

ASI CERTIFICATION PERFORMANCE STANDARD



PRESENTED TO

CMS Jant

CERTIFICATE NUMBER

359

ASI STANDARD

PERFORMANCE
STANDARD
(V3 2022)

CERTIFICATION LEVEL

FULL
CERTIFICATION

ASI ACCREDITED
AUDITING FIRM

CETIZION VERIFICA

DATE OF ISSUE

2 FEBRUARY 2024

DATE OF EXPIRY

1 FEBRUARY 2027

CERTIFIED SINCE

2 FEBRUARY 2024

AUTHORISED BY

A handwritten signature in black ink, appearing to be 'J. H.', with a long horizontal line extending to the right.

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*Validity of this Certificate is subject to
continued conformance with the
applicable ASI Standard and can be
verified at
www.aluminium-stewardship.org*

CERTIFICATION SCOPE

Aluminium alloy wheel production undertaken in the Çiğli-1, Çiğli-2, and Gaziemir facilities, located in Izmir, Turkey. Processes include Aluminium melting and casting, with wheel sales to vehicle manufacturers in Turkey.

AUDIT REPORT PERFORMANCE STANDARD

OVERVIEW

MEMBER NAME	CMS Jant Sanayi A.S.
ENTITY NAME	CMS Jant
CERTIFICATION SCOPE	Aluminium alloy wheel production undertaken in the Çiğli-1, Çiğli-2, and Gaziemir facilities, located in Izmir, Turkey. Processes include Aluminium melting and casting, with wheel sales to vehicle manufacturers in Turkey.
SUPPLY CHAIN ACTIVITIES	<ul style="list-style-type: none">Material Conversion – Principles 1 to 4 (transition)
ASI STANDARD	Performance Standard V3
AUDIT TYPE	<ul style="list-style-type: none">Initial Certification Audit
AUDIT FIRM	CETIZION Verifica
AUDIT DATE	<ul style="list-style-type: none">7 – 9 November 2023
AUDIT REPORT SUBMISSION	<ul style="list-style-type: none">19 January 2024
AUDIT SCOPE	<p>The audit scope includes Aluminium alloy wheel production undertaken in the Çiğli-1, Çiğli-2, and Gaziemir facilities.</p> <p>Supply chain activities included in the audit scope:</p> <ul style="list-style-type: none">Material Conversion – Principles 1 to 4 (transition) <p>All applicable criteria from Principles 1 to 4 in the ASI Performance Standard were included in the audit scope.</p>
AUDIT OUTCOME	<ul style="list-style-type: none">Certification
AUDIT METHODOLOGY DECLARATION	<p>The Auditors confirm that:</p> <ul style="list-style-type: none"><input checked="" type="checkbox"/> The information provided by the Entity is true and accurate to the best knowledge of the Auditor(s) preparing this report.<input checked="" type="checkbox"/> The findings are based on verified Objective Evidence relevant to the time period for the Audit, traceable and unambiguous.<input checked="" type="checkbox"/> The Audit Scope and audit methodology are sufficient to establish confidence that the findings are indicative of the performance of the company's defined Certification Scope.<input checked="" type="checkbox"/> The Auditor(s) have acted in a manner deemed ethical, truthful, accurate professional, independent and objective.
CERTIFICATION PERIOD	2 February 2024 – 1 February 2027

NEXT AUDIT TYPE Surveillance Audit

NEXT AUDIT DATE 2 February 2025

CERTIFICATE NUMBER 359



If you have an inquiry or complaint about this Certification, go to the third-party EthicsPoint portal at: <https://aluminium-stewardship.ethicspoint.com/>

EthicsPoint is a comprehensive and confidential reporting tool that enables complaints to be securely raised, managed and responded to. This enables anonymity to be maintained where desired by complainants, or as relevant to whistleblowing situations.

Information is available in five languages – English, French, Chinese, German and Portuguese (Brazil). Translation services provided by EthicsPoint enable complaints and correspondence to be managed in multiple languages.

