

The logo for SANGO features the word "SANGO" in a bold, white, italicized sans-serif font. A thick, light green swoosh curves over the letters, starting from the left and ending on the right, with a slight dip under the 'A' and 'N'.

STI CSR REPORT

2022

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1. Company Information

Sango was established in 1928 in Japan. Today it is a global company operating in the automotive sector with plants in the USA, Canada, China, Thailand, India and Indonesia besides Turkey and technical support agreements in many overseas countries.

Sango was established in Turkey in 2002 with 100% Japanese capital.



The main products are Stainless Exhaust systems, door impact beam (DIB), Instrument panel Reinforcement panels (IPR), Manifolds, braces etc. welded components. Other than the welded parts, seam welded PIPES are also produced in our plant using the high frequency welding method as well as Press production for special processes.

Adhered to our human-product-environment philosophy

- Human training
- Production with high technology (Robots – Automation)
- Environmental awareness



Company Name: Sango Otomotiv Ürünleri San.ve Tic.A.Ş.

Address: TOSB Org.San.Bölgesi 4.Cad. No:2 PK:41420 Şekerpınar-Çayırova-Kocaeli Türkiye

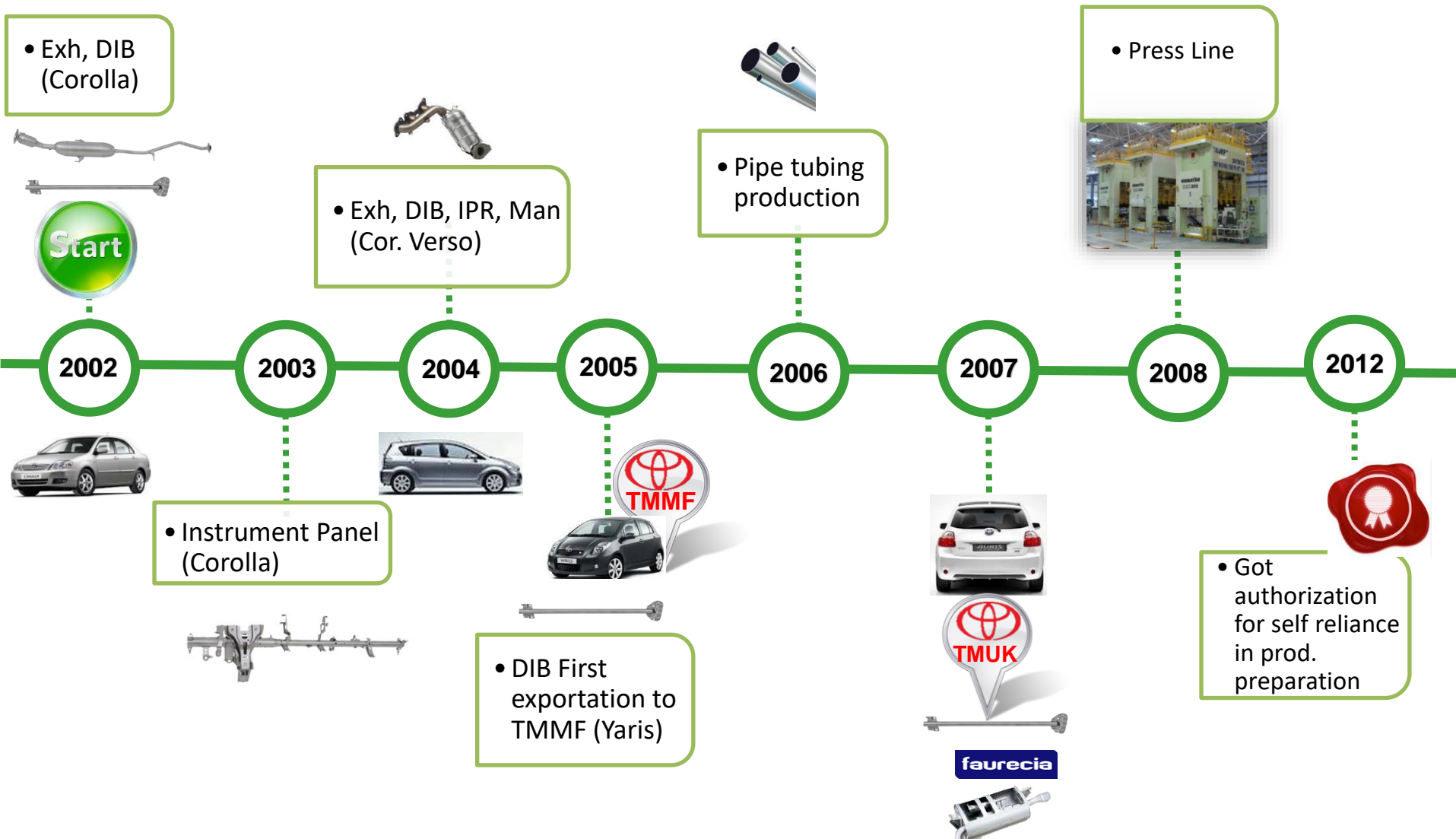
Tel : +90 262 679 61 00

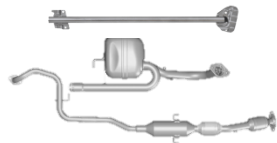
E-mail : info@sango-sti.com

GPS Coordinat: 40.864496.29.413307

Web Adress: www.sango.com.tr

2. Milestones





- Yaris; Exh, DIB



2013

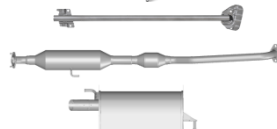


- Corolla; Exh, DIB, IPR, Brace

2014



- Camry; Exh, DIB



- Corolla, Auris, Yaris; Manifold



2015



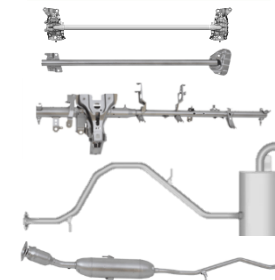
- Corolla, Avensis, Auris, Yaris



3rd shift started

2016

- CHR; Exh, DIB, IPR, Susp Brack, Gusset

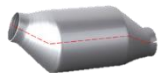


Milestones



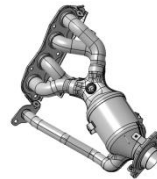
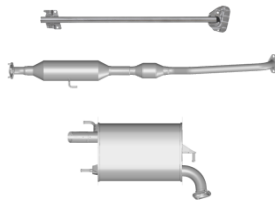
