory requirements and customer expectations, and integrating these strategies into operational processes. Thanks to the work of the Sustainability Committee, the awareness that the planet is a trust for future generations is embedded across all departments, ensuring the continuity and institutionalization of sustainability practices. Committee members are selected from various technical disciplines within the factory.

The responsibilities of the Sustainability Committee include:

- ✓ Identifying sustainability priorities and ESG agendas,
- ✓ Establishing medium and long term targets and monitoring performance,
- ✓ Advancing climate action initiatives, water and energy efficiency, waste management, and circular production practices,
- ✓ Embedding social topics such as equality, diversity, inclusion, talent development, and occupational health and safety into the corporate culture,
- ✓ Creating long term impact through digitalized sustainable processes, value chain management, and innovative product development,
- ✓ Preparing, publishing, and publicly disclosing the sustainability report.

SUSTAINABILITY STRATEGY

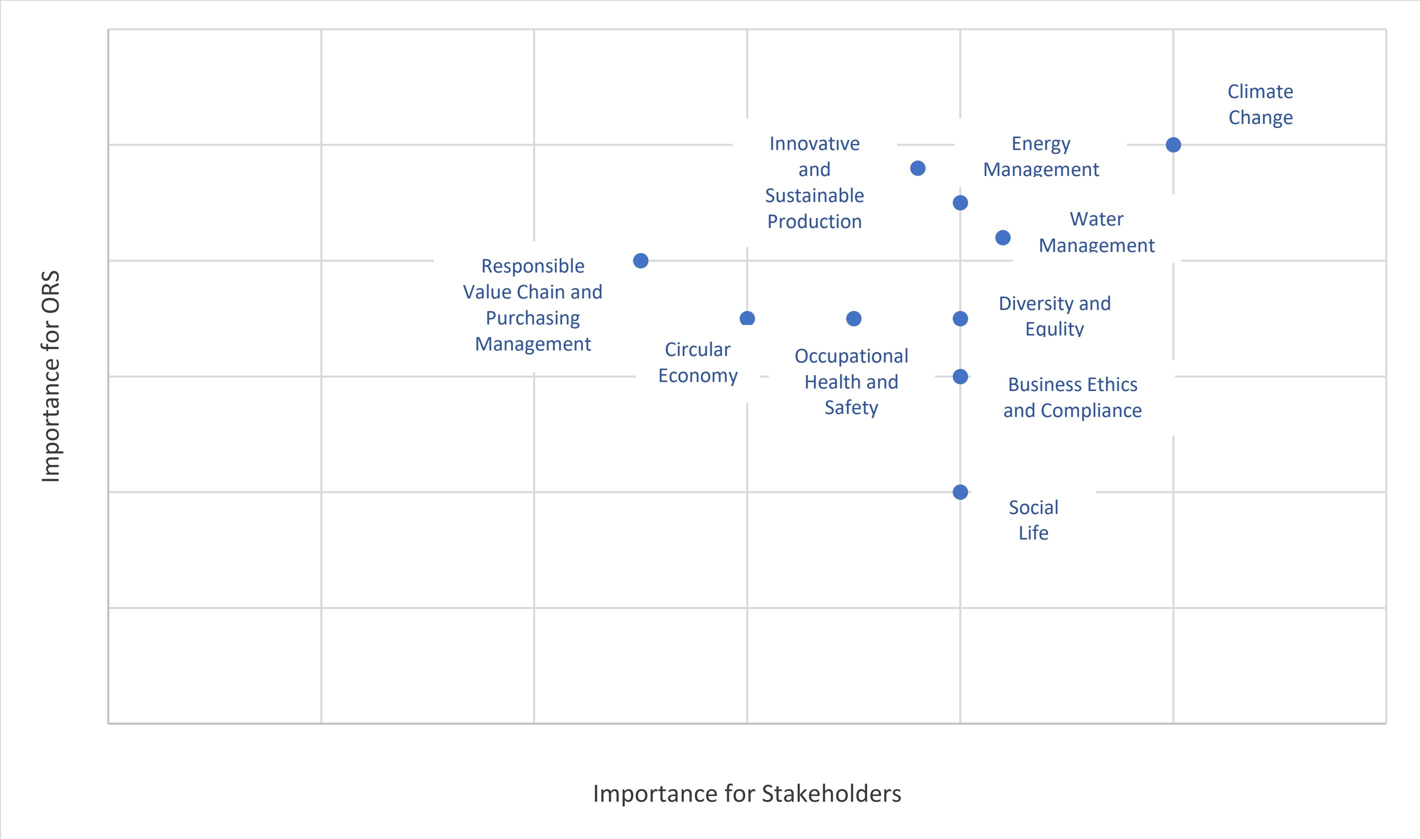
ORS has built its sustainability strategy on three core principles: **"Responsibility for the Planet"**, **"Value for People"** and **"Innovation for the Future"**. Guided by this vision, the company aims to combine environmental sensitivity with production and technology, while contributing to the well-being of its employees and society. ORS structures all its processes around these three pillars to achieve its long-term environmental, social, and governance goals.

SUSTAINABILITY POLICY

With its vision of a **"Sustainable Future"** ORS has adopted a management approach that integrates corporate sustainability at every level of the organization. The company recognizes combating climate change, supporting the economic and social development of communities, and ensuring environmental sustainability as fundamental responsibilities.

Click here for the ORS Sustainability Policy.

MATERIAL TOPICS



At ORS, our sustainability approach is built on a holistic assessment of the impacts of our activities. As part of our double materiality analysis, both the current and potential environmental and social impacts of our operations and the expectations of our stakeholders have been evaluated together.

Our material topics form the foundation of our efforts to reduce our environmental footprint, protect the well-being of our employees, respond to stakeholder expectations, and strengthen our long-term sustainability performance. These topics are regularly monitored and assessed, and necessary improvements are implemented in line with our sustainability objectives.

STAKEHOLDERS

Material Topics	Senior Management	Customers	Employees	Society	Suppliers
Climate Change	•	•	•	•	•
Energy Management	•	•	•	•	•
Innovative and Sustainable Production	•	•	•	•	•
Water Management	•	•	•	•	•
Diversity and Equality	•	•	•	•	•
Business Ethics and Compliance	•	•	•	•	•
Social Life	•	•	•	•	•
Occupational Health and Safety	•	•	•	•	•
Circular Economy	•	•	•	•	•
Responsible Value Chain and Purchasing Management	•	•	•	•	•

2024 TARGETS

	2024	2025	2030	
Total Waste per Bearing (Ton/ pcs bearing)	0.00024	≤ 0.00023	≤ 0.00015	
Total Water Withdrawal per Bearing (m^3 / bearing)	0.00200	≤ 0.0019	≤ 0.0018	
Water Recovery Rate (%) (Total recovered water / Total water withdrawal)	79	≥ 80	≥ 85	
Scope 1 Emissions (Tons of CO_2 equivalent)	27,012.14	≤ 26,800	≤ 9,202	
Scope 2 Emissions (Tons of CO_2 equivalent)	8,921.71 (Location based)	≤ 3,800	≤ 2,208	
Energy Consumption per Bearing (TOE / bearing) (TOE = Ton of Oil Equivalent)	0.0002419	≤ 0.00024	≤ 0.00019	
Renewable Energy Utilization Rate (%)	37	40	100	
Renewable Energy Generated (kWh)	10,895.753	≥ 12,000,000	≥ 16,000,000	

BUSINESS ETHICS AND COMPLIANCE

ORS is a company that values universal ethical principles regarding business ethics, honesty, transparency, impartiality, confidentiality, respect for employees, sustainability, compliance with laws and regulations, responsibility towards society, bribery and corruption.

To achieve this, “ORS Code of Conduct Rules” are regulated within the framework of the general principles of honesty, transparency, impartiality and compliance with the law. Within ORS, it is anticipated that all employees and stakeholders operate in accordance with the "ORS Code of Conduct Rules."

It is the responsibility of the Ethics Board to ensure compliance with the “ORS Code of Conduct Rules” in our company, to evaluate practices that violate the rules of ethics, to disseminate the ethical culture within the company and among our stakeholders, and to raise awareness on this issue.

It is noteworthy that no reports of ethical violations or corruption were received in the year 2024.

Child Labor

There is no child labor in our organization. Our organization undertakes to employ people who meet the working age specified in the state's legal regulations regarding employment age and child labor, and do not tolerate child labor in any way, and to observe and respect the dignity and rights of children. Likewise, necessary information is provided to all suppliers to ensure that they do not employ child labor.

In order to ensure that our employees read and understand the ORS Code of Conduct and comply with its articles, ethical rules training is provided in orientation training and OHS training repeated every 2 years.

Click for ORS Code of Conduct.

Click for ORS Grievance Mechanism.

ANTI-BRIBERY AND ANTI-CORRUPTION

All employees of our organization; strictly abides by the following previously determined and published code of conduct in all commercial relations with customers, suppliers, dealers and other third parties:

- All our employees strictly refrain from offering money or any object of value, directly or indirectly, to government officials in order to avoid influencing or appearing to influence official decisions and actions. Our organization adopts gaining customers and consumers through product quality and prices, not through illegal and unfair means.
- It is not allowed to have relationships based on financial interest with customers, suppliers, dealers and other third parties, including accepting gifts, invitations or entertainment.
- Gifts other than souvenirs / promotional materials given in accordance with legal and commercial customs and traditions cannot be accepted or offered.
- ORS employees strictly refrain from offering money or any object of value to officials, directly or indirectly, in order to prevent or influence official decisions and actions that may be unfavorable to them.
- In order to support and evaluate fair market conditions, ORS employees immediately report any irregular payment offered to them to senior management.
- All ORS employees perform their duties impartially and ethically. He cannot gain an unfair advantage in favor of himself, his relatives or third parties by taking advantage of his title and powers.
- Our organization undertakes that all products it offers to the market are genuine and strictly commits not to sell counterfeit products under any circumstances.
- Our organization is committed not to violate intellectual property rights such as copyrights, patents, trademarks, industrial designs, licensed software and trade secrets.
- Our organization strictly stays away from money laundering activities and complies with the law.
- Our organization is committed to complying with applicable anti-corruption laws. In particular, they are careful not to allow their employees, subcontractors or representatives to offer, promise or provide benefits to customer employees in order to obtain a contract or other preferential treatment in the course of business.
- Our organization believes that commercial bribery distorts fair trade and fair market competition.

RISK MANAGEMENT

ORS evaluates the risks and opportunities associated with its commercial activities, business relationships, and products and services within the framework of its risk management system. Climate-related risks are also integrated into this system. The risk management system aims to identify such risks at an early stage and to manage them in alignment with the company's risk strategy.

ORS is currently not directly affected by climate-related laws and regulations. Developments related to legal regulations are closely monitored by the relevant departments. Raising awareness about the risks posed by climate change is ensured through its IATF 16949, ISO 9001, ISO 14001, ISO 45001, ISO 5100 and ISO 27001 management systems.

The calculation and evaluation of the impacts and probabilities of the risks and opportunities identified as a result of risk analyses, taking measures against the risks identified, reporting and presenting them to the senior management are carried out regularly in certain periods. Trainings were provided to managers and process owners in order to increase risk awareness and culture. Training activities will continue to increase the awareness of employees on risk.

Assessment of institutional and climate change induced risks in ORS;

Corporate and Operational Risks	Within the scope of IATF 16949 and ISO 9001, all processes are evaluated and monitored in detail under the responsibility of the process owner.
Physical risks	As a company with ISO 14001, ISO 45001 and ISO 50001 management standards, ORS strives to identify and prevent systematic risks and potential negative impacts on the environment and occupational health and safety at an early stage through proactive risk management. Physical climate-related risks such as floods, water shortages, fires and earthquakes that may affect production areas are identified and regular risk assessments are conducted.
Existing and emerging regulations	Energy, Environmental and OHS management systems ensure that ORS operations follow and update current regulations in force. Legal consideration is given to relevant trends, including emissions reporting obligations, the work of Group Sustainability, carbon tax and carbon emissions trading schemes, banned substances, and impacts arising from current energy and carbon-related regulations.
Technology risks	Climate risks and opportunities are integrated into the entire process. Product and system solutions are explored, such as the transition to lower emission technologies and electrification of powertrains.
Legal risks	Despite increasing global regulations, ORS is currently not directly affected by climate-related laws and regulations. Climate-related legal developments are closely monitored within the relevant management systems.
Market risks	Bearing market, competitors' situation, climate related trends and market developments are monitored and risks related to ORS's market position and market share are evaluated.
Reputation	Growing awareness of climate change has also led to increased customer demands and expectations. For example, improving carbon efficiency or neutrality. Unmet expectations can lead to customer churn and consequent reputational damage. Therefore, ORS strives to meet customer expectations.

CLIMATE OPPORTUNITIES WITH R&D

ORS R&D Center consists of engineers and researchers engaged in research and development activities focused on improving existing products and developing new products and processes to meet the future needs of its customers. In addition, the center designs and implements R&D projects with its in-house team to benefit from public funding programs such as the Scientific and Technological Research Council of Türkiye (TÜBİTAK) and the European Union (EU) framework programs.