ENTITY OVERVIEW

CMS Group has been Turkey's and Europe's leading Aluminium alloy wheel manufacturer with its three production facilities covered under the ASI Certification Scope, out of a total four manufacturing plants. The Entity's production capacity is approximately ten million Aluminium alloy wheels per annum for passenger cars and light commercial vehicles for the automotive industry and aftermarket.

The Entity's largest manufacturing plant is located in the Gaziemir Aegean Free Trade Zone and is established on an area of approximately 100,000 square metres with a production capacity of approximately four million wheels per annum. The other two manufacturing plants are in Cigli, adjacent to each other. The majority of the Entity's corporate functions and leadership team are based at the Gaziemir plant.

MATURITY RATINGS

A rating of maturity (low, medium or high) determined by the Auditor that provides a general assessment in terms of systems, Residual Risk and performance assigned to a Sustainability Component.

Maturity ratings are not a direct assessment of conformance to the Standard.

	GOVERNANCE	ENVIRONMENT	SOCIAL	COMBINED RATING
SYSTEMS	Medium	Medium	Medium	MEDIUM
RISKS	Medium	Medium	Low	MEDIUM
PERFORMANCE	Low	Medium	Medium	MEDIUM
OVERALL	MEDIUM			

FINDINGS

CRITERION	RATING	COMMENT
1. BUSINESS INTEGRITY		
1.1 Legal Compliance	Conformance	<p>The Entity has documented a procedure to address legal and compliance requirements. The respective functions including Human Resources, Environment, and Health and Safety are designated a responsible/owner to ensure legal compliance. The Entity has implemented a document management system called "QDMS". There is a subscription to country legal updates via: https://lebilyalkin.com.tr/</p> <p>There are function-wise legal requirements in place that have been identified and updated. There is periodic training provided which addresses HSE and sustainability through an online learning platform accessible to all Workers. There is also periodic monitoring covering conformance status if applicable to legal compliance requirements.</p>
1.2 Anti-Corruption	Minor Non-Conformance	<p>The Entity has addressed topics of anti-Corruption through various policies and through incorporating anti-Bribery and Corruption into the Corporate Social Responsibility Policy, which is available at: https://www.cms.com.tr/en/corporate/social-responsibility/corporate-social-responsibility-policy</p> <p>The Anti-Bribery and Anti-Corruption Policy has been created to assess and mitigate the identified risks relating to Bribery and Corruption, aligning with universal standards and being included in the Business Ethics rules.</p> <p>A system called the 'Etik Hattı' has been established to enable employees to report any misconduct identified within the scope of the Corporate Business Principles. A qualified third party provides a quarterly report on the calls/emails received on the hotline and the CMS Ethics Committee reviews to determine the requirement for further investigation and corrective action.</p> <p>However, there is no formal risk assessment related to anti-Corruption covering various business activities, suppliers, and customers.</p>
1.3a-e Code of Conduct	Conformance	<p>The Entity has developed a documented Code of Conduct available in both English and Turkish which is approved and signed by the Entity's Founding President. It is periodically reviewed and communicated to Stakeholders and published on the CMS Group website at: https://www.cms.com.tr/upload/docs/codes-of-business-ethics.pdf</p> <p>The e-learning contents have been designed and deployed using the intranet. Each employee is required to undergo Code of Conduct training annually and progress is tracked by the Human Resource Department. The Entity has a third party managed ethics reporting mechanism, as an extension of the Stakeholder Grievance Mechanism.</p>
2. POLICY AND MANAGEMENT		
2.1a-f Environmental, Social, and Governance Policy	Conformance	<p>The Entity has implemented various ESG Policies, publicly available at: https://www.cms.com.tr/en/corporate/our-policies</p>