2017

- CCO (Yaris TMMF)



2018

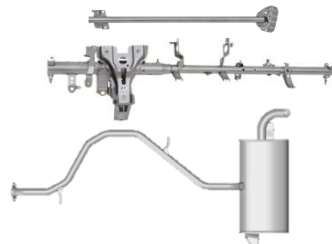
- Exh, DIB (Camry TMR)
- Exh (CHR TMMT)



- Manifold
TNGA 2,0lt Engine
(Corolla HB , CHR, RAV4)

2019

- Exh, DIB, IPR
(Corolla TMMT)
- DIB, Susp Brkt, Muffler
(Corolla HB TMUK)
- DIB
(RAV 4 TMR)



- Manifold
KR Engine
(Yaris, Aygo)

2020

- Exh Brkt, DIB
(Yaris TMMF, TMM CZ)
- Minor Change CH-R
- Minor Change Corolla



- DIB
(Aygo, TMM CZ)

2021

- Exh Brkt, DIB
(Yaris Cross TMMF)
- Minor Change Camry

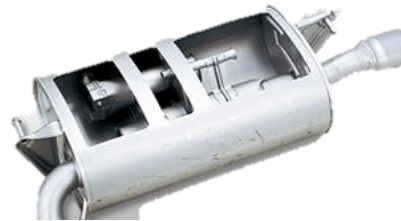


3. Products

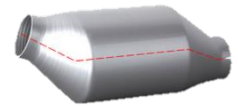
Exhaust Systems



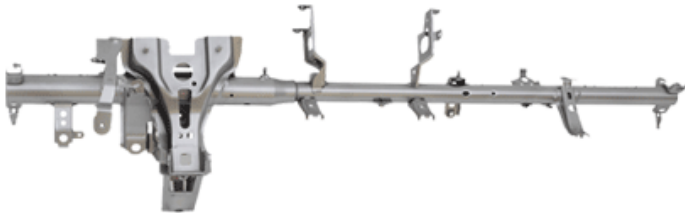
Muffler Systems



Catalytic Converter



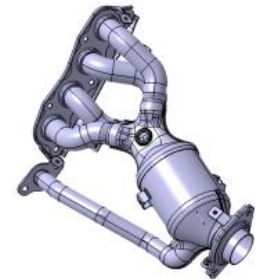
Instrument Panel



Pipes



Exh. Manifold



Door Impact Beam



Pres Parts



4. Sango Fundamentals

Sango aims at embracing the future as a global automotive parts manufacturer. Ever since the first day of our establishment, our sole purpose has been production. In particular with the power of the specialized technologies in the automotive exhaust sector, the company has gained a permanent position in the sector with the press-forging technology since the first day and reached the present days.

Embracing the future as a global automotive parts manufacturer

Following our establishment, our purpose has been production. In particular with the power of the specialized technologies in the automotive exhaust accessories, the company has gained a permanent position in the sector with the press-forging technology as a secondary integrated iron-steel processing supplier since the first day and reached the present days.

"Not being afraid of changing while maintaining its tradition"

The aim of Sango hereafter is to keep running as a company with ideal conditions.

The Company Philosophy of Sango



Developing people, which can develop its fighting spirit and become successful in the world while maintaining the traditions.