In 2024, a total of 12 R&D projects were carried out, including the initiation of 3 new projects and the completion of 1 project. Within the scope of these projects conducted at the R&D Center under Law No. 5746, total R&D expenditure for the 2024 reporting year amounted to 82.5 million Turkish lira. This represents an increase of approximately 2.2 times compared to the total R&D expenditure of 37 million Turkish lira in 2023. Additionally, the total revenue generated from international sales of new products developed within the scope of R&D projects over the past three years, as evaluated in the 2024 reporting year, reached 1.6 times the revenue reported in the 2023 product assessment.

Therefore, the contribution of R&D efforts to the company's economic sustainability is evident.

The R&D activities have created opportunities in the field of environmental sustainability by indirectly contributing to the fight against climate change. These projects aim to offer innovative solutions in areas such as energy and material efficiency in operational processes, waste reduction, carbon emission reduction, and the use of predictive technologies, while also generating financial impacts such as cost reduction, increased efficiency, and risk mitigation. The R&D efforts that can be evaluated within the scope of climate-related opportunities are summarized below:

- Within the project aimed at monitoring and controlling manufacturing processes to reduce production errors and scrap rates, raw material waste will be prevented, enabling more efficient use of resources and thereby contributing indirectly to carbon emission reduction. Additionally, by the end of the project, increased production efficiency and reduced costs are expected to create a positive financial impact.
- The project conducted to extend tool life will focus on enhancing the effective use of production tools over a longer period, thereby significantly reducing material consumption and energy use by minimizing tool replacement frequency. As a result, the project output will lead to a reduction in the carbon footprint, along with savings in maintenance, labor, and energy costs.
- In the project involving the design of production processes through finite element analysis, instead of trial-and-error methods in the field, computational approaches will be used to define process roadmaps. By more accurately determining process parameters, material and energy consumption will be minimized. This approach offers significant opportunities in reducing both environmental impacts and project duration and costs.
- Projects focused on different coating methods, heat treatments, and material alternatives aimed at extending bearing service life will lead to the development of longer-lasting bearings. Consequently, reduced demand for bearing production will provide savings in raw materials and energy, while less frequent repetition of production processes will result in lower CO_2 emissions released into the environment.
- Additive manufacturing (3D printing) applications using polymer materials aim to save time, labor, and energy during the prototyping phase. Compared to traditional methods, prototypes are produced using less material, thereby reducing waste and the carbon footprint.

The R&D activities provide strategic contributions not only in terms of corporate efficiency but also in adapting to climate-related physical and regulatory risks. Through these projects, ORS is adopting climate-friendly production models while also supporting its long-term goals of competitive advantage and sustainable growth.

LEAN PRODUCTION

In today's competitive environment, it is a very important issue that companies can deliver quality products to people by producing them at economical prices in order to maintain their existence. In order to reach this point, it is necessary to put forward serious solutions regarding lean production systems. For this reason, we work with all our energy in order to eliminate waste at all stages of production, reduce cost and labor, and reveal a simple but effective process.

We are investing on smart systems which takes the responsibility from human which digitally control the actions that we perform to keep the processes stable and reduce the scrap ratio. In this scope, by establishing 39 of individual “Post Process Control” systems ,which are directly copulated in grinding lines , we are aiming to reduce human effect on process and to have more productivity. As a result, we are not only creating added value but also significantly reducing scrap rates while elevating our quality standards to a higher level.

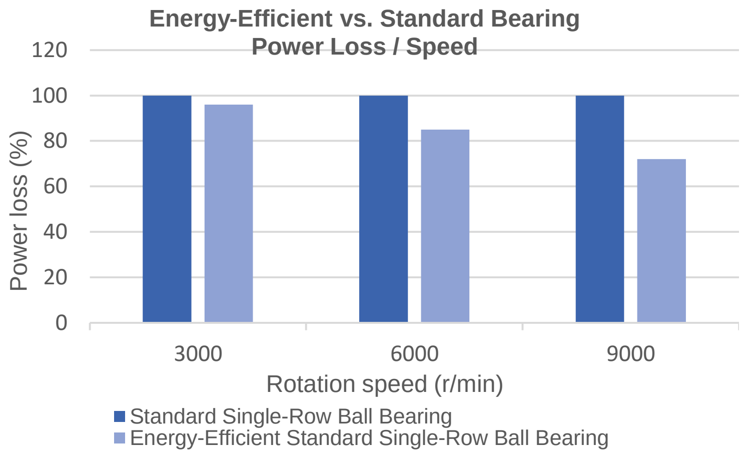
ORS ENERGY EFFICIENT BEARINGS

Improving energy efficiency and minimizing environmental impact are among the kay objectives of modern engineering applications. Our energy-efficient single-row deep groove ball bearings significantly contribute to these goals through optimized geometry, enhanced lubrication performance, and advanced cage design.

Advanced lubrication products, enhance bearing efficiency by minimizing frictional losses. While reducing energy losses, they also contribute to extended bearing service life. Consequently, they support the reduction of waste generation.

The innovative cage design optimizes the movement of rolling elements, minimizing frictional losses and allowing systems to operate with lower energy consumption.

Modern manufacturing techniques facilitate the production of high-energy-efficiency bearings. Processes with reduced energy consumption not only lower environmental impact but also enable the production of more efficient components.



These features result in over 30% reduction in frictional losses compared to conventional bearings. The lower friction torque leads to reduced energy consumption and improved overall system efficiency.

Design

- ✓ Optimized internal bearing geometry
- ✓ Quiet, low-torque, long-life grease
- ✓ New polymer cage design

Applications

- ✓ E-drive systems
- ✓ Electric motors
- ✓ Pumps
- ✓ Compressors
- ✓ Fans
- ✓ Conveyors
- ✓ Other medium and light load applications

Advantages

- ✓ Low Energy Consumption: Low acquisition cost with significant reduction in machine operating costs.
- ✓ Long Lifespan: Reduced friction extends bearing service life, decreasing waste generation.
- ✓ Less Maintenance Required: Improved durability reduces the need for maintenance and replacements, minimizing environmental impacts.

DIJITAL TRANSFORMATION

We make our factories smart by focusing on Industry 4.0. As a result of this, we prevent errors and losses with more efficient work of our stuff in the production line and smart equipments.

Robotic Automation

We are switching to technologies that save time and resources with Robotic Automation, instead of processes which are done manually and require more labor. In this way, we aim to reduce risks and costs while increasing employee productivity and satisfaction. Subsequent to Robot Automation Systems projects in 2017, 30% of the total workload of the process related to the operation robot, which is the first 6-axis robot project, has been done by the robot. With the “pick and place” application in 2019, 72% of the finished product on the counter can be placed in the crates by the robot. Finally, in addition with the 1st phase Automated Guide Vehicle (AGV) systems that we started to put into use in 2021, we release 2nd phase AGV’s to realize 30% of the amount of pallets displaced in the workshop with AGV robots.

Creating New Generation Production Cells

In order to ensure more efficient and ergonomic working conditions in the workshops where production is carried out and to create an economic gain by reducing labor costs, we designed a new line formation. We established production flow directions of the automatic grinding and assembly lines in opposite directions to form a cell. Within the scope of this formation in 2023 we continued to proceed with additional 4 assembly line in 2024 and 50% labor savings were achieved in the relevant lines by commissioning 32 grinding and 28 assembly lines to form double cells.

CLIMATE CHANGE MITIGATION

In line with its vision of combating climate change and advancing low-carbon production, ORS achieved significant progress in 2024 in the areas of energy management, carbon footprint accounting, and alignment with international sustainability platforms.

As part of our strategy to transition energy consumption toward sustainable sources, all electricity purchased from the grid in 2024 was procured with Renewable Energy Guarantee of Origin (YEK-G) certificates. Through this initiative, 100% of the electricity we consumed was officially certified as originating from renewable sources, contributing to a substantial reduction in our indirect greenhouse gas emissions.

Within the scope of our energy transition investments, the 6.3 MWp rooftop solar power system installed at our facility was successfully commissioned in 2024, increasing our total installed solar capacity to 9.3 MWp when combined with existing systems. This expansion further supports the long-term strengthening of our emission-reduction performance and reduces dependency on external energy supply.

In line with our corporate carbon management efforts, ORS has completed the ISO 14064-1:2018 Corporate Carbon Footprint calculations for 2024, continuing the process initiated in 2021. The 2024 results were independently verified by an accredited third-party assurance provider, ensuring the transparency and methodological integrity of our greenhouse gas inventory.

Additionally, in 2024 we initiated calculations under the ISO 14067 Product Carbon Footprint standard, completing comprehensive assessments for 20 selected bearing types. This work provides a robust basis for identifying product-level life cycle emissions and advancing our low-carbon product development strategies

In the area of global sustainability transparency, ORS submitted reports in 2024 to the Carbon Disclosure Project (CDP) for Climate Change, Water Security, and Forests. Achieving a score of B in both the Climate Change and Water Security categories demonstrates the international recognition of our environmental risk-management capabilities and the maturity of our sustainability performance.

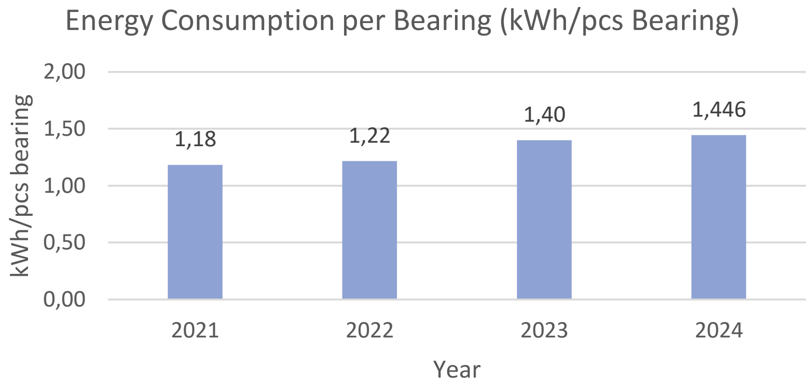
All initiatives undertaken in 2024 have strengthened ORS's holistic approach to climate change mitigation, delivering concrete progress in energy transition, carbon management, and sustainable product development—while supporting our long-term corporate objectives. ORS remains committed to furthering its low-carbon production model in 2025 and beyond, continuing to uphold its environmental responsibilities at the highest level for all stakeholders.

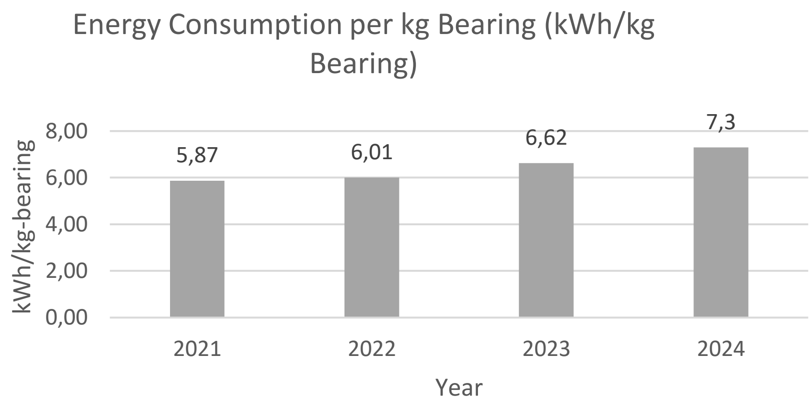
ENERGY CONSUMPTION

Within the scope of the ISO 50001 standard, we set energy targets by monitoring our internal consumption in order to increase energy efficiency and reduce energy consumption and therefore our greenhouse gas emissions.

We monitor our energy target as the energy consumed per unit product (piece or kg). Thus, this KPI which we determined, eliminates the effect of variables that affect energy performance (such as changes in production volume) and ensures focus on the underlying real energy performance. Factory-wide energy consumption and targets are given in kWh, normalized per number of bearings and kg of bearings, in the tables and graphs as of 2021-2024.

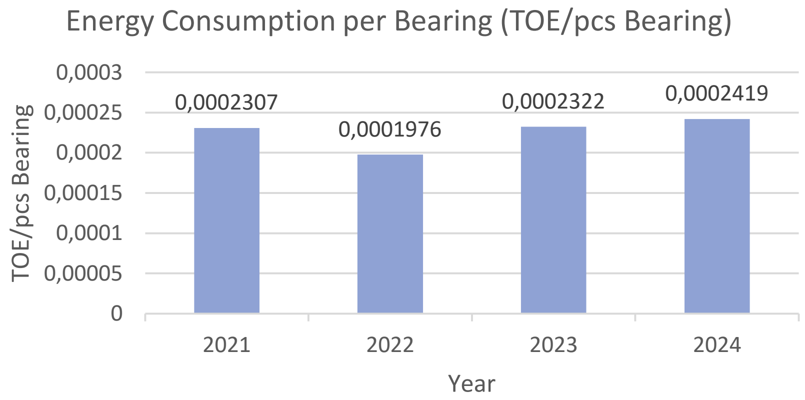
Year	Energy Consumption kWh	kWh/pcs bearing	kWh/kg bearing
2021	96.629.497	1,183	5,867
2022	92.683.436	1,216	6,006
2023	79.220.728	1,401	6,63
2024	82.940.042	1,446	7,3

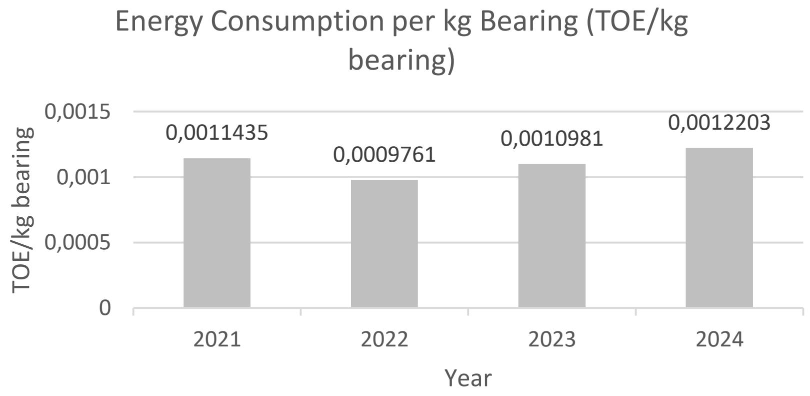




In order to use energy efficiently and ensure the conservation of natural resources, the electrical energy required for production in our factory is provided by the cogeneration facility. In addition to electricity generation in the cogeneration facility, the waste heat energy obtained from exhaust gasses, is used for heating the factory and administrative buildings in winter and cooling in summer. Compared to last year, our natural gas consumption decreased in 2024 with the implementation of energy efficiency projects.