CRITERION	RATING	COMMENT
2.2a-c Leadership	Conformance	The Entity's senior management has demonstrated its commitment through the approval of ESG Policies and provides required resources for implementation and periodic reviews.
2.3a Environmental and Social Management Systems - Environmental	Conformance	The Entity has implemented a third party audited ISO 14001:2015 Environment Management System. Further information is available at: https://www.cms.com.tr/en/quality/quality-standarts
2.3b Environmental and Social Management Systems - Social	Conformance	The Entity has established its social Policies in accordance with Turkish labour laws and its Corporate Social Responsibility Policy, which further defines the social management aspects including Human Rights, reviews, and application of responsibilities: https://www.cms.com.tr/en/corporate/social-responsibility/corporate-social-responsibility-policy
2.4a-e Responsible Sourcing	Minor Non-Conformance	<p>The Entity has developed a Responsible Sourcing Policy and related procedures. The Policy is available at: https://www.cms.com.tr/en/corporate/our-policies#section-responsible-sourcing</p> <p>A supplier scorecard has been developed and the Entity has undertaken supplier audits.</p> <p>However, buyer training on recently developed "responsible sourcing" could not be evidenced during the audit. The existing supplier audit criteria are also not aligned with the Responsible Sourcing Policy.</p>
2.5a-g Environmental and Social Impact Assessments	Conformance	The Entity has implemented a structured risk management process to manage environmental and social risks and opportunities across the various business activities (internal and external) and uses a matrix of probability and impact. Mitigation actions are identified and implemented which are then periodically reviewed for their ongoing conformance and effectiveness.
2.6a-h Human Rights Impact Assessment	Conformance	<p>The Entity has a documented Human Rights Impact Assessment procedure, with related/supporting procedures including the Ethics Committee Procedure, the Anti-Bribery and Anti-Corruption Policy, the Ethics Committee and Investigation Principles, and the Corporate Social Responsibility Policy.</p> <p>The Entity's Human Rights risk assessment has been undertaken, and the majority of risks identified have been rated as medium.</p>
2.7a-f Emergency Response Plan	Conformance	<p>The CMS Group has developed a corporate-level safety structure headed by the Safety Director and unit-level responsibility is assigned to safety specialists, which is accredited by the national authority. There are sufficient numbers of safety specialists, as per Turkish Law.</p> <p>The Entity has implemented plant-specific Emergency Response Plans and Emergency Response Teams (ERT). The ERT comprises of those with formal qualifications and training with specific tasks including first aid, fire extinguisher use, rescue and protection. Emergency scenarios are defined and periodic emergency drills are conducted at each Facility to cover major areas such as production (melt shop, paint shop, management office area), and observations are recorded.</p> <p>Fire safety equipment is regularly checked by the approved external agency. During the plant visit, it was evident that emergency response infrastructures such as emergency exit, emergency light,</p>

CRITERION	RATING	COMMENT
		aisle/walkway, any obstructions, signage, and evacuation map were all functional and in order.
2.8a-d Suspended Operations	Conformance	The Entity has considered business continuity aspects during its various procedures and instructions that identify critical equipment and procedures for commissioning equipment in situations where it may need to suspend or significantly alter operations due to factors beyond its control.
2.9a-b Mergers and Acquisitions	Conformance	There has been no merger and acquisition (M&A) activity at the Entity since joining ASI and there are currently no active M&A targets. However, the Entity's ESG Policies and commitment hold valid for the screening process during proposed mergers and acquisitions in the future, as applicable.
2.10a-b Closure, Decommissioning and Divestment	Conformance	There has been no closure, decommissioning, and divestment activity at the Entity since joining ASI and there are no active plans per management discussions. However, the Entity's ESG Policies and commitment hold valid for the screening process during proposed closure, decommissioning, and divestment in the future, as applicable.
3. TRANSPARENCY		
3.1a-b Sustainability Reporting	Minor Non-Conformance	<p>The Entity has published a Sustainability Report since 2013, which is available on the CMS corporate website. The most recent Sustainability Report for 2019-20 was prepared and published in accordance with the Global Reporting Initiative (GRI) Guidelines, available at:</p> <p>https://www.cms.com.tr/upload/docs/CMS_SRDE_2020_uyg10.pdf</p> <p>However, the Entity has not published its Sustainability Report in a timely manner. At the time of the audit, the 2021-22 Sustainability Report was in draft form.</p>
3.2 Non-compliance and Liabilities	Conformance	There is currently no relevant situation of a non-compliance. Liabilities such as deferred tax and payment through accrual are detailed in the Annual Report (financial) as per the International Financial Reporting Standards (IFRS), audited by a third party, and accompanied by a signed statement.
3.3a-c Payments to Governments	Conformance	The Entity pays statutory and contractual taxes to the Government including social security, value-added tax, income tax, corporate tax, and stamp duties. This information is disclosed in the Entity's Annual Report (financial) as per the International Financial Reporting Standards (IFRS), audited by a third party, and accompanied by a signed statement.
3.4a-f Stakeholder Complaints, Grievances and Requests for Information	Conformance	<p>The Entity has documented a Stakeholder Engagement Plan, which details different types of Stakeholders (including employees, NGO, community, supplier, Government and academia/university), their expectations, and communication channels.</p> <p>The Entity has developed multiple communication channels for use, including an internal Human Resources platform called "enocda" for internal Stakeholders. External Stakeholders can raise concerns using a third party managed ethics point via a toll-free number, email or via</p>