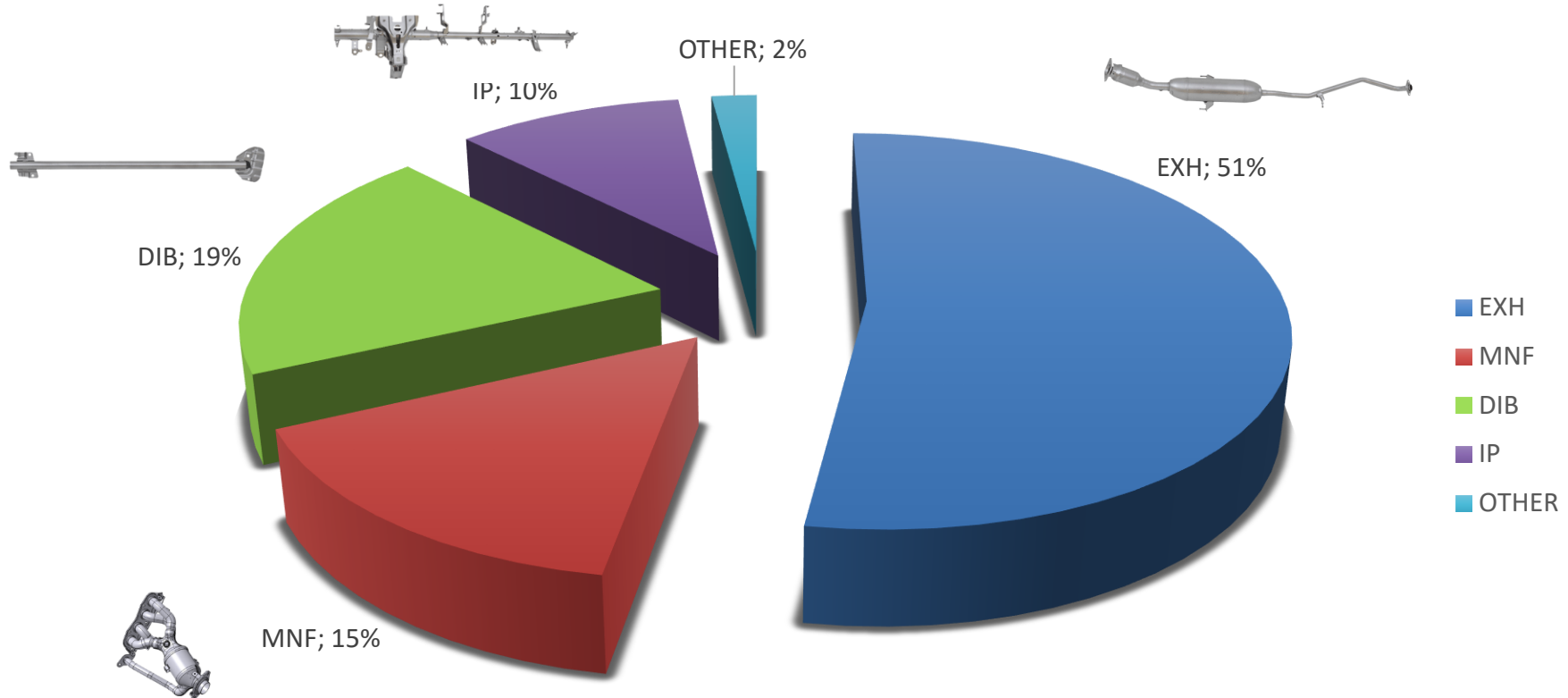


To present original products and engage in world-wide production through technological advancements at every stage from raw materials to the products.



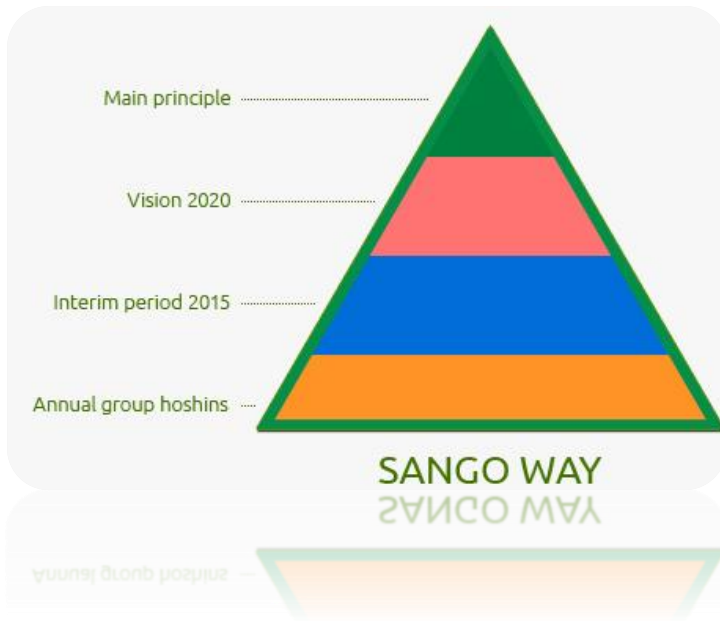
To develop the environment globally as a single entity through the determined efforts of every individual in the society.

5. Quality Policy & Sales Composition



Our company is aware that the quality of the products manufactured affects safety and environment significantly and believes that supplying the products that can be used with confidence by both customers and consumers is the duty of the company.

6. Sango Way



Sango Way is the set of principles explaining how an employee of the Sango Group would share the common values and act accordingly with a view to reflecting the company's main principles on the actions of the company. If any indecision appears about the work at hand, it shall be checked asking the question "is that the Sango Way".

I - Fair and honest behavior

II - Personnel training and a strong solidarity

III - Spirit for struggle

IV - Innovation and creativity

V - Genchi genbutsu (examining on location)

6.1 Fair and Honest Behavior

Contributing to the society	I-Contributing to customer, supplier, local community and shareholders	<p>* as the Sango employees, we shall act as a company and community that inspire mutual trust with the customers, colleagues, stakeholders and the other related parties. This will ensure the well-being of the company and satisfaction of the employees.</p> <p>* respecting the environment in production along with maintaining the immediate environment”</p>
Mutual trust and mutual responsibility	<p>I - Philosophy of variety</p> <p>II - Agreement of the words with actions, implementing the statement</p>	<p>* With an open-global point of view, respecting the different cultures-nations and individual variety.</p> <p>* to perform the duties with free will and all possible effort, to conclude the work and assume responsibility for the results.</p>
Bilateral communication	I - Sensitive and careful approach	* Approaching fairly to all issues and with equality and honesty to the individuals. Trying to approach the people sensitively and with care.