Consumed Fuel	2021	2022	2023	2024
Natural gas	21.139.371 m^3	14.250.076 m^3	13.301.040 m^3	13.339.148 m^3
Diesel Fuel	251.650 kg	230.310 kg	241.609 lt	221.647 lt
Propane	13.821 kg	17.924 kg	9.565 kg	12.019 kg





ENERGY EFFICIENCY

In 2024, several energy-efficiency initiatives and process improvements were implemented across our production operations to reduce overall energy consumption. These investments and optimizations resulted in the following savings:

- ✓ 4 pneumatically powered vertical conveyors used in the grinding and assembly workshops were converted to electrically driven servo-motor systems, generating an annual energy saving of 200,250 kWh.
- ✓ Compressed air leak detection was carried out using newly procured advanced technology equipment, enabling leaks to be identified and reduced to a minimum.
- ✓ A screw-type compressor was replaced with an electric-motor-driven compressor in May. The efficiency of the previous compressor motor was 94%, whereas the new compressor motor operates at 96.7%, resulting in a motor efficiency gain of 5.2 kWh and an annual saving of 32,760 kWh.
- ✓ Several high-voltage switchgear units within the plant were replaced with vacuum-type high-voltage switchgear. This upgrade has contributed to a reduction in unplanned power interruptions.
- ✓ On Machine No. 225 (centerless grinding), a nozzle optimization study was carried out to reduce air consumption. Adjustments to the pressure and flow levels resulted in an annual energy saving of 1,780 kWh.
- ✓ In the study conducted on centerless grinding machine no. 242, the air consumption generated by the nozzle application was reduced by lowering the pressure and throttling the airflow. As a result of this improvement, an annual energy saving of 1,824 kWh has been achieved.

GREENHOUSE GAS EMISSIONS MANAGEMENT

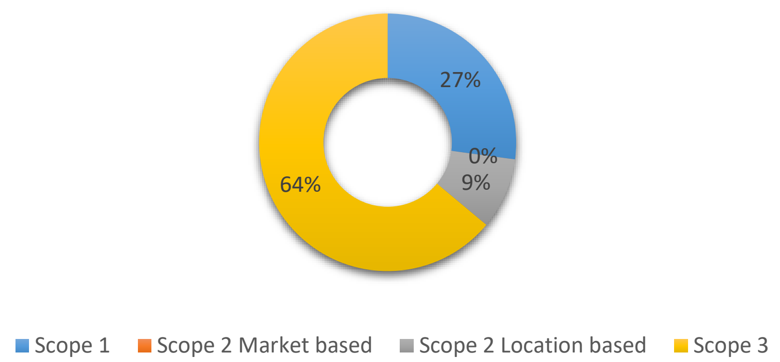
The greenhouse gas (GHG) emissions arising from our operations are calculated annually in accordance with the ISO 14064-1:2018 Greenhouse Gas Quantification and Reporting Standard and are reported following the relevant methodologies. The operational control approach—based on the authority and decision-making power we hold over our activities—has been adopted for our calculations. This ensures that emissions from all activities operationally managed by our organization are included within the reporting boundary.

The year 2022 has been designated as the baseline year for our organization, serving as the reference point for evaluating our GHG reduction targets and performance improvements. The calculations cover all relevant activities conducted by our organization, including direct fuel consumption, process-related emissions, grid electricity use, logistics, employee travel, water and wastewater processes, waste management, and other indirect activities. This approach enables a comprehensive assessment of our Scope 1, Scope 2, and Scope 3 emissions in alignment with international best practices.

Since 2021, the greenhouse gas emissions calculated each reporting period have been verified by an accredited verification body at a “reasonable assurance level” in accordance with the ISO 14064-3:2019 standard. This verification process ensures the accuracy, transparency, and traceability of our emission data in line with international standards.

GHG performance management constitutes one of the core components of our sustainability strategy, and the availability of verified data ensures alignment with both stakeholder expectations and national/international climate objectives. The regular monitoring and reporting of our emissions are critical for mitigating climate-related risks, enhancing resource efficiency, and achieving our low-carbon production targets. In this context, we aim to reduce our Scope 1 and Scope 2 emissions by 75% by 2030, compared to the 2022 baseline year, and achieve a 15% reduction in Scope 3 emissions, covering both upstream and downstream activities. In line with our long-term climate strategy, we aspire to become a carbon-neutral organization by 2050.

2024 Greenhouse Gas Emissions



Greenhouse Gas Emissions (tCO_2e)		2021	2022	2023	2024
Scope 1		43,408.89	29,379.69	28,008.49	27,012.14
Scope 2	Market-based	5,749.32	16,263.59	5,561.55	0
	Location-based	5,749.32	16,263.59	9,915.00	8,921.71
Scope 3	Category 1: Purchased Goods and Services	689.45	87,290.51	77,137.75	51,424.91
	Category 2: Capital Goods	1,262.19	2,171.30	1,627.74	301.76
	Category 3: Fuel- and Energy-Related Activities Not Included in Scope 1 and 2	12,985.76	6,564.40	2,432.51	4,917.46
	Category 4: Upstream transportation and distribution	7,374.15	5,110.45	4,365.10	5,776.60
	Category 5: Waste Generated in Operations	356.40	371.99	77.33	65.49
	Category 6: Business Travel	43.83	59.17	153.76	43.05
	Category 7: Employee Commuting	398.10	93.77	1,340.63	12.58
	Category 9: Downstream transportation and distribution	9,771.86	7,537.56	1,121.65	1,099.09
	Category 12: End-of-Life Treatment of Sold Products	350.26	333.50	83.98	48.33

*According to the CDP 2024 results, we improved our score in the **"Climate Change"** category from a C to a **B** compared with the previous year.*

Emissions Intensity	2021	2022	2023	2024
Scope 1 Emissions Intensity (tCO_2/kg bearing)	0.0026	0.0018	0.0017	0.0016
Scope 2 Emissions Intensity Market Based (tCO_2/pcs bearing)	0.0001	0.0002	0.0001	0
Scope 2 Emissions Intensity Market Based (tCO_2/kg bearing)	0.0003	0.0010	0.0003	0
Scope 2 Emissions Intensity Location Based (tCO_2/pcs bearing)	0.0001	0.0002	0.0001	0.0001
Scope 2 Emissions Intensity Location Based (tCO_2/kg bearing)	0.0003	0.0010	0.0006	0.0005

AIR EMISSIONS MANAGEMENT

As ORS Rulman, we manage all air emissions arising from our production processes and cogeneration plant in full compliance with the Regulation on the Control of Industrial Air Pollution (SKHKKY). Our emissions management approach covers all critical parameters, including volatile organic compounds (VOC), carbon monoxide (CO), nitrogen oxides (NOx), sulfur oxides (SOx), and particulate matter (PM).

Stack gas emissions generated at our facility are monitored and reported in two-year intervals by accredited and independent measurement laboratories authorized by the Ministry of Environment, Urbanization and Climate Change, in accordance with the requirements of SKHKKY. Measurement results are evaluated against the limit values set by the applicable legislation, and all necessary improvement and control actions are carried out in line with ou

r environmental performance commitments.

Additionally, our company fully complies with all legal obligations within the scope of the Environmental Permit for Air Emissions, submits periodic declarations to the Ministry's systems, and continuously improves its emission management processes in line with the requirements of the ISO 14001 Environmental Management System.

The most recent emission measurements were conducted in 2023. As SKHKKY mandates a two-year measurement interval, the next official measurement year is planned as 2025. Therefore, VOC, CO, NOx, SOx, and PM emission values for 2024 were not measured.

The absence of data does not result from any non-compliance or lack of implementation but solely from the legally mandated measurement interval defined by the regulation.

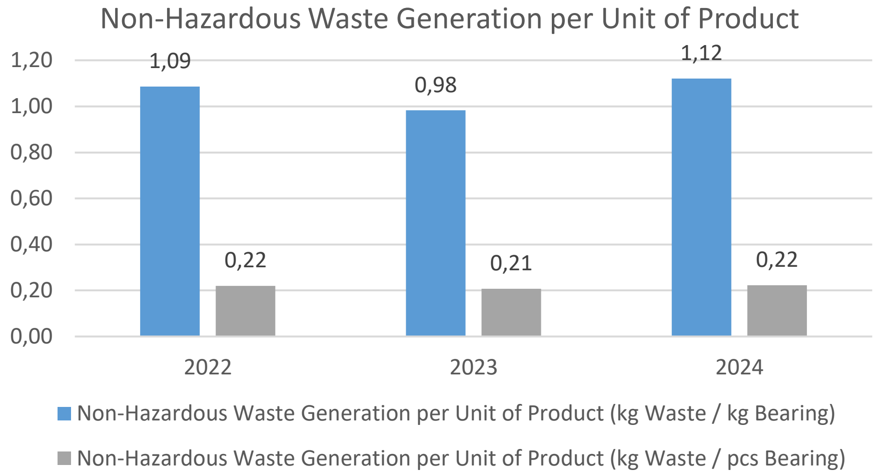
Year	NO_x (kg/year)	SO_x (kg/ year)	VOC (kg/ year)	PM (kg/ year)
2021	41801	0	1792	54451
2022	46504	4857	1760	51258
2023	19019	0	26986	7828

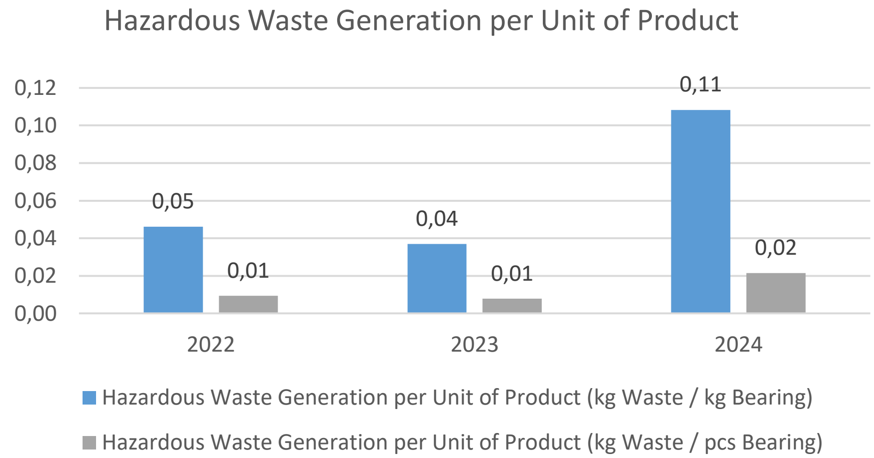
WASTE MANAGEMENT

At ORS, we consider waste management as a strategic component of our efforts to combat climate change and reduce environmental pollution. All related activities are carried out in full compliance with national regulations, relevant internatio nal standards, our Corporate Environmental and Sustainability Policy, and the requirements of the ISO 14001 Environmental Management System. In line with the Zero Waste Regulation issued by the Ministry of Environmen t, Urbanization and Climate Change, we have established a comprehensive waste management system and have been awarded the Zero Waste Certificate.

Our Waste Management System is based on the waste management hierarchy, prioritizing the prevention and minimization of waste generation at the source within our pro duction processes. In cases where waste generation is unavoidable, reuse, recycling, and recovery practices are prioritized. All waste is classified using international waste codes in accordance with the applicable Waste Legislation and is transferred to licensed recovery facilities.

Within the system, hazardous and non-hazardous waste quantities are regularly monitored using normalized indicators such as waste generated per bearing produced and per kilogram. Performance stratification is conducted to identify improvement opportunities aimed at reducing environmental impacts. This approach ensures that our waste management performance is transparent, traceable, and continuously improved over time.





The table below presents the total waste generated in 2024, including the breakdown of hazardous and non-hazardous waste, as well as their recovery status.

All waste reported in 2024 was directed to recovery processes, and no disposal (D-code) operations were carried out.

A 100% recovery rate indicates that all waste streams were transferred to licensed recovery facilities.

Waste Summary Table (2024):

Waste Type	Total Waste Quantity (kg)	Recovered Waste Quantity (kg)	Recovered Waste Rate (%)	Applied Operation Codes (R/D)
Total Waste	13,976,241	13,976,241	100%	R4, R12, R9, R2, R13
Hazardous Waste	1,231,040	1,231,040	100%	R4, R12, R9, R2, R13
Non-hazardous Waste	12,745,201	12,745,201	100%	R4, R12

CIRCULAR ECONOMY

At ORS, we embrace the principles of the circular economy throughout our production processes, aiming to reduce raw material consumption, enhance in-process recovery, and ensure that existing resources are utilized with maximum efficiency. Through the improvement and efficiency projects implemented throughout 2024, significant savings were achieved in material, water, energy, and consumable usage.