CRITERION	RATING	COMMENT
		<p>the Entity's website: https://www.cms.com.tr/tr/iletisim/iletisim-formu https://www.cms.com.tr/upload/docs/is-etigi-kitapcigi.pdf</p> <p>Stakeholder grievances are collected, and tracked, and necessary actions are taken.</p>
4. MATERIAL STEWARDSHIP		
4.1a Environmental Life Cycle Assessment	Minor Non-Conformance	<p>The Entity has completed a Life Cycle Assessment (LCA) following a 'cradle to gate' approach for one of its Product models, the CMS 1093, which covers the manufacturing stages of the Foundry including heat treatment, machining, painting, and packaging. The system boundaries have been defined in the LCA report. The software used was GaBI and ecoinvent.</p> <p>However, the LCA report was prepared in 2020, and does not cover the Entity's current major Product lines, nor uses recent datasets.</p>
4.1b-c Environmental Life Cycle Assessment - Disclosure	Minor Non-Conformance	<p>The Entity has not yet made the disclosure about its Life Cycle Assessment (LCA) approach, and results to external stakeholders.</p>
4.2 Product Design	Conformance	<p>The Entity's centralised product development team works on Product development in close coordination with Original Equipment Manufacturers (OEM) customers with a main focus on lightweight and mechanical strength. The impact of various parameters using design tools such as Finite Element Analysis (FEA) has been analysed. The Entity's centralized Research & Development team also assesses concepts such as alternative materials to improve microstructure, fluidability, lightweighting, and production process treatment cycle time.</p>
4.3a-b Aluminium Process Scrap	Conformance	<p>The Entity's Process Scrap (solid, chips scarp from machining) is collected and segregated. There are SAP-based recordings of process scrap at each stage including casting and machining. 100% of Aluminium Process Scrap is reused as per the target.</p>
4.4a-c Collection and Recycling of Products at End of Life - Material Conversion and other Manufacturing	Conformance	<p>The Entity is a member of the European Wheel Manufacturer Association which in turn works with OEM and market regulators. The Entity has developed technical specifications which only require an external re-melter to use "used or end-of-life wheels" and Aluminium wire rods while producing Aluminium ingots. The technical specifications include technical aspects such as chemical compositions and tests including the total inclusion content (TIC).</p> <p>The Entity is also working to apply a recycling strategy to further improve the collection of Products towards the End of Life and a higher rate of recycling.</p>
4.4d Collection and Recycling of Products at End of Life	Conformance	<p>Product waste recycling is undertaken by trained personnel as specified in the Entity's waste Work Instruction. There is an established contract signed with the recycling company for the collection of scrap, iron chips, and scrap materials. The Entity is working to collaborate and work towards increasing the collection and recycling of used wheels.</p>

5. GREENHOUSE GAS EMISSIONS

CRITERION	RATING	COMMENT
5.1a-b Disclosure of GHG Emissions and Energy Use	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
5.2a Aluminium Smelter GHG Emissions Intensity - Started production after 2020	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
5.2b Aluminium Smelter GHG Emissions Intensity - In production up to and including 2020	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
5.3a-e GHG Emissions Reduction Plans	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
5.4 GHG Emissions Management	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.