6.2 Personnel Training and A Strong Solidarity

<p>Personnel training</p>	<p>I - Formation of the subordinates</p> <p>II - Leadership</p>	<ul style="list-style-type: none"> * setting clear and high targets and developing personnel for achieving those targets through training. * The superior should strive to train and develop the subordinates. In this process, the superior and the subordinates should learn the processes from their predecessors and teach to their successors, thus exchanging information mutually. * The manager provides opportunities to the subordinates for development and sense of achievement. Moreover, he evaluates the performance of the subordinates correctly and must have a powerful enough character to assume the responsibility for their actions.
<p>Reflecting the full power of the team.</p>	<p>I - Respecting the humanity as an individual</p> <p>II - Team work</p>	<ul style="list-style-type: none"> * Respecting the human qualities as an individual shall raise the full power of the team to the highest level. Becoming a company, where happiness is experienced from working together like a family, is targeted. * Understanding the reciprocal duties within the team, thus acting with responsibility to form a strong team. * The creative, innovative and relentless activities based on research curiosity and problem solving desire creates team work.

6.3 Spirit For Struggle

Struggling to achieve the dreams	<p>I - Developing original products</p> <p>II - Developing the spirit of independence, self-respect and sense of pride.</p>	<p>- The main mission is creating added value based on high quality and original product development and surpassing ourselves for achieving our dreams with determination, pride, creativity and courage.</p> <p>* Developing the awareness of being responsible about something, being able to take care of the self and having the sense that one should do what it has to do.</p>
Long-term tendency	<p>I - Vision and foresight</p> <p>II - Realistic approach</p>	<p>* Grasping the real tendency with a long-term vision without being shaken by the current situation</p> <p>* Keeping long-term success in mind at all times, planning realistic intervention plans, generating flexible scenarios and further developing them.</p>
Correct decisions and prudent actions	<p>I - Preparedness against risks</p> <p>II - Direction of emphasize and general optimization</p>	<p>* In the cases, when the present or future conditions are obscure, understanding the methods for preventing the risks and decided about them with awareness.</p> <p>* Regarding with a wide angle of view and placing high priority in general optimization.</p>

6.4 Innovation and Creativity

Follow-up of innovations about production	I - Continuous development	- Setting higher targets and applying continuous improvement (Kaizen) * Targeting progress with creative ideas without being bound by comparisons or taboos and without giving up in desperation.
	II - Creative innovativeness and comparison	* To be always creative and innovative. To be aware of the real capacity while making comparisons inside and outside the company
To ensure full efficiency	I - Eliminating Muda (waste), mura (disorder) and muri (overload)	* To Eliminate Muda (waste), mura (disorder) and muri (overload)" * Using the old materials wisely and avoiding the purchase of unnecessary materials and making defective parts. * To establish a stopping system against anomalies with a view to finding out the problems
	II - Just in time	* For all the processes, the next process is considered as client and the required product is manufactured at the right time, right place and in the right quantity. * Meeting the customers' demand fully.
Complete organizational learning	I - Information sharing, standardization, Yokoten (spreading the improvements to the aides and all applicable areas.	* To develop the Genchi-genbutsu approach, in which the differences can be categorized, through the active use of the visual check etc. techniques. * Encouraging standardization, spreading throughout the company (Yokoten) and embed in the organization
	II - Deriving lessons from the mistakes	* To struggle continuously without fearing failure and develop the abilities through brain storming

6.5 Genchi Genbutsu (Examining On Location)

Genchi genbutsu	I - Checking the truth	<p>- In order to gain a deeper comprehension, we need to see the realities at the event location with a “Genchi genbutsu” spirit.</p> <p>* Even if the powers may be transferred to the others, acting on the problems that need to be solved by us and collecting the qualitative and quantitative information completely</p>
	II - Understanding the issues and searching for the root causes	<p>Conducting deep analysis for the problems (separating the problem and the present situation) to determine the problem and analyze the root causes (5 causes analysis)</p>
Forming consensus	I - Making the targets common	<p>* Trying to form a consensus by collecting the different ideas of different individuals and partners related to the applicable issues.</p> <p>* In order to make the targets common, concretizing the targets set and defining the problem are important (separating the target and the present situation)</p>
	II - Placing importance in the process	<p>* Being conciliatory during the target achievement process and placing importance in the process.</p>
The application principle is progressing towards success.	I - before departure - fast	<p>* If environmental changes are faced, first a trial is made (temporary action). Before declaring the issue “impossible”, action is taken and applied before criticizing.</p> <p>* When a decision is made, all the employees focus collectively on the issue at hand adhering to the completion deadline and within a short time.</p>
	II - Solving the programs with persistence and without giving up	<p>* The progress status is checked using the PDCA etc. methods for achieving the target. Effort is spent relentlessly for solving the problem without letting up until obtaining results</p>

7. Environmental & Safety Policy & Reports



Environmental Policy

- ° Too establish, document, implement and ensure the continuity of the ISO 14001 Environmental Management System in order to be able to manage the environmental issues arising out of our products and services during the production process of the exhausts and other accessories, systematically.
- ° Taking enforceable measures for the continuous development of the Environmental Management System and preventing environmental pollution.
- ° Acting in compliance with the national and local regulations on the environmental aspects as well as the customer requirements and Sango Japan's directives.
- ° To reduce utilization of natural resources
- ° To make our suppliers aware of the Environmental Management System
- ° To prepare environmental reports and share them with the relevant parties