- ✓ Through the recovery system installed for heat treatment salt mixed into washing waters in salt-bath furnaces, 53 tons of salt and 210 tons of water were reintegrated into the process in 2024. This initiative significantly reduced both raw material and water consumption, contributing to overall resource efficiency.
- ✓ Process optimizations implemented in the Cold Forming Department reduced oil consumption per ring by 22%, resulting in a total saving of 8,680 kg of oil throughout 2024.
- ✓ The waste steel sand from the sandblasting process was reintroduced into the heat treatment sandblasting process, enabling the recovery of 960 kg of sand in 2024.
- ✓ With the commissioning of the hot rolling process, material efficiency improved significantly compared to the previous method, yielding a 44 ton steel material gain in 2024.

Year	Heat Treatment Salt Saving (kg)	Heat Treatment Water Savings (kg)
2019	50,000	200,000
2020	39,870	160,000
2021	72,200	280,000
2022	58,000	230,000
2023	39,000	155,000
2024	53,000	210,000

Year	Forming Oil Saving (kg)
2019	8,216
2020	7,223
2021	12,038
2022	11,540
2023	7,570
2024	960

- ✓ Consumable cutting tools are participated in sustainability cycle in our grinding workshops under the scope of our "Scrap Material Recycle" program. Thanks to our system which managing cutting tools that are at the end of their beneficial life by means of size and uses that tools for another suitable operation, thousands of cutting tools are saved from years.

- ✓ Within the scope of maximizing stone utilization in Superfinish operations, a system ensuring the complete use of the effective stone length has been implemented. As a result of continuous improvements, the number of "recovered stones," which was 11,158 units in 2020, decreased to 400 units in 2021 and reached zero in 2024. This demonstrates the full utilization of stones within the process and reflects complete alignment with circular economy principles.

WATER MANAGEMENT

As ORS Rulman, we operate with the awareness that water is a shared natural resource of critical global importance. The increasing pressures on water resources—driven by climate change-induced extreme weather events such as heavy rainfall, drought, temperature fluctuations, and heatwaves—underscore the urgency of effective and sustainable water management. In this context, our organization carries out technological and operational improvements to protect water resources, enhance efficiency, and promote reuse, in line with our Environmental and Sustainability Policy and the requirements of the ISO 14001 Environmental Management System.

Although water is not used directly in the production processes of our products, groundwater is utilized for domestic needs as well as industrial cooling and washing operations. The resulting wastewater is treated in our advanced wastewater treatment plant, and a significant portion of the treated water is reused in cooling towers, allowing us to operate a closed-loop water system. This approach has enabled a reduction in groundwater withdrawal and represents a substantial step forward toward our zero-discharge vision. The treated water remaining as excess in the treatment plant is discharged in a controlled manner in compliance with the receiving environment water and soil quality criteria defined in the Water Pollution Control Regulation.

*According to the CDP 2024 results, we improved our score in the **"Water Security"** category from a C to a **B** compared with the previous year.*

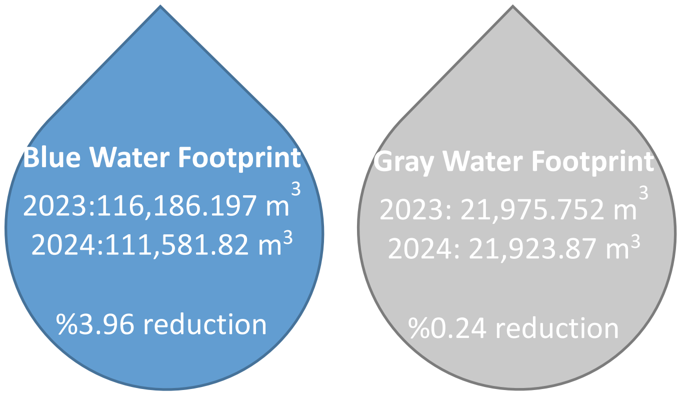
Discharge processes are monitored by accredited laboratories authorized by the Ministry of Environment, Urbanization and Climate Change, with analyses conducted on a monthly basis. Additionally, in-house laboratory controls are performed daily, weekly, and monthly to ensure continuous monitoring of process water quality and discharge compliance. All measurements are evaluated in accordance with the criteria of Tables 15.2, 15.4, 15.12, 20.1, and 20.7 of the Water Pollution Control Regulation, and all parameters remained fully compliant throughout 2024. Furthermore, environmental impact assessments carried out under ISO 14001 ensure regular analysis and control of potential impacts from wastewater-generating processes on receiving environments.

In 2024, a total of 111,559 m³ of water was sourced from groundwater. Of the treated wastewater, 88,523 m³ was recovered and reused in cooling towers, resulting in a 79.35% reduction in overall water consumption. This outcome represents a significant improvement aligned with our water-reduction objectives. Water consumption indicators are regularly monitored and evaluated annually in relation to production volume.

In our wastewater treatment plant, pollution loads originating from industrial wastewater are effectively removed through a multi-stage advanced treatment process, including Dissolved Air Flotation (DAF), ultrafiltration, and vacuum evaporation prior to biological treatment. This comprehensive process not only ensures compliance with discharge quality standards but also produces water suitable for reuse. All discharge activities continue to be carried out under the Wastewater Discharge Environmental Permit issued by the Ministry of Environment, Urbanization and Climate Change.

The protection of water resources, enhancement of recovery rates, and contribution to sustainable water management remain fundamental components of our environmental performance. In this regard, our technological investments, process improvements, and initiatives aimed at reducing resource consumption continue in alignment with our sustainability objectives

Indicators	Unit	2022	2023	2024
Groundwater Withdrawal (Well Water)	m³	120,397	116,181	111,559
Treated Wastewater from the Treatment Plant	m³	47,710	85,398	131,048
Water Withdrawal per Unit of Product	m³	0.0016	0.0021	0.0019
Amount of Recovered Water (Cooling Towers)	m³	35,288	48,956	88,523
Recovery Rate (Recovered Water/ Total Water Withdrawal)	%	29.31	42.14	79.35
Wastewater Discharged to Surface Waters	m³	12,422	36,442	42,525



AIR, WATER, SOIL QUALITY AND BIODIVERSITY

ORS is located within an area designated for industrial use and is not situated on or in proximity to any agricultural land, forest habitat, natural wildlife area, protected zone, or surface water body. Accordingly, our operations do not exert direct land-use pressure on natural ecosystems, sensitive species, or protected biodiversity areas.

Nevertheless, we recognize that biodiversity protection is not limited to land-use considerations alone, but is also closely tied to the health of ecosystems through air, water, and soil quality. In this context, we manage our environmental impacts through a holistic and preventive approach. By applying Best Available Techniques (BAT) in our production processes, we systematically implement pollution prevention practices, proper waste classification and management, zero-waste initiatives, recycling and recovery activities, and advanced wastewater treatment technologies—thereby contributing to the preservation of regional environmental quality.

Before any new investment or process modification is implemented, potential impacts on water, air and soil ecosystems, flora and fauna, and climate change are assessed in detail within the framework of Environmental Impact Assessment (EIA) procedures carried out in accordance with the legislation of the Ministry of Environment, Urbanization and Climate Change. Necessary preventive and mitigating measures are defined as part of this process.

Potential atmospheric emissions (VOC, CO, NOx, SOx, and PM) from our facility are measured by accredited, independent laboratories every two years in line with the Regulation on the Control of Industrial Air Pollution. Measurement results are monitored under our Environmental Permit for Air Emissions and consistently maintained below regulatory limit values. This contributes to the protection of regional air quality and, indirectly, to the sustainability of local biodiversity.

Through these practices, ORS maintains a comprehensive environmental management approach aimed at preserving air, water, and soil quality, reducing indirect pressures on ecosystems, and supporting regional environmental sustainability—even though our operational area does not inherently carry high biodiversity value.

VALUE FOR EMPLOYEES

We have shaped our human resources approach with a focus on building a team that is highly motivated, high-performing, and composed of experts in their fields, while ensuring the sustainability of this structure. Our goal is to create a long-term and productive work environment that strengthens our employees' commitment to our company. In this direction, we are committed to providing a fair, safe, and supportive working environment that fosters both personal and professional development and allows our team members to realize their full potential. At the same time, we consider the protection of employee rights as one of our core responsibilities and ensure that all employee benefits are delivered fully, accurately, and on time with great care.

EMPLOYEE DEVELOPMENT AND TALENT MANAGEMENT

We place great importance on developing the competencies of our team members. In this regard, we implement various development programs aimed at enhancing their knowledge and skills. These programs are tailored to meet the specific needs of our employees.

CAREER AT ORS

Through our Career Management System, we offer our employees career paths based on their performance, competencies, and development potential. With this system, we closely monitor the development potential. With this system, we closely monitor the development processes of our current team members and aim to maintain a qualified workforce ready to meet the needs of our organization at all times. In this way, we foster a sustainable leadership structure by promoting our managers from within. We systematically evaluate the performance of our white-collar employees twice a year, in March and September. Following the evaluation process, we conduct one-on-one feedback meetings with the relevant department managers. Through these meetings, we are able to identify our employees' development areas and expectations more clearly.

EMPLOYEE RIGHTS

At ORS, we recognize that our employees are our most valuable asset in achieving our goals. That’s why we invest in our people, prioritizing occupational health and safety, the protection of employee rights, and the creation of a fair working environment. Ensuring the sustainability of all these processes is among our top priorities.

At ORS, in order to enhance the level of education and motivation for learning, we provide scholarships/financial support to the children of our employees who are enrolled in formal education and advance to the next grade each year, to those who rank within the top ten thousand in the national university entrance exam, and to students who are selected by TED College based on academic success and performance in the scholarship exam.

Employee Benefits	Cash Allowances Provided To All Employees	Cash Allowances Provided To Specific Positions
Attendance Bonus	*	
Supplementary Health Insurance	*	
Military Assistance Allowance	*	
Military Service Allowance	*	
Child Birth, Death, And Marriage Benefits	*	
Meal Allowance	*	
Night Shift Differential Pay	*	
Education, Child, And Holiday Allowances	*	
Annual Leave Allowance	*	
Scholarship For Employees’ Children	*	
Bonus, Duty Allowance, Title Allowance		*
Project Allowance, Responsible Person Allowance		*

In-Kind Aids
Civilian Footwear
Detergent/Towel/Bathrobe
Ramadan Supplies

Our blue-collar employees are represented by one chief representative and four department representatives. These representatives are elected every five years. They play a significant role in supporting ORS employees' active participation in the company's decision-making processes.

COMMUNICATION

At ORS, we believe in the importance of transparent and effective communication with our employees. In this regard, we have established a strong communication network by leveraging all the opportunities offered by technology. We regularly share updates and information with our employees through written announcements, social media, SMS, local networks, email, and display screens. In cases of significant operational changes, legal notification periods are strictly observed.

2024

Number of Suggestions: 19
Number of Complaints: 45

We encourage our employees to share their opinions and suggestions with us through our suggestion-complaint system and the employee surveys we conduct regularly each year. Through our annual employee satisfaction surveys, we gather feedback to help create a better working environment and implement the suggestions that are feasible.

According to the ORS Suggestion and Complaint Procedures, suggestions and complaints are collected by the board members during the first week of each month. These are then reviewed by the Suggestion and Complaint Evaluation Committee and submitted to the Management. After the evaluation, feedback is always provided to the individuals who submitted them.

TALENT ACQUISITION

We view talent management as a strategic priority — both for the sustainability of our company and for helping our employees achieve their career goals and meet their development needs. In line with this approach, we invest in our human resources and actively support their growth. From recruitment to retirement, we prioritize the well-being of our employees, contribute to their personal and professional development, and strive to create a peaceful working environment where their rights are protected.

We are committed to providing equal opportunities to all candidates throughout our recruitment processes. We conduct these processes with an objective and fair approach, and our Human Resources team meticulously coordinates each step to ensure that every position is matched with the most suitable talent. We select on average 95% of our employees from the region where we operate.

We conduct exit interviews with every employee who leaves the company. By analyzing the data obtained from these interviews, we communicate the feedback to senior management and work to identify areas for improvement.

Staff Request Approval → Application Collection → Technical Interview → Factory Manager Interview → Reference Check → Salary Offer → New Comer

ORS CAREER DAYS

LONG TERM EMPLOYMENT

We value the knowledge and experience our employees possess. As of 2024, our employee turnover rate stands at 3.29%.

INTERNSHIP PROGRAMS FOR YOUNG TALENTS

We pay great attention to our internship programs to cultivate potential candidates. Therefore, we provide our interns with valuable development opportunities for their professional lives and closely monitor their performance throughout the internship. When a vacancy arises, we prioritize evaluating our interns for the position.