6. EMISSIONS, EFFLUENTS AND WASTE

6.1a-f Emissions to Air	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
6.2a-g Discharges to Water	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
6.3a-g Assessment and Management of Spills and Leakages	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
6.4a-b Public Disclosure of Spills and Leakages	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
5a-c Waste Management and Reporting	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
6.6a-g Bauxite Residue	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
6.7a-f Spent Pot Lining (SPL)	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
6.8a-d Dross	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.

7. WATER STEWARDSHIP

7.1a-b Water Assessment and Disclosure	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
7.2a-e Water Management	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.

8. BIODIVERSITY AND ECOSYSTEM SERVICES

CRITERION	RATING	COMMENT
8.1a Biodiversity and Ecosystem Services Risk and Impact Assessment	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
8.1b Biodiversity and Ecosystem Services Risk and Impact Assessment - Priority	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
8.2a-g Biodiversity Management	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
8.3a-c Management of Priority Ecosystem Services	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
8.4 Alien Species	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
8.5a-b Commitment to "No Go" in World Heritage Properties	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
8.6a-d Protected Areas	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
8.6e Protected Areas - Bauxite Mining	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
8.7a-i Mine Rehabilitation	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
9. HUMAN RIGHTS		
9.1a-d Human Rights Due Diligence	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
9.2a-e Gender Equity and Women's Empowerment	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
9.3a-l Indigenous Peoples	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
9.4a Free, Prior, and Informed Consent (FPIC)-- New Projects or Major Changes	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
9.4b Free, Prior, and Informed Consent (FPIC)-- Bauxite Mining	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
9.4c Free, Prior, and Informed Consent (FPIC)-- Demonstrate support	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.

CRITERION	RATING	COMMENT
9.5a Cultural and Sacred Heritage-- Identification	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
9.5b Cultural and Sacred Heritage - Impacts	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
9.6a-i Displacement	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
9.7a-h Affected Populations and Organisations	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
9.8a Conflict-Affected and High-Risk Areas - Strong management systems	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
9.8b Conflict-Affected and High-Risk Areas - Identify and assess risks	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
9.8c Conflict-Affected and High-Risk Areas - Strategy to respond to risks	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
9.8d Conflict-Affected and High-Risk Areas - Audit of due diligence	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
9.8e Conflict-Affected and High-Risk Areas - Report annually	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
9.9 Security practice	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
10. LABOUR RIGHTS		
10.1a-c Freedom of Association and Right to Collective Bargaining	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
10.1d Freedom of Association and Right to Collective Bargaining - Alternative means in context of Applicable Law	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
10.2a-c Child Labour	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
10.3a-c Forced Labour	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
10.4a-c Non-Discrimination	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.

CRITERION	RATING	COMMENT
10.5 Communication and engagement	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
10.6a-g Violence and Harassment	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
10.7a-d Remuneration	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
10.8a-c Working Time	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
10.9a-b Informing Workers of Rights	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.

11. OCCUPATIONAL HEALTH AND SAFETY

11.1a Occupational Health and Safety (OH&S) Management System	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
11.1b-e Occupational Health and Safety (OH&S) Management System – Reviews and disclosure	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.
11.2 Employee engagement on Health and Safety	Not Applicable	This Criterion is not applicable to the Entity's Certification Scope.

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DOCUMENT CONTROL AND VERSION HISTORY

REVISION	DATE	NOTES
0	2 February 2024	Initial Certification Audit - Full Certification