Safety Policy

- ° Target is '0' work accident
- ° Increase communication
- ° Activities
- ° Protect spirit & body all employees

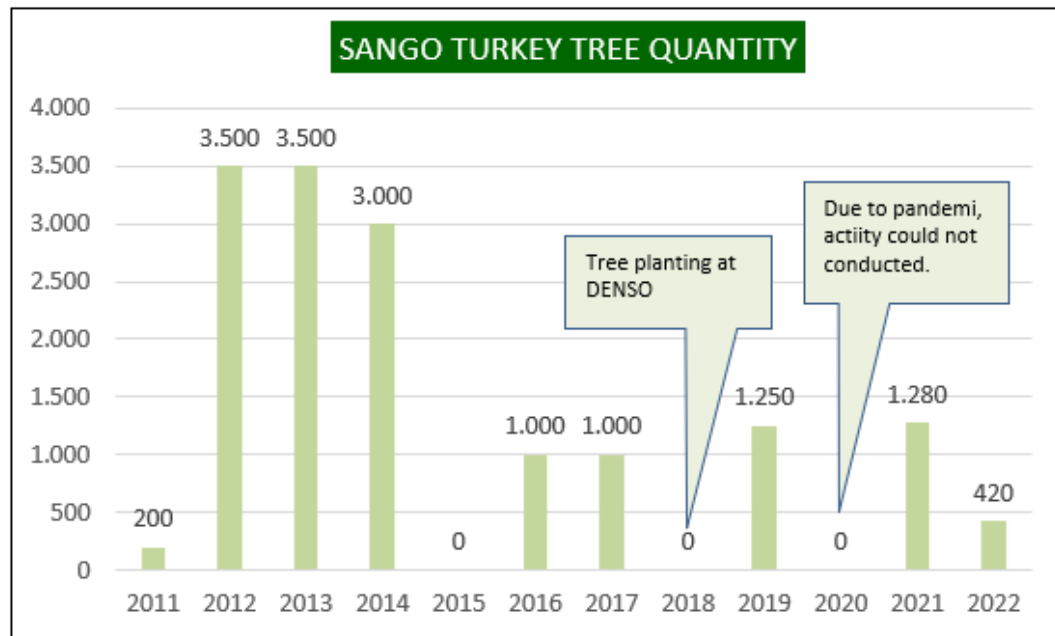
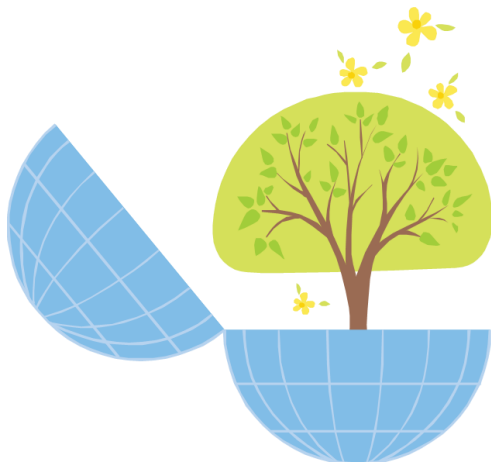


8.1 Safety Activities

- ° Safety thinking day arrange for all Sango Plant every year on April & August.
- ° Giving education for prevent work accident to all employees.
- ° Increasing safety conscious .
- ° 2S Activities Office & Plant.
- ° Sub-Industry activities.



8.2 STI Environmental Activity, Natural Forest Project



Tree has been planted in order to make natural forest around STI plant starting at 2012. With tree expert, natural forest Project is continued taking the support of all STI personnel and students by obeying rules of planting.

8.3 STI Environmental Activity, Energy Consumption



ENERGY AND CO2				
Type	Plan	Actual	Target Rate	Actual Rate
ELEKTRİK AZALTIMI (kWH) ELECTRIC REDUCTION	195789	203784	3,0%	3,12%
CO2 (ton)	123	127	3,5%	3,61%

STI is performing a work over improvements by following up natural gas, electricity, welding gas.



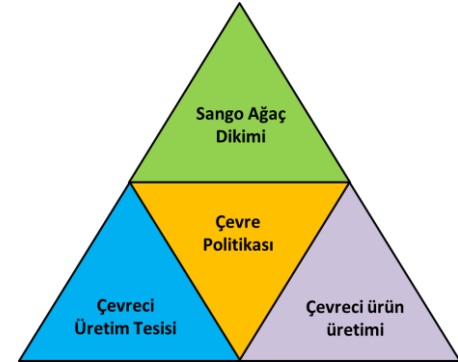
8.4 STI Environmental Activity, Training & Practice

Environment Practice Training Area



STI is organizing trainings for suppliers and all.

STI personnel about environmental management system due to environment policy.



Sango Çevre Politikasının 3 Temel Prensibi

Environment Accident Practice Training

STI is organizing regular environment accident and waste emission affusion practice training every year.



9. Corporate Social Responsibility (CSR) Policy

<Company Creed>

Three intertwined elements of prosperity, prosperity for our country, for our company and for ourselves.

<Basic Principles>

Through action of integrity and fairness and through the fostering of strong teamwork and mutual trust, we shall develop our human resources, our manufacturing capabilities and environmentally friendly policies

We are committed to understanding, monitoring and managing our social, environmental and economic impact to enable us to contribute to society's wider goal of sustainable development. This commitment is deeply ingrained in our core values and we aim to demonstrate these responsibilities through our actions and within our corporate policies.