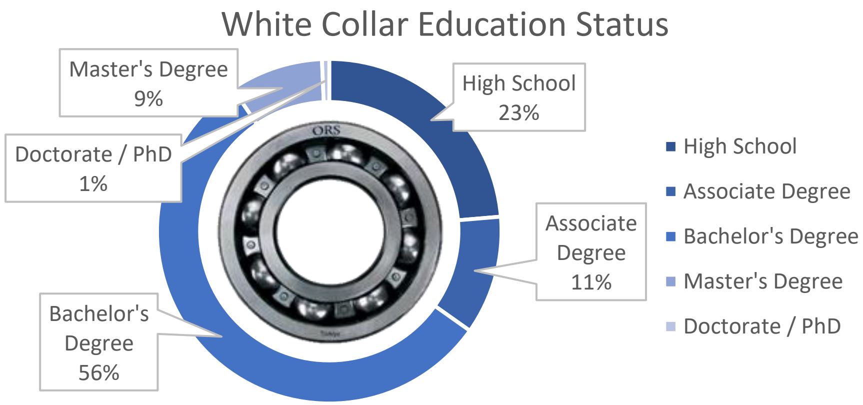
Vocational and Technical Anatolian High School students are provided with skill training opportunities.

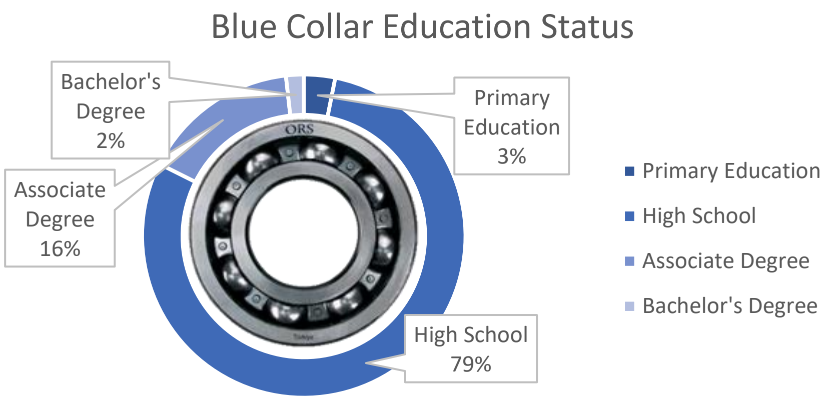
University students are offered workplace training and summer internship opportunities within the scope of university-industry collaboration.

In 2024, a total of 170 interns joined our programs

The demand for skilled engineers is increasing day by day. In this regard, we support final projects to help young students studying engineering carry out their projects more efficiently and to support their professional development. In 2024, a total of 9 students completed their final projects at ORS.

EDUCATION LEVEL

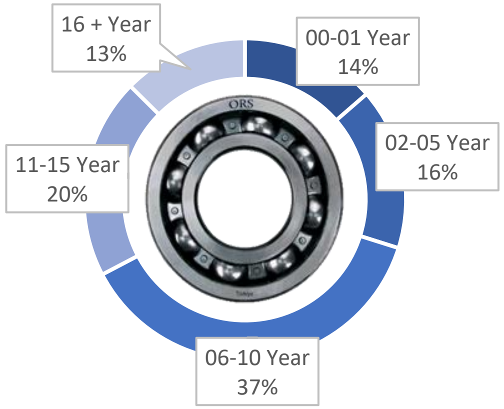




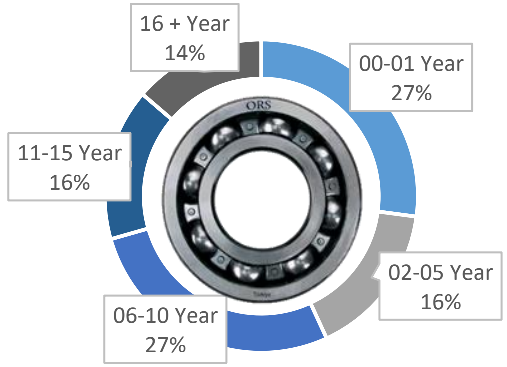
EMPLOYEE PARTICIPATION AND LOYALITY

At ORS, we make a conscious effort to attract talented, qualified, innovative employees with high motivation and performance. With our egalitarian, fair, and employee welfare- and development-oriented human resources approach, we strengthen employee engagement and highly value the presence of our experienced employees who contribute to our corporate memory.

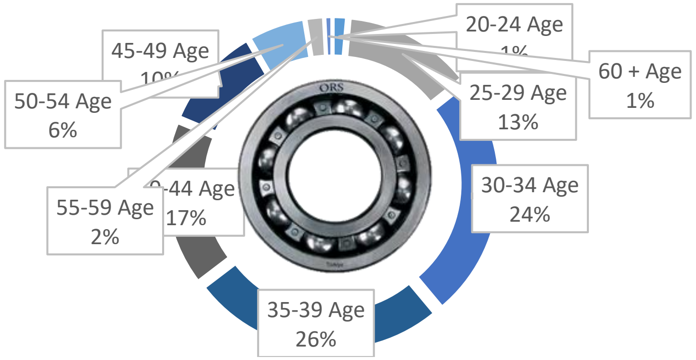
Blue Collar Seniority Distribution



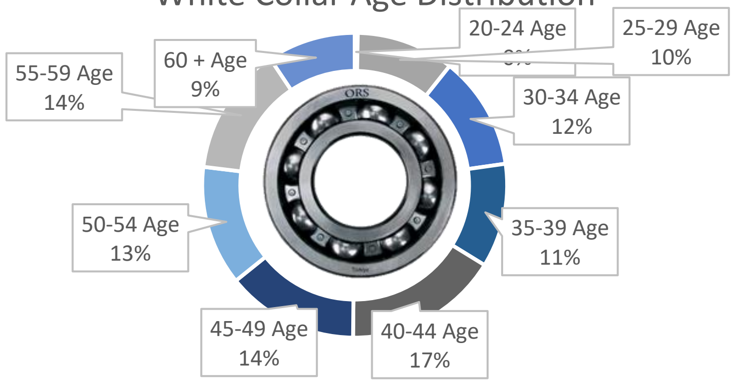
White Collar Seniority Distribution



Blue Collar Age Distribution



White Collar Age Distribution



DIVERSITY AND EQULITY

We are committed to providing our employees with an ethical and fair working environment based on equal opportunity. From recruitment onward, we ensure equal opportunity at every stage of the employment process and conduct our human resources procedures without discrimination based on race, religion, language, age, nationality, ethnic identity, or gender.

At ORS, salaries are determined in compliance with legal requirements, based on education, seniority, experience, job title, and performance, without any discrimination. Entry-level salaries for white-collar employees are set according to their education level, foreign language skills, experience, and competencies. Salary increases for white-collar employees are based on performance, knowledge and skills, seniority, and economic conditions. These increases are approved by the Factory Manager and General Manager. Entry-level salaries for blue-collar employees are determined by adding an 8% additional hourly wage, bonuses, and social benefits on top of the minimum wage. The starting salary for blue-collar employees is approximately 50% higher than the minimum wage.

Our company ensures pay equity between female and male employees, and no form of discrimination is tolerated.

Gender equality has been one of our core values since the establishment of our organization.

Click for Corporate Social Responsibility Policy.

MOTIVATION AT ORS

We have implemented various initiatives to boost our employees' motivation and are committed to continuing such efforts.

ENFORCING EMPLOYEES

Training and Improvement

We prioritize the development of our employees by designing training and development programs aimed at enhancing their competencies. Based on annual training analyses and semi-annual evaluations of training effectiveness, we develop the annual training plan according to the needs of our employees.

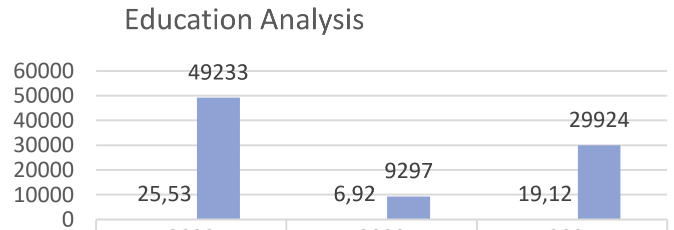
After completing the recruitment process, new employees undergo a comprehensive Orientation Training organized by Human Resources. This training covers ORS's founding history, mission, vision, quality and environmental policies, occupational health and safety principles, information security and personal data protection (KVKK) policies, as well as workplace rules and regulations. Additionally, it includes fundamental topics related to production processes and employees' rights and responsibilities.

Throughout the year, in addition to mandatory technical trainings, we provide all our employees with training on topics such as OHS, ISO 50001 Awareness, Basic Environmental Awareness, Ethical Work Practices, Business Ethics, Human Rights, and Working Conditions.

Bachelor's, Master's and Doctorate Support

To support the education and development of our employees, we offer paid leave through an education agreement to those who wish to pursue undergraduate, graduate, or doctoral programs. In 2024, 10 of our employees benefited from this support and continued their formal education, shaping their career paths.

Types of Training
Vocational and Technical Training
Personal Development Training
Occupational Health and Safety Training
On-the-Job and Orientation Training
Quality Systems Training
Information Security Management Systems Training
Environmental Management System Training
Congress, Fair, and Seminar Participation
Energy Management Systems Training
Personal Data Protection Law (KVKK) Training
Social Compliance Management System Training



	2022	2023	2024
Hours of Education per Person	25,53	6,92	19,12
Total Training Hours	49233	9297	29924

Hours of Education per Person   Total Training Hours

SOCIAL POLICIES FOR SOCIETY

In addition to prioritizing economic development, we also focus on social progress, and we continue to add value to society through our social responsibility projects. To foster a love for nature among both our employees and the wider community, the "ORS 35th Anniversary Hasan Aslan Memorial Forest" was established in memory of ORS's founder, Mr. Hasan Aslan. Tree planting activities are carried out regularly each year, contributing to environmental sustainability. We also carry out afforestation efforts within our factory grounds to help revive the natural environment.

We believe that the key to protecting nature lies in safeguarding all living beings within it. With this philosophy, we continue to provide shelter for our animal friends through cat houses. Additionally, we deliver food waste to the Temporary Shelter and Feeding Point for stray animals in Polatlı.

We provided year-round vehicle support to the Polatlı Vocational and Technical Anatolian High School football team.

STRONG WOMEN STRONG ORS

We support the empowerment of women in the workplace and their active participation at all levels; therefore, we place great importance on the presence of female managers across all tiers of our organization. Additionally, we support our pregnant and breastfeeding employees in accordance with legally defined periods and ensure that women returning from maternity leave continue in the same position.

2024	
Number of Employees Who Took Paternity Leave	92
Number of Employees Who Took Maternity Leave	2

*The proportion of female managers among all managers is %18.18.
*The proportion of female employees among white-collar staff is 14.52%.

Every year on March 8th, International Women's Day, we present various gifts to our female employees to honor and highlight their efforts and contributions.

THE USE OF SUBCONTRACTORS IN SUPPORT SERVICES

As of 2024, our organization utilizes subcontracted firms for support services. In this context, a total of 121 subcontracted personnel are employed: 32 in cafeteria services, 14 in security services, 44 in cleaning services, and 31 in employee transportation services. These services are provided through specialized companies in their respective fields, and service quality and working conditions are regularly monitored.

OHS, ENVIRONMENTAL AND HUMAN RIGHT DUE DILIGENCE

Our organization operates with a high level of diligence regarding Occupational Health and Safety (OHS), environmental stewardship, and human rights. The fact that no violation reports were recorded in previous years or during 2024 serves as a significant indicator of the effectiveness of this approach.

In alignment with the obligations outlined in the German Supply Chain Due Diligence Act (LkSG), which entered into force on 01.01.2023, our organization voluntarily began implementing the relevant requirements as of 2024. Accordingly, our risk analysis, previously limited to OHS and environmental topics, has been expanded to include human rights–related risks. A responsible individual has been appointed to oversee risk monitoring, execution of corrective and preventive actions, and management of the associated processes. In addition, the functioning of our grievance mechanism, which enables the reporting of OHS, environmental, and human rights concerns, is regularly monitored, and all related activities are documented through an annual report.

Within the framework of our Ethical Working Rules, document no. 02 FB 016, our organization adheres to fundamental human rights principles that support the due diligence obligations under the LkSG. In this context, ORS ensures the necessary diligence in preventing forced and child labor, safeguarding freedom of association and the right to collective bargaining, preventing discrimination, ensuring occupational health and safety, protecting the environment, respecting land–water–forest rights, and preventing forced evictions.

Under our existing Grievance Mechanism, accessible reporting channels—including complaint boxes placed at various locations within the factory premises and an email notification system—are available to all employees and stakeholders.

As in previous years, ORS will continue to take determined steps in the areas of OHS, environment, and human rights, further strengthening its human-centered approach and continuously improving its processes to prevent potential violations.

Click for ORS Code of Conduct.

Click for ORS Grievance Mechanism.

OCCUPATIONAL HEALTH AND SAFETY

Our facility operates under the ISO 45001:2018 Occupational Health and Safety (OHS) Management System. Within this framework, we consider the interactions of both primary and supporting processes with the OHS system in order to enhance overall OHS performance. While maintaining the integrity of the OHS system, we continuously implement improvements, eliminate or minimize hazards through risk analyses, and ensure full alignment with our OHS Policy to support long-term sustainability.