1. Safety and Quality

We strive to gain the satisfaction and trust of consumers and users by developing and offering products and services that are beneficial to society, while giving substantial consideration to safety.

2. Compliance

We are committed to fair and open competition. We comply with applicable laws, rules and regulations and are socially responsible in conducting our business. We also maintain ethical relationships with government officials and do not establish or maintain relationships with individuals or groups that promote illegal activities or threaten public order or safety.

3. Disclosure and Communication

We make available to the public our corporate information in a user-friendly and fair manner, and actively communicate with our stakeholders* in order to establish and develop healthy relationships.

4. Human Rights and Labor

We respect the character, individuality, and diversity of our employees and provide a safe, enjoyable, positive and productive work environment in order to help them achieve a balanced and fulfilling life.

5. Environment

We recognize that how to deal with our environment is a matter touching all humans and is of critical importance to our corporate existence and business activities, and we proactively and positively address environmental issues.

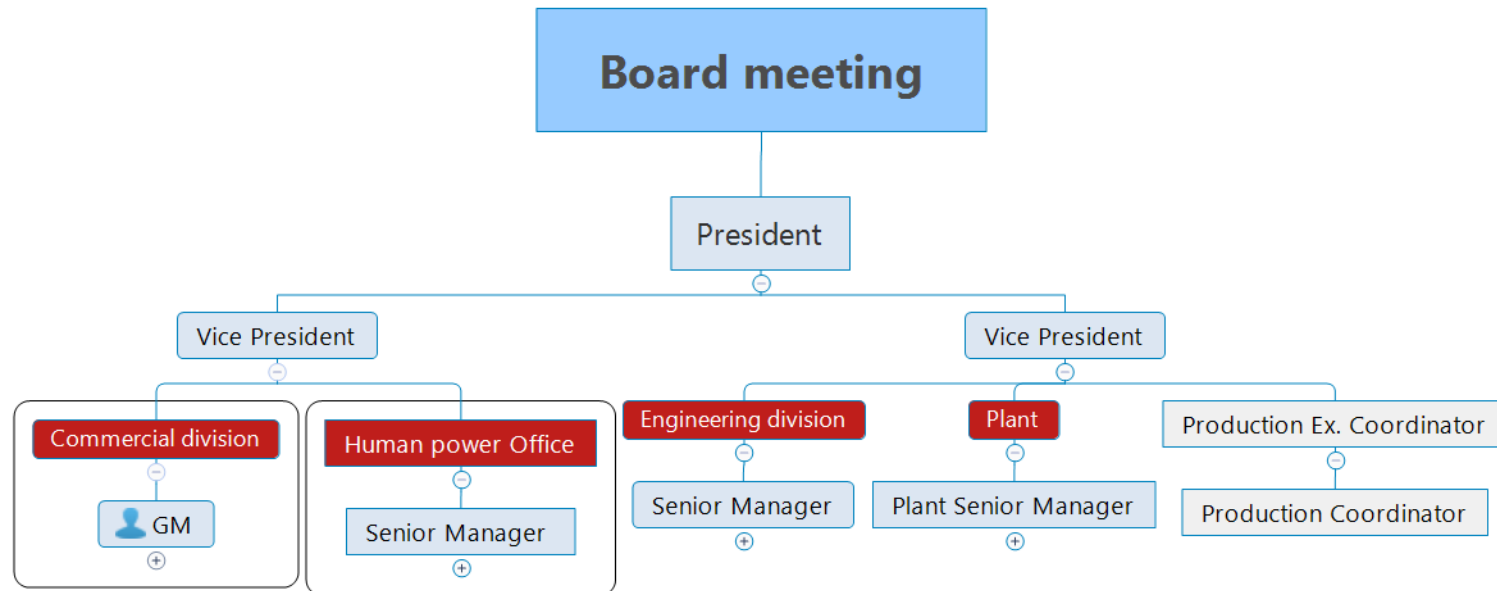
6. Corporate Citizenship

We respect the culture and customs of each country and territory in which we operate, and we actively contribute to the civic activities closely connected to our local communities.

7. Company Leadership

Our senior management takes a lead in upholding these principles, and will continue to seek input from both within and outside the group. Further, we provide thorough instruction in these principles to all persons within the group, and make known these principles to everyone concerned, including our suppliers. If there is a violation of these principles, senior management takes necessary measures to resolve the issues and will strictly discipline those individuals (including senior management) responsible for violations of the principles.

10. Organization Structure

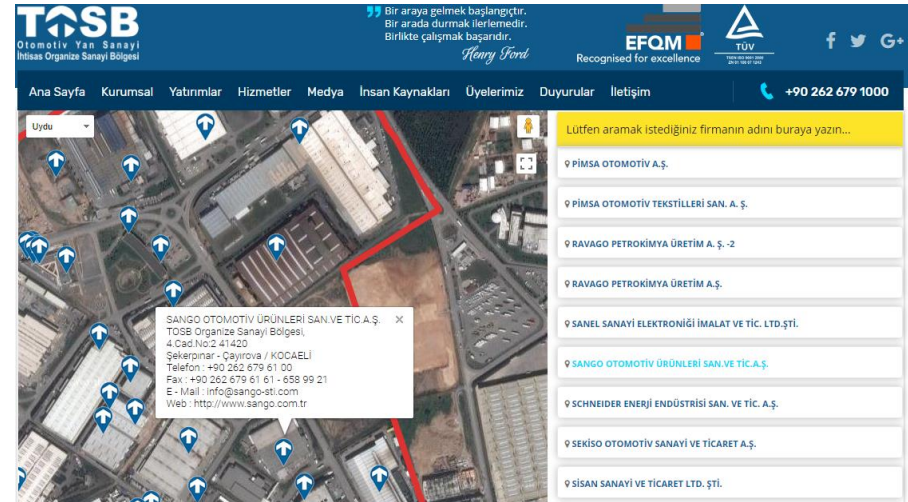


11. ISO/TS 16949:2009 & Rewards By Toyota

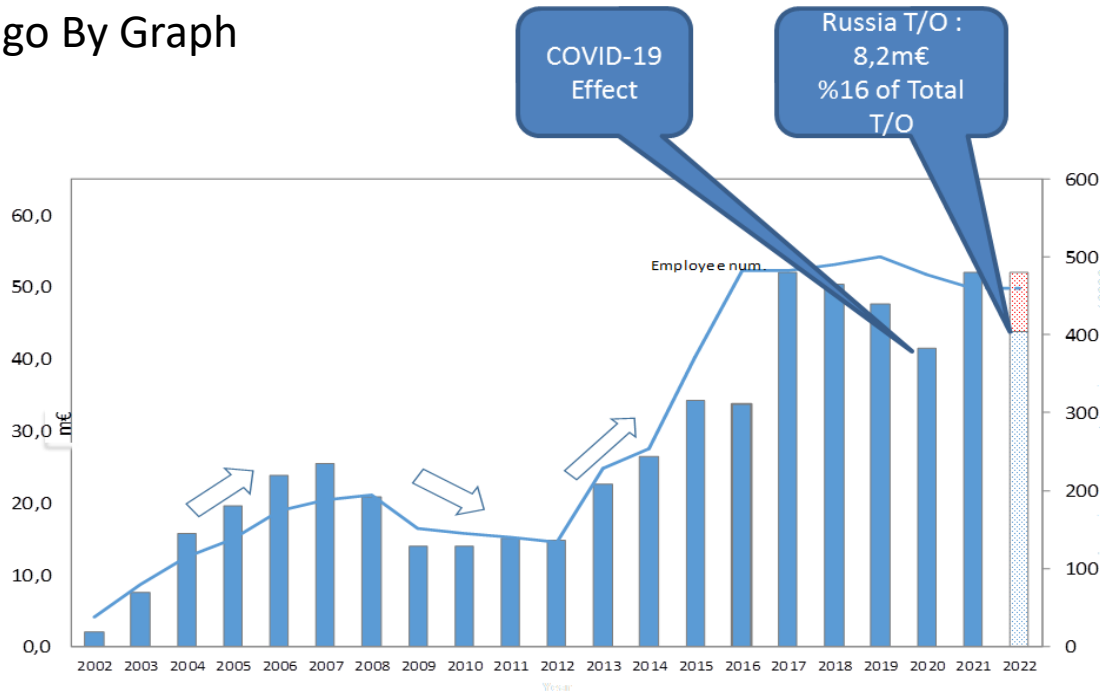


	Project Management	Supply	Cost Management	Quality	Self-Reliance	Value Analysis	TEAMS Activity
2003		Certificate		Certificate			
2004	Achievement						
2005	Certificate		Certificate				
2006	Achievement			Certificate			
2007	Certificate		Certificate				
2008	Certificate			Certificate			
2009	Certificate			Certificate			
2010			Achievement				
2011			Achievement				
2012	Achievement		Superior Performance				
2013			Superior Performance				
2015					Certificate		
2016					Superior Performance		Core Group Winner
2017	Certificate	Certificate					Core Group Winner
2018			Certificate				Pan Euroipan Champ. Best Project
2019	Certificate					Certificate	Pan Euroipan Champ. Best Project
2020	Certificate					Certificate	