Risk analyses are conducted to improve our OHS performance and prevent severe consequences that may arise from potential incidents. For each activity, new investments and operational changes are carefully evaluated and incorporated into the risk analysis. The Risk Assessment Team consists of the Workplace Representative, OHS Specialists, Workplace Physician, Process and Unit Supervisors, relevant engineers, and employees. Risk assessments are performed at defined intervals and are revised whenever necessary to reflect current site conditions. During our Risk Assessment activities, we evaluate not only risks but also potential opportunities. These risks and opportunities are documented in detail and presented to top management at regular intervals. By considering events that have impacted objectives in the past as well as those expected to occur in the future, we strengthen our ability to anticipate and manage uncertainties that may affect goal achievement. The primary inputs considered include:

- Review of process owners’ objectives and risks
- Amendments management documentation
- Amendments to national and international legal requirements
- National and international political developments
- Customer complaints
- Internal and external audit results
- Nonconformities driving Corrective Actions
- Incidents occurring in other industries
- SWOT analyses
- Notifications submitted to the “etik.ihbar@ors.local” reporting channel

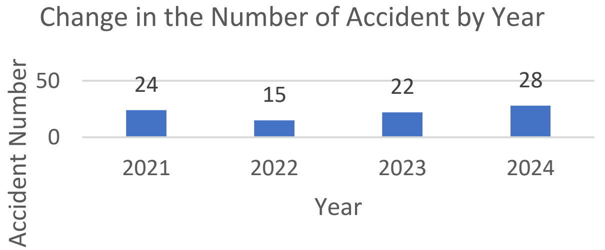
To ensure company wide communication of risks and opportunities and to foster a strong OHS culture, OHS–Environment representatives from each department participate in monthly OHS–Environment Committee meetings together with the OHS Team.

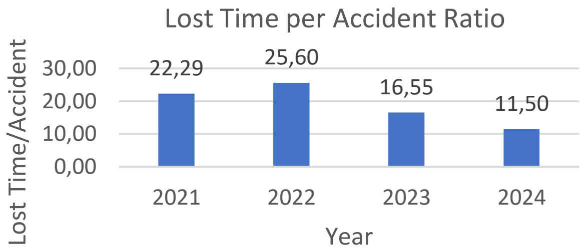
Within the scope of occupational health and safety services, our facility employs five OHS Specialists and three workplace physicians, two of whom are permanent staff, providing daytime healthcare services to our employees. As in previous years, in 2024 each shift was staffed with a healthcare professional to ensure first-aid response capability in emergencies, and approximately 10% of our workforce received certified first-aid training.

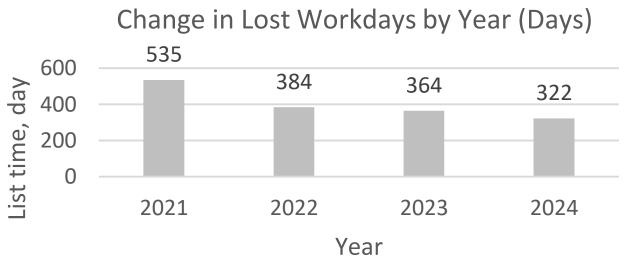
In accordance with the Occupational Health and Safety Law, Workplace Hygiene Measurements—which include Personal Noise Exposure, Personal Dust Exposure, Ambient Noise, Ambient Dust, Lighting, and Thermal Comfort parameters—were carried out in our facility by a ministry-authorized accredited laboratory, as has been done annually in previous years. Drinking and utility water samples are analyzed every six months by the Public Health Laboratory. In cases where abnormal results are detected, employees are referred to specialized healthcare institutions or occupational disease hospitals to ensure detailed assessment and implementation of necessary precautions.

Statistical information and activities related to the factory infirmary are summarized below:

Number of Workplace Physicians: 2 permanent doctors and 3 medical officers
Health Service Coverage: 24 hours, 3 shifts
Ambulance Availability: 1 patient transport vehicle
Total Number of Accidents During the Period: 28
Lost Workdays Due to Occupational Accidents: 322 days
Number of Corrective/Preventive Actions: 56
Sick Leave Issued by Hospitals: 14824 days
Sick Leave Issued by Factory Physicians: 70 days







EMPLOYEE PARTICIPATION, CONSULTATION, AND COMMUNICATION IN OHS

We ensure that our OHS Policy and OHS Performance Reports are published on the ORS-WEB page to inform customers and suppliers. To effectively inform our employees, we utilize OHS-environment communication boards to announce topics such as Emergency Plans, Emergency Response Teams, and Risk Assessments within the scope of Occupational Health and Safety.

To gather worker feedback on OHS matters, an Employee Representative is included in the Occupational Health and Safety Board (OHS Board). Additionally, an OHS shift representative is appointed from among the workers in every department and on every shift. These individuals conduct informative activities for the employees regarding Occupational Health and Safety.

Worker participation in hazard identification, risk assessment, determination of controls, and incident investigation is facilitated through the coordination of the Employee Representatives on the OHS Board and the shift representatives.

To ensure employee participation, we actively use the suggestion boxes located throughout the factory. Our employees also have the opportunity to directly convey their ideas to the top management through "Söz Sizde" (Your Turn to Speak) meetings.

In the employee survey organized by top management in 2024, employees participated by providing written feedback on various subjects, including company shuttles, cafeteria, kitchen, occupational health and safety, environment, thermal comfort, restroom conditions, wage structures, and more.

Furthermore, we implement an Individual Suggestion Procedure in our factory. The purpose of this procedure is to enable all employees to actively participate in the development of our company by offering suggestions on how to improve the production processes, working environment, and conditions at ORS, in alignment with ORS's goals and policies.

EMPLOYEE TRAINING ON OHS

We implemented our training program as planned in 2024, maintaining the periods specified by the OHS Law, to create a safe working environment with high OHS awareness. Our training sessions are conducted by Occupational Safety Specialists and Workplace Physicians, and training notes are distributed to all participants in the form of a booklet. Periodic training is set at 12 hours every two years, in line with our factory's hazard class.

To ensure effective consultation and communication on OHS, environment, and energy matters—including with subcontractors—we involve an Employee Representative in the OHS Board and appoint an OHS shift representative selected from workers in every department and shift. These individuals carry out information dissemination efforts for employees on OHS.

RESPONSIBLE VALUE CHAIN AND PURCHASING MANAGEMENT

ORS aims to extend its sustainability approach beyond its own operations to encompass the entire value chain. Within this scope, purchasing and supply processes are conducted in line with environmental, social, and ethical responsibility principles. While contributing to economic development by supporting domestic suppliers, the company also encourages the continuous improvement of suppliers' environmental and social performance.

During supplier selection and evaluation processes, sustainability criteria such as eco-friendly production, resource efficiency, OHS, and code of conduct are taken into consideration. Through this approach, ORS aims to create a supply chain ecosystem that is both competitive and responsible via long-term partnerships.

PURCHASING MANAGEMENT APPROACH

In 2024, we collaborated with a total of 1,220 suppliers. We worked with 65 suppliers in the direct material group and 1,155 suppliers in the indirect material group. Specifically in the material groups of balls, rollers, tapered sheet metal cages, and plastic cages, we initiated new supplier onboarding processes. We successfully included: two new suppliers in the ball material group, one new supplier in the plastic cage material group, one new supplier for the tapered sheet metal cage material group. These were all added to our approved supplier list.

In the automotive sector, the main processes for sourcing the right product at the requested quality, on time, and at an appropriate cost can be listed as: supplier selection, supplier performance evaluation, and supplier development activities.

Requirements

- Supplier Questionnaire & Risk Assessment
- Quality System Certificates
- Purchasing Terms and Conditions
- Confidentiality and Purchasing Agreements
- Prohibited and Restricted Material Declarations
- Technical Competence Studies
- Business Ethics Declaration and Sustainability Risk Assessment
- Prototype and Pre-Series Sample Studies

Evaluation

- Technical / Quality Evaluation
- Delivery Performance / Cost Evaluation
- Environmental Performance Evaluation
- Logistics Assessment
- Communication and Cooperation Evaluation

Monitoring

- Supplier Risk Assessment
- VDA 6.3 Process Audits
- Training Programs
- Regular On-site / Online Meetings
- Sustainability Risk Assessment

Annual Supplier Performance Evaluation

Companies that successfully complete the new supplier onboarding processes are then included in ORS's approved supplier list, and purchasing activities commence based on operational needs.

The general objective of sustainability efforts, from a purchasing perspective, is to ensure the continuity of both global resources and the supply chain in a healthy manner, taking human rights into consideration. In this context, there are several different topics that ORS considers in its purchasing activities, which are listed below:

- Supplier Relationships
- Economic Impacts
- Local Purchasing
- Material and Resource Management
- Suppliers' Environmental Awareness and Performance
- Suppliers' Social Awareness and Performance

SUPPLIER RELATIONS

Our primary objective in establishing business relations with suppliers is to build long-term strategic relationships. We initially group our suppliers as direct or indirect based on the type of material procured. Direct material suppliers are those who directly contribute to the quality of the bearing, including suppliers of steel, balls, cages, seals, sheet metal, rollers, snap rings, grease, rings, rivets, accessories, and those performing sub-contracted manufacturing. Indirect material suppliers are those who produce materials that do not directly contribute to the quality of the bearing and which we categorize as consumables, such as packaging materials, grinding stones, and cutting tools. Within this scope, our average period of collaboration with our direct material suppliers is 15 years.

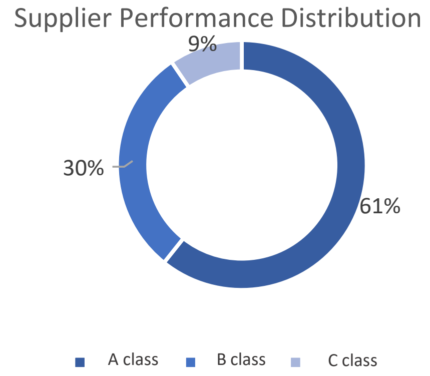
Our suppliers are one of the most important stakeholders contributing to ORS's development. Therefore, we regularly hold on-site or online meetings with them to stay informed about their current situation and to provide them with timely updates regarding ORS.

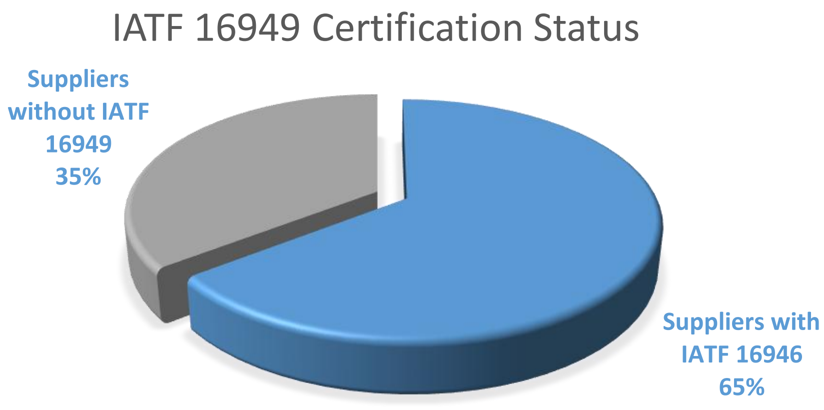
In line with our sustainability approach, ensuring the continuity of material supply processes is one of our primary processes. As such, all steel material, energy, and ball purchases—which constitute the top 3 items in our purchasing budget—are secured through quarterly or annual contracts. By entering into these agreements, the procurement of the contracted quantities is guaranteed according to the agreed-upon prices.

Depending on our suppliers' preferences or existing business structures, we collaborate with some through commercial firms and with others directly.

As ORS, one of the subjects we prioritize the most is adhering to our payment terms. All suppliers receive their payments without delay according to the agreed-upon due dates. For our domestic suppliers, we generally make payments via bank transfer within 45 days. For our international suppliers, payments are typically made immediately after the submission of shipping documents.

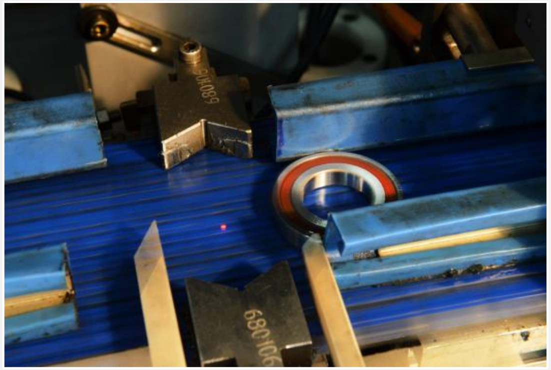
We also expect our suppliers to possess quality awareness and, in this context, to provide us with defect-free products at competitive prices. Within this framework, we annually evaluate nearly 100 direct purchasing suppliers based on both quality and purchasing requirements, classifying them as Class A, B, or C. You can see the distribution of the evaluated suppliers into groups A, B, and C in the graph below:





As ORS, due to the fact that our main market is the automotive sector, we emphasize the requirement for our suppliers to possess automotive awareness. In this context, we regularly monitor the current status of the quality certificates held by our suppliers, thereby tracking their approach to quality systems. As of 2024, the proportional distribution of suppliers who do / do not possess the IATF 16949 automotive quality system certification is shown in the adjacent chart.

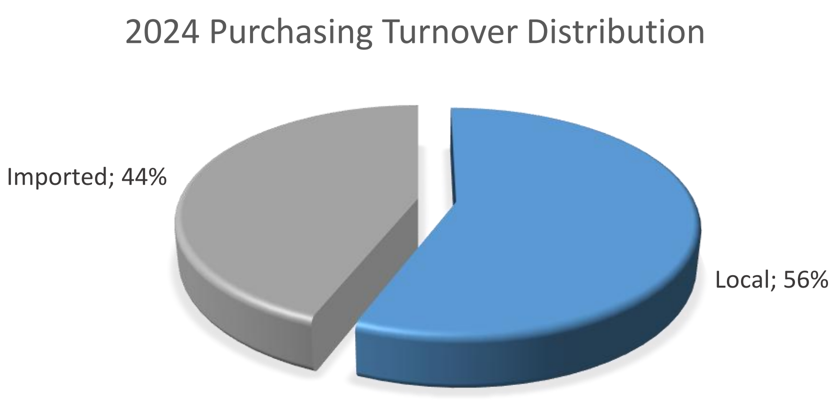
Finally, risk assessment studies for our suppliers are carried out every year, and action plans are created for suppliers with high-risk factors.



LOCAL PURCHASING

ORS is an organization that is aware of the challenges and importance of being a local manufacturer that exists in Türkiye and conducts all of its production within a single factory in Ankara. At this point, the definition of the term “Local” is crucial, and for ORS's purchasing operations, this definition refers to Türkiye.

The pie chart below shows the domestic (local) and international distribution of purchases made in 2024 in terms of turnover (monetary value).



MATERIAL AND RESOURCE MANAGEMENT

ORS primarily manufactures ball bearings. In addition to ball bearings, we produce tapered / cylindrical / spherical roller bearings, turned rings, and ground rollers. Information regarding the main material groups sourced externally and the external services procured for these manufacturing operations is provided below:

Direct Material Categories

- Steel Material (100Cr6 steel and rod or tube)
- Ball (100Cr6 steel and ceramic))
- Roller (100Cr6 steel, as well as tapered, cylindrical, and spherical)
- Sheet Metal (DC01, DC04, tin-plated)
- Plastic Cage (PA 6.6, PA4.6, and fiberglass reinforced)
- Phenolic Cage (Cotton derivative)
- Rubber Seal and O-Ring (ACM, NBR, FKM, HNBR)
- Snap Ring (Spring Steel)
- Rivets
- Sheet Metal Cage (Ball, Tapered, Cylindrical, and Material Types: DC01/DC04, Brass / Solid)
- Grease (Lithium, Polyurea, PTFE, etc.)
- Sheet Metal Covers (Made of DC04/Tin-Plated Sheet Metal)
- Rings (Turned/Grounded)
- Bearing Accessories (Retainer, Pulley, Housing, Ring Nut)

Contract Machining Processing

- Carbonitriding
- Zinc/Manganese Phosphate Coating
- Cementation
- Broaching
- Plastic Coating
- Zinc Iron Coating
- Sheet Metal Slitting
- Other Service Purchases

Main Packaging Material Categories

- Boxes, individual boxes, pallet covers, reinforcements, and covers (Corrugated cardboard and offset groups)
- Separators (PET material)
- Plastic tubes (Polyethylene material)
- Packing tape
- Wooden pallets
- Nylon bags and films (VCI, polyethylene, barrier film, OPP, stretch film)
- Other packaging materials (labels, air cushions, silica gel, etc.)

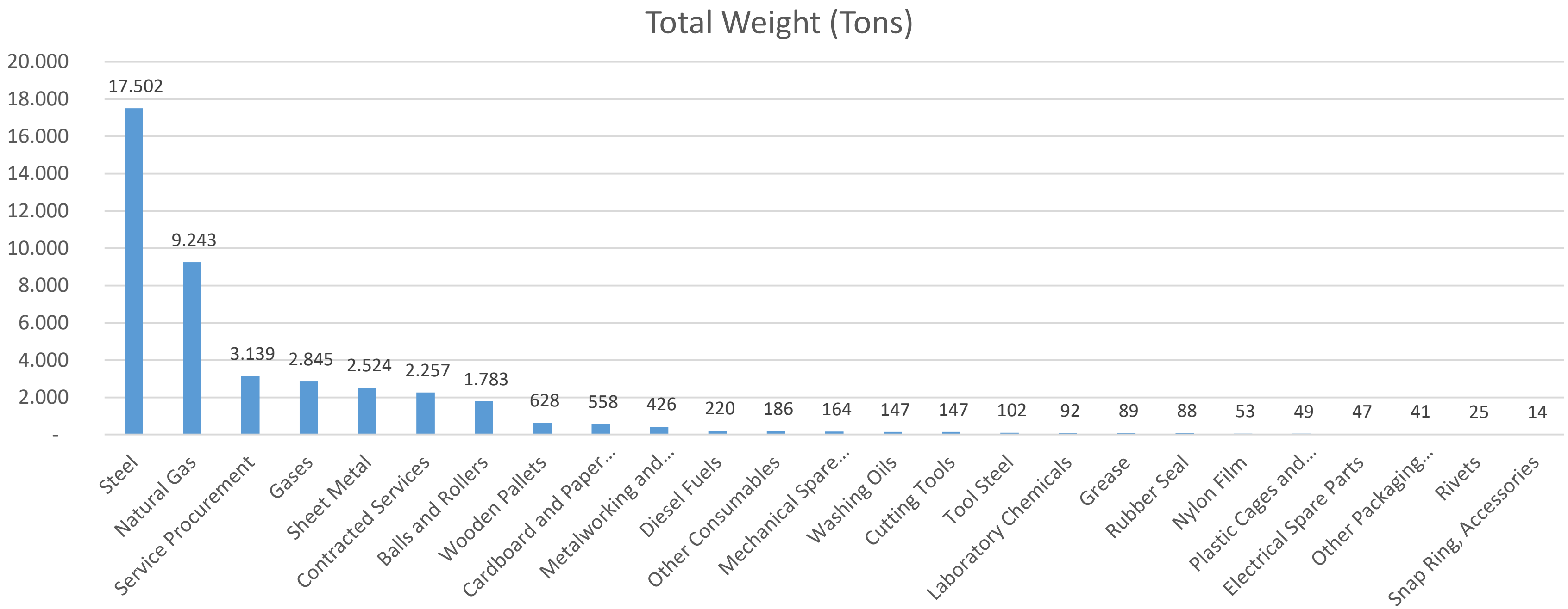
Main Chemical Material Categories

- Metalworking Oils (Forging, Scrubbing, Lathe, Grinding, Superfinishing)
- Heat Treatment Oils
- Mineral Oils (Hydraulic, Gear, Slide, Compressor, etc.)
- Engine Oils
- Natural Gas, Nitrogen, Propane, Diesel, Gases
- Treatment Chemicals
- Laboratory Chemicals
- Cleaning Chemicals
- Washing Oils
- Isofinishing and Rotofinishing Chemicals

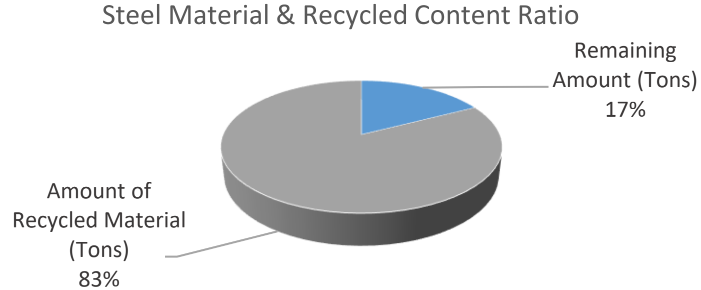
Cutting Tools, Spare Parts, and Consumables

- Stones, Bits, and Toolholders
- Saw
- Finger
- Diamond Roll
- Mold and Tool Steels
- Band Saw Blades, Sandpaper, Paste
- Mechanical Spare Parts
- Electrical and Electronic Spare Parts
- Other Consumables

The usage of the relevant materials, by weight, is shown in the chart below.

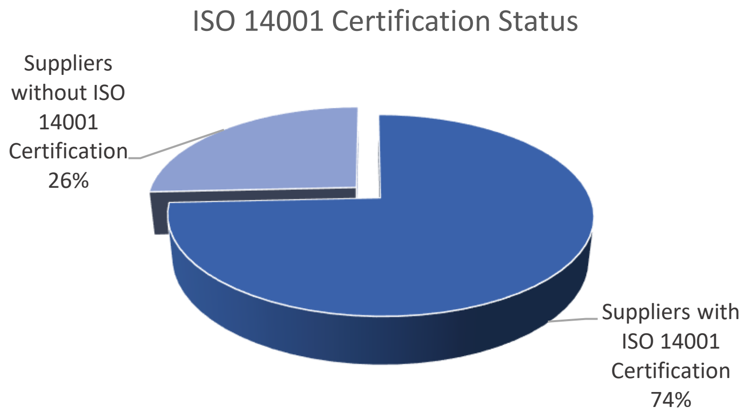


The ratio of recycled content in the steel material used in manufacturing to the total purchased steel and sheet material is provided in the graph.



SUPPLIERS' ENVIRONMENTAL AWARENESS AND PERFORMANCE

As ORS, we prioritize working with suppliers who have established environmental awareness, recognize their environmental responsibilities, and take the necessary precautions and actions in this regard. The percentage of our suppliers holding the ISO 14001 certification can be found below:



To evaluate the current status of our suppliers regarding environmental and social responsibility, we have prepared a Sustainability Questionnaire. We will conduct the scoring based on inquiries under the following headings in the Sustainability Questionnaire:

Main Heading	Sub-Headings
Environment	CO_2 Emissions (ISO 14064, PCF, CDP)
	Energy
	Recycled Materials
	Sustainable Sourcing
Social	Working Conditions and Human Rights
	Health and Safety
Ethics	Code of Conduct
	Business Ethics
	Source of Material

In 2024, we collected declarations from all our direct material suppliers regarding relevant regulations such as REACH, RoHS, PFAS, Prop65, and conflict minerals, along with other required compliance statements.

As the ORS Purchasing Department, we collected business ethics declarations covering the following topics from our direct material suppliers. We also check the relevant declarations every year and, in case of any missing information, we request our suppliers to submit them.

MAIN HEADINGS OF THE SUSTAINABLE PURCHASING POLICY

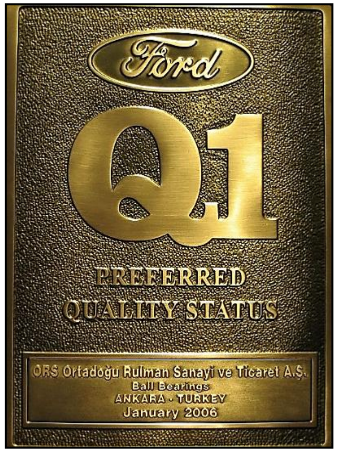
- ✓ Privacy, Information Security, Mutual Trust, Effective Communication, Ethical Awareness
- ✓ Environment, Social Responsibility, and Occupational Health and Safety
- ✓ Technology Focus and Continuous Improvement
- ✓ Human Trafficking, Fraud, Deception, Extortion, Corruption and Bribery
- ✓ Compliance with Laws and Social Norms, Fair Competition, and Anti-Trust
- ✓ Water Consumption and Quality, Energy Consumption, Greenhouse Gas Emissions, Carbon Emissions, Soil Quality, and Waste Management
- ✓ Prohibited and Restricted Chemicals
- ✓ Woman’s Rights and Equity, Rights of Minorities and Indigenous Peoples, Diversity, Equity, and Inclusion
- ✓ Gender Equality and Women's Empowerment, Labour and Human Rights, and Minorities, Diversity, Equity, and Inclusion in Hiring
- ✓ Local Purchasing
- ✓ Original Products
- ✓ Freedom of Association and Collective Bargaining
- ✓ Psychological Harassment and Mobbing
- ✓ Personal Data Security and Privacy
- ✓ Land, Forest, Water Rights and Not Attempting Forced Evictions
- ✓ Rights of Minorities and Indigenous Peoples
- ✓ Conflicts of Interest
- ✓ Legal Personality and Donations
- ✓ Giving and Receiving Gifts
- ✓ Conflict Minerals

CORPORATE MEMBERSHIPS

- Ankara Sanayi Odası
- Ankara Ticaret Odası
- Türk Sanayicileri ve İşadamları Derneği
- Taysad
- Endüstri Mühendisliği Toplulukları Birliği
- TMMOB Elektrik Mühendisleri Odası
- TMMOB Metalürji ve Malzeme Mühendisleri Odası
- TMMOB Jeoloji Mühendisleri Odası
- Beyaz Eşya Yan Sanayiciler Derneği
- Uludağ İhracatçı Birlikleri
- Orta Anadolu İhracatçı Birlikleri
- Akdeniz İhracatçı Birlikleri
- LOSEV
- Çağdaş Yaşamı Destekleme Derneği
- Berlin Teknik Üniversitesi Mezunlar Derneği
- Polatlı Ziraat Odası
- Automotive Industry Action Group
- International Material Data System
- Atılım Üniversitesi Metal Şekillendirme Mükemmeliyet Merkezi
- China Material Data System
- Tuzla Rotary Kulübü
- TEMA Vakfı
- Eğitim Ankara Derneği
- Greenpeace
- Ticaret Bakanlığı Ankara Gümrük Müdürlüğü
- TMMOB Makina Mühendisleri Odası
- Comunity Research and Development Information Servise
- Mobil SHC Club
- Neşeli Köyü Güzelleştirme Ve Yardımlaşma Derneği
- Ankara Gümrük Müşavirler Derneği
- Anadolu Beşiktaşlılar Derneği
- ETUDOSD

SYSTEM CERTIFICATIONS

- ✓ IATF 16949:2016
- ✓ ISO 9001:2015
- ✓ ISO 14001:2015
- ✓ ISO 45001:2018
- ✓ ISO / IEC 27001:2022



ISO 14064-1:2018 GREENHOUSE GAS INVENTORY VERIFICATION STATEMENT

The emission inventory of ORS Rulman Sanayi ve Tic. A.Ş. has been calculated in accordance with the requirements of ISO 14064-1:2018 and verified with a 'reasonable level of assurance' by QSI Belgelendirme, Muayene ve Test Hizmetleri Ltd. Şti., an accredited organization in accordance with the ISO 14064-3:2019 standard.