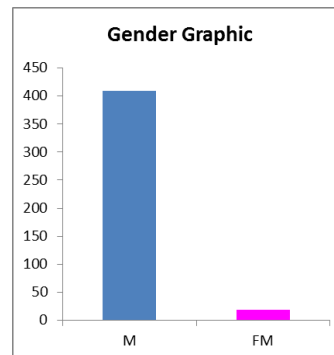
12. References & Membership



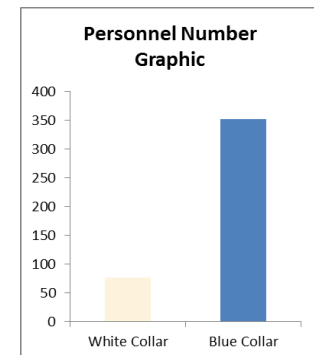
13. Sango By Graph



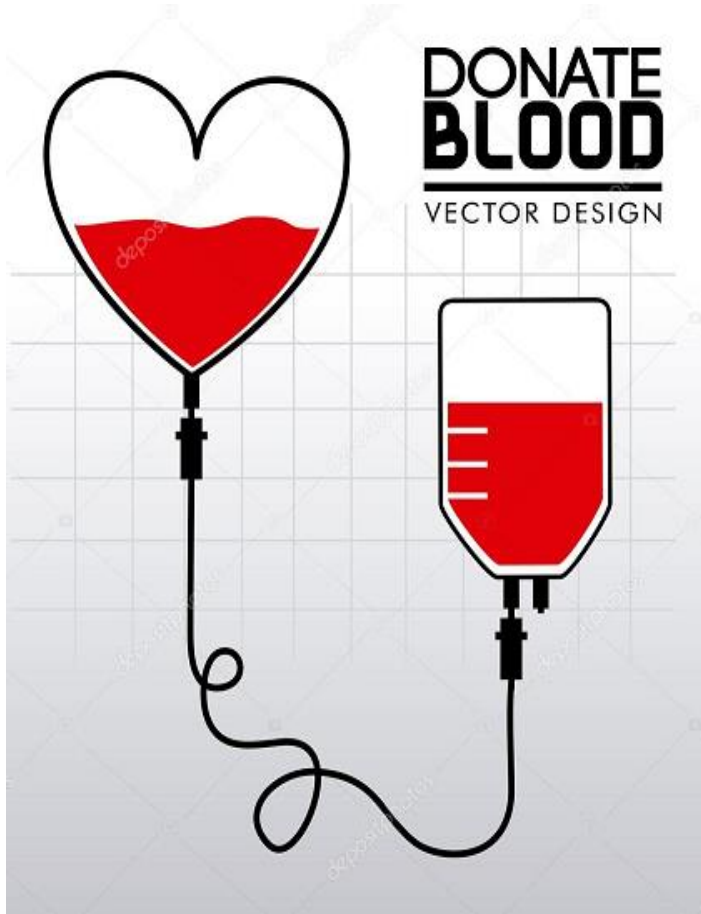
Gender	Personnel Number
M	409
FM	18
Total	427



Manpower	Personnel Number
White Collar	76
Blue Collar	351
Total	427



14.1 Social Responsibility Report, Blood Donation



Regular blood donation organization is organized every year and approximately 82 STI Personnel is participated in this activity that was organized in March 2022.



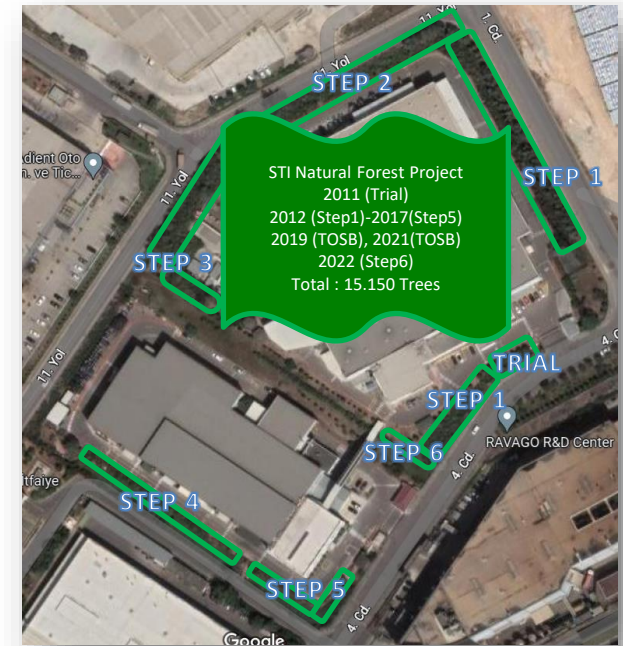
14.2 Social Responsibility Report, Natural Forest Project

The initial goal of the activity was to plant 10,000 trees.

However, with the participation of employees, families and neighboring companies, we have planted 12,200 trees on our premises by 2017.

We held a tree-planting festival with the cooperation of TOSB in 2019 and 2021.

We will continue to expand the field of activities both inside and outside the company.



14.3 Social Responsibility Report, Natural Forest Project (**Akira Miyawaki Method**)

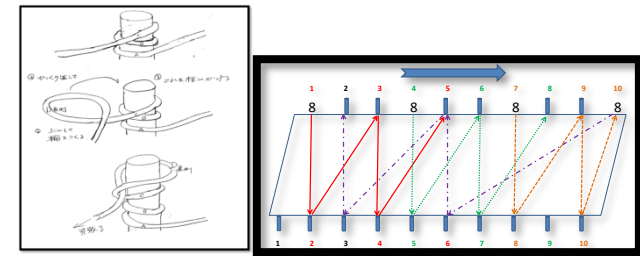
* The best technologies co-exist only with the best green environments.

PLANTING METHOD



* Reforestation in Plants
for Life, Philosophy, and Technologies
based on ecological studies from STI
to the world

TYING METHOD

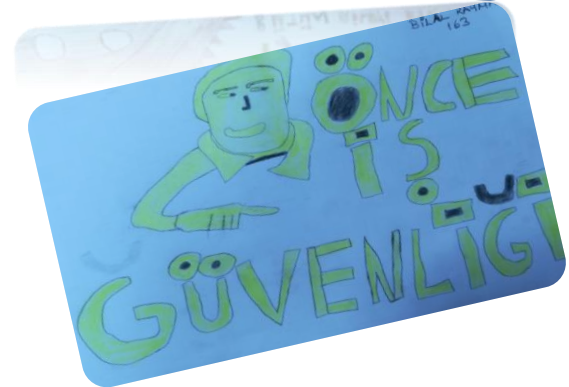


14.4 Social Responsibility Report, Safety & Environment Picture Competition for Kids

We arrange competition every year between April & June.

Approximately 50 children draw pictures .

This activity purpose is raise consciousness & raise communication families & children about safety ,environment subjects.





Sango always will be the part of social responsibility in society.