The verification covers activities for the year 2024 and includes direct emissions (Scope 1), energy indirect emissions (Scope 2), and other indirect emissions (Scope 3).

The document located on the side demonstrates the independent verification of our emission inventory.

CERTIFICATION & INSPECTION

Greenhouse Gas Verification Statement

Sera Gazı Doğrulama Beyanı

ORTADOĞU RULMAN SANAYİ VE TİC. A.Ş.

Organizational Boundaries / Organizasyonel Sınırlar

Kuşçu Mahallesi Beyceğiz Yolu Küme Evleri (Eskişehir Yolu 65. km)
No:76 06900 Polatlı/Ankara Türkiye

The Greenhouse Gas emissions inventory has been verified to meet the standard requirements specified below according to ISO 14064-3:2019 / *Sera Gazı emisyonları envanterinin, ISO 14064-3:2019'a göre aşağıda belirtilen standart gerekliliklerini karşıladığı doğrulanmıştır.*

ISO 14064-1:2018

Category 1- Direct emissions / *Doğrudan emisyonlar*	27.012,14	t CO_2 eq
Category 2- Purchased energy emissions (Location based) / *Satın alınan enerji emisyonlar (Lokasyon bazlı)*	8.921,71	t CO_2 eq
Category 3- Emissions from transportation / *Ulaşım kaynaklı emisyonlar*	6.931,33	t CO_2 eq
Category 4- Emissions from products, service used / *Kullanılan ürün - hizmet kaynaklı emisyonlar*	55.982,96	t CO_2 eq
Category 5- Emissions from associated with the use of the product / *Ürün kullanımı kaynaklı em.*	48,33	t CO_2 eq
Category 6- Other Emissions / *Diğer emisyonlar*	726,65	t CO_2 eq
Total Location Based Emissions / *Toplam Lokasyon Bazlı Emisyonlar*	**99.623,13**	**t CO_2 eq**
Total Market Based Emissions / *Toplam Market Bazlı Emisyonlar*	**90.701,42**	**t CO_2 eq**
Biogenic Emissions / *Biyojenik Emisyonlar*	-	t CO_2 eq
Purchased renewable energy emission allowance / *Satın alınan yenilenebilir enerji emisyon karşılığı*	8.921,71	t CO_2 eq
Category 2- Purchased energy emissions (Market based) / *Satın alınan enerji emisyonlar (Market bazlı)*	0,00	t CO_2 eq

Renewable energy references / *Yenilenebilir enerji referansları:*
YEK-G Cancellation No / YEK-G İtfa Numarası: 8753868636 / 7766415045 / 9448021273 / 3884849094 / 8019747179 / 2742134377 / 3938216920 / 2432928891 / 3021118805 / 9864821997 / 7032890482 / 9058497093

Credits from GHG Scheme / Satın alınan krediler	-	t CO_2 eq
Credits references / Kredi referansları		

Level of Assurance	: Reasonable / Makul	Verification Report Date	: 26.08.2025
Reporting Period	: 01.01. 2024 – 31.12. 2024	Statement No	: SG-GNL-021 / 2024

Approved by / Onaylayan
Okay Kayhanlı – Genel Müdür

TÜRKAK
Carbon Verified Company

QSI Belgelendirme, Muayene ve Test Hizmetleri Ltd. Şti.
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Tel : +90 312 472 60 67 Faks : +90 312 472 60 68
E-mail: info@qsi.com.tr Web: www.qsi.com.tr

GRI CONTENT INDEX

Statement of use	Ortadoğu Rulman Sanayi ve Ticaret A.Ş. has prepared in accordance with the GRI Standards for the period from January 01, 2024, to December 31, 2024.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	About ORS, p:5
	2-2 Entities included in the organization’s sustainability reporting	About the Report, p:2
	2-3 Reporting period, frequency and contact point	About the Report, p:2 Contact, p:75
	2-4 Restatements of information	There are no restatements of information provided in previous reports.
	2-5 External assurance	The Report has not been subjected to external assurance verification.
	2-6 Activities, value chain and other business relationships	About ORS, p:5 Activities, Value Chain And Other Business Relationships, p:8-10
	2-7 Employees	Diversity and Equlity, p:47
	2-8 Workers who are not employees	The Use of Subcontractors in Support Services, p:51
	2-9 Governance structure and composition	Corporate Governance, p:5-12
	2-10 Nomination and selection of the highest governance body	Corporate Governance, p:5-12
	2-11 Chair of the highest governance body	Corporate Governance, p:5-12
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance, p:5-12 Sustainability Management, p:13-20

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-13 Delegation of responsibility for managing impacts	Corporate Governance, p:5-12 Sustainability Management, p:13-20
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Management, p:13-20
	2-15 Conflicts of interest	Business Ethics and Compliance, p:18 Anti-Bribery and Anti-Corruption, p:19
	2-16 Communication of critical concerns	Business Ethics and Compliance, p:18 Anti-Bribery and Anti-Corruption, p:19
	2-17 Collective knowledge of the highest governance body	Corporate Governance, p:5-12
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance, p:5-12
	2-19 Remuneration policies	Diversity and Equlity, p:47
	2-20 Process to determine remuneration	Diversity and Equlity, p:47
	2-21 Annual total compensation ratio	This information is not disclosed due to confidentiality. Confidentiality Restrictions
	2-22 Statement on sustainable development strategy	Message from the CEO, p:3-4 Sustainability Management, p:13-20
	2-23 Policy commitments	Business Ethics and Compliance, p:18 2024 Targets, p:17
	2-24 Embedding policy commitments	Business Ethics and Compliance, p:18 2024 Targets, p:17
	2-25 Processes to remediate negative impacts	Business Ethics and Compliance, p:18 Rısk Management, p:20
	2-26 Mechanisms for seeking advice and raising concerns	Business Ethics and Compliance, p:18
	2-27 Compliance with laws and regulations	No fines for non-compliance with laws and regulations were incurred during the reporting period.
	2-28 Membership associations	Corporate Memberships, p:65

GRI STANDARD	DISCLOSURE	LOCATION
	2-29 Approach to stakeholder engagement	Stakeholders, p:16
	2-30 Collective bargaining agreements	Employee Rights, p:42
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Material Topics, p:15 Stakeholders, p:16
	3-2 List of material topics	Material Topics, p:15 Stakeholders, p:16
	3-3 Management of material topics	Material Topics, p:15 Stakeholders, p:16
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Air, Water, Soil Quality and Biodiversity, p:39
	304-2 Significant impacts of activities, products and services on biodiversity	Air, Water, Soil Quality and Biodiversity, p:39
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Climate Opportunities with R&D, p:21-22 Climate Change Migitation, p:26
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Local Purchasing, p:60
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Business Ethics and Compliance, p:18 Anti-Bribery and Anti-Corruption, p:19
	205-2 Communication and training about anti-corruption policies and procedures	Business Ethics and Compliance, p:18 Anti-Bribery and Anti-Corruption, p:19
	205-3 Confirmed incidents of corruption and actions taken	There were no confirmed incidents of corruption during the reporting period.
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Material and Resource Management, p:61

GRI STANDARD	DISCLOSURE	LOCATION
	301-2 Recycled input materials used	Circular Economy, p:35 Material and Resource Management, p:61
	301-3 Reclaimed products and their packaging materials	During the reporting period, ORS did not implement any product reclaims from customers.
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy Consumption, p:27-28 Energy Efficiency, p:29
	302-2 Energy consumption outside of the organization	Energy Consumption, p:27-28 Energy Efficiency, p:29
	302-3 Energy intensity	Energy Consumption, p:27-28 Energy Efficiency, p:29
	302-4 Reduction of energy consumption	Energy Consumption, p:27-28 Energy Efficiency, p:29
	302-5 Reductions in energy requirements of products and services	ORS Energy Efficient Bearings, p:24
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Management, p:37-38
	303-2 Management of water discharge-related impacts	Water Management, p:37-38
	303-3 Water withdrawal	Water Management, p:37-38
	303-4 Water discharge	Water Management, p:37-38
	303-5 Water consumption	Water Management, p:37-38
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Greenhouse Gas Emissions Management, p:30-31
	305-2 Energy indirect (Scope 2) GHG emissions	Greenhouse Gas Emissions Management, p:30-31
	305-3 Other indirect (Scope 3) GHG emissions	Greenhouse Gas Emissions Management, p:30-31
	305-4 GHG emissions intensity	Greenhouse Gas Emissions Management, p:30-31
	305-5 Reduction of GHG emissions	Greenhouse Gas Emissions Management, p:30-31 Climate Change Migitation, p:26
	305-6 Emissions of ozone-depleting substances (ODS)	Greenhouse Gas Emissions Management, p:30-31

GRI STANDARD	DISCLOSURE	LOCATION
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Air Emissions Management, s:32
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management, p:33-34
	306-2 Management of significant waste-related impacts	Waste Management, p:33-34
	306-3 Waste generated	Waste Management, p:33-34
	306-4 Waste diverted from disposal	Waste Management, p:33-34
	306-5 Waste directed to disposal	Waste Management, p:33-34
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Suppliers' Environmental Awareness And Performance, p:63-64
	308-2 Negative environmental impacts in the supply chain and actions taken	Suppliers' Environmental Awareness And Performance, p:63-64
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Talent Acquisition, p:43 Long Term Employment, p:44 Internship Programs for Young Talents, p:44
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Rights, p:41
	401-3 Parental leave	Strong Women Strong ORS, p:50
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	In the event of significant operational changes, legal notification periods are complied with.
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety, p:53-54
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety, p:53-54
	403-3 Occupational health services	Occupational Health and Safety, p:53-54
	403-4 Worker participation, consultation, and communication on occupational health and safety	Employee Participation, Consultation, and Communication in OHS, p:55
	403-5 Worker training on occupational health and safety	Employee Training on OHS, s:55
	403-6 Promotion of worker health	Occupational Health and Safety, p:53-54 Employee Participation, Consultation, and Communication in OHS, p:55 Employee Training on OHS, s:55

GRI STANDARD	DISCLOSURE	LOCATION
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety, p:53-54 Employee Participation, Consultation, and Communication in OHS, p:55 Employee Training on OHS, s:55
	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety, p:53-54 Employee Participation, Consultation, and Communication in OHS, p:55 Employee Training on OHS, s:55
	403-9 Work-related injuries	Occupational Health and Safety, p:53-54 Employee Participation, Consultation, and Communication in OHS, p:55 Employee Training on OHS, s:55
	403-10 Work-related ill health	Occupational Health and Safety, p:53-54 Employee Participation, Consultation, and Communication in OHS, p:55 Employee Training on OHS, s:55
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Enforcing Employes, p:48
	404-2 Programs for upgrading employee skills and transition assistance programs	Value for Employees, p:40 Employee Development and Talent Management, p:40
	404-3 Percentage of employees receiving regular performance and career development reviews	Career at ORS, P:40-41
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Employee Participation and Loyality, p:45-46 Diversity and Equality, p:47
	405-2 Ratio of basic salary and remuneration of women to men	Diversity and Equality, p:47
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	No incidents of discrimination occurred during the reporting period.
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	There are no operations or suppliers where the right to freedom of association and collective bargaining may be at risk.
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	ORS does not employ child labor and ensures that all its stakeholders, primarily its suppliers, comply with the minimum age provisions stipulated in the relevant laws and regulations.

GRI STANDARD	DISCLOSURE	LOCATION
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	ORS does not use or tolerate forced labor and expects the same commitment from all its stakeholders, particularly its suppliers.
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Suppliers' Environmental Awareness And Performance, p:63-64
	414-2 Negative social impacts in the supply chain and actions taken	Suppliers' Environmental Awareness And Performance, p:63-64
GRI 415: Public Policy 2016	415-1 Political contributions	ORS does not provide direct or indirect financial or in-kind contributions to any political organization or entity.
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Innovative and Sustainable Production, p:21-25
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	During the reporting period, no incidents of legal non-compliance, violation of voluntary standards, or events requiring notification concerning customer health and safety occurred regarding the products and services offered by ORS.
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	ORS's products are labeled in accordance with legal regulations.
	417-2 Incidents of non-compliance concerning product and service information and labeling	No incidents of non-compliance related to product and service information and labeling were recorded during the reporting period.
	417-3 Incidents of non-compliance concerning marketing communications	No incidents of non-compliance related to advertising, promotion, or sponsorship activities occurred within the scope of marketing communications during the reporting period.
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	No complaints were received regarding the violation of customer privacy during the reporting period.

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Legal Disclaimer

The ORS Sustainability Report has been prepared by ORS Rulman Sanayi ve Ticaret A.Ş. for informational purposes only. All data presented within the scope of the report is based on information, records, and sources believed to be reliable for the specified period. The statements contained in this Report do not constitute a commitment, guarantee, recommendation, or a declaration of a legal nature.