

**SUSTAINABILITY
REPORT 2024**



CONTENTS

INTRODUCTION

4	ABOUT THE REPORT
5	LETTER FROM THE PRESIDENT OF THE EXECUTIVE BOARD
6	ABOUT BORUSAN PIPE
7	OUR BUSINESS MODEL
9	BORUSAN PIPE
10	OUR HISTORY
11	OUR VISION, MISSION, STRATEGY AND VALUES
12	OUR SUSTAINABILITY MANIFESTO
13	CORPORATE GOVERNANCE
14	SUSTAINABLE ECONOMIC PERFORMANCE
15	STRATEGIC INVESTMENTS
16	BORUSAN PIPE VALUE CHAIN
18	BUSINESS ETHICS AND COMPLIANCE
19	DIGITAL TRANSFORMATION, DATA SECURITY AND PRIVACY

GOVERNANCE

21	BORUSAN PIPE SUSTAINABILITY GOVERNANCE
----	--

STRATEGY

31	OUR VALUE CREATION STRATEGY
32	STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT
34	OUR CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS

RISK MANAGEMENT

36	RISK MANAGEMENT
----	-----------------

OUR SUSTAINABLE VALUE JOURNEY

38	OUR SUSTAINABLE VALUE CREATION JOURNEY
39	TAKING ACTION FOR THE CLIMATE
52	TURNING DREAMS INTO REALITY
64	INSPIRING THE FUTURE THROUGH I³

APPENDICES

74	PARTNERSHIPS
75	AWARDS
76	STAKEHOLDER COMMUNICATION
78	MANAGEMENT SYSTEMS
79	PERFORMANCE INDICATORS
84	GLOBAL COMPACT
85	VERIFICATION STATEMENTS
88	GRI CONTENT INDEX

METRICS AND TARGETS

94	METRICS AND TARGETS
----	---------------------

CONTACT

95	CONTACT
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INTRODUCTION



ABOUT THE REPORT



ABOUT THE REPORT

Borusan Pipe has prepared this report to transparently share its sustainability performance with its stakeholders. The report has been prepared in accordance with the principles of the United Nations Global Compact (UNGC) and the Global Reporting Initiative (GRI) Standards.

The sustainability materiality assessment was conducted by jointly evaluating the impact materiality and financial materiality approaches. Within the scope of this double materiality approach, the assessment considered not only Borusan Pipe's environmental and social impacts, but also

the potential implications of these impacts on the Company's financial performance and long-term value creation capacity. Accordingly, the report provides stakeholders with a holistic perspective not only on the current situation but also on future risks and opportunities.

The identified material topics have been aligned with the United Nations Sustainable Development Goals (SDGs), demonstrating Borusan Pipe's contributions to the global goals through this mapping.

In addition to this report, Borusan Pipe has published a separate report in accordance with the Türkiye Sustainability Reporting

Standards (TSRS). Furthermore, the Corporate Sustainability Reporting Directive (CSRD) of the European Union, which will be gradually implemented due to the presence of international subsidiaries, has also been taken into consideration. Accordingly, the report has been structured in alignment with both national and international reporting standards.

AUDIT APPROACH

The water data presented in the report has been audited by QSI, while the greenhouse gas emissions data has been audited by Bureau Veritas. The audit statements are presented in the relevant section of the report. No external audit has been conducted for the other indicators.

REFERENCES

In the report, the terms “Company,” “Organization,” and “Institution” refer to **Borusan Birleşik Boru Fabrikaları Sanayi ve Ticaret A.Ş. (Borusan Pipe)**, while the term “Holding” refers to **Borusan Holding**.

CONTACT

Borusan Pipe values and appreciates the feedback from its stakeholders.

For feedback and any inquiries regarding Borusan Pipe's activities, please contact:

- bbsurdurulebilirlik@borusan.com
- bb.investor@borusan.com

All feedback received through these e-mail addresses is evaluated.

REPORT DETAILS

The report was created in collaboration with **Sachi Consultancy**.

The Turkish editing and design work were carried out by **Tayburn**.





LETTER FROM THE PRESIDENT OF THE EXECUTIVE BOARD



LASTING IMPACT

We are committed to developing practices that create lasting impact throughout our value chain and across our industry.

IN 2024, AT BORUSAN PIPE, WE FURTHER STRENGTHENED OUR SUSTAINABLE GROWTH VISION THROUGH OUR LONG-TERM PERSPECTIVE AND STRONG CORPORATE STANCE.

Dear Shareholders, Business Partners and Colleagues,

The year 2024 was a challenging period during which rapidly changing global economic and geopolitical dynamics, the increasing impacts of the climate crisis and the structural transformation of the steel pipe industry were simultaneously felt. At Borusan Pipe, we not only adapted to this multidimensional transformation but also further strengthened our sustainable growth vision through our long-term perspective and strong corporate stance.

While continuing to pursue our local producer strategy through our manufacturing network in Türkiye, the United States, Italy and Romania, we maintained our global competitiveness through investments focused on efficiency, digitalization and innovation. Despite challenging market conditions, we successfully enhanced our operational resilience and implemented significant projects in line with our ambition to become one of the leading players in our industry during the transition to a low-carbon economy.

The year 2024 also marked an important milestone in our sustainability journey. We published our first report prepared in accordance with the Türkiye Sustainability Reporting Standards (TSRS). At the same time, through our Sustainability Report prepared in accordance with the GRI Standards, we once again demonstrated our commitment to

transparent, comprehensive and internationally comparable communication.

Our activities are guided by the Borusan Group's sustainability strategy, built around the pillars of climate, people and innovation. We do not limit this approach to our own operations; we also attach great importance to developing practices that will create lasting impact throughout our value chain and across our industry.

We consider sustainability not only as a responsibility to reduce our environmental impacts, but also as an integrated business model encompassing innovation, occupational health and safety, a people-oriented approach and social contribution. This report, prepared in accordance with the GRI Standards, is a strong reflection of our commitment to maintaining transparent, reliable and internationally comparable communication with our global stakeholders.

I would like to thank all our colleagues, business partners and stakeholders who have contributed to this journey. With our strong engineering heritage, global experience and shared values, we will continue to work with determination towards a more resilient, more competitive and more sustainable Borusan Pipe.

Zafer Atabey

President of the Executive Board
Borusan Pipe



ABOUT BORUSAN PIPE

Detailed information can be found in Borusan Pipe's 2024 Annual Report.



BORUSAN PIPE OPERATES ACROSS THREE CONTINENTS IN THE PRODUCTION AND SALE OF STEEL PIPES SERVING THE INFRASTRUCTURE AND PROJECT, ENERGY, AUTOMOTIVE, INDUSTRIAL AND CONSTRUCTION SECTORS.

Global Scale in Industry, Local Strength in Operations

Established in 1958, Borusan Pipe is the first industrial venture of Borusan Group, one of Türkiye's leading industrial conglomerates. The Company operates across three continents in the production and sale of steel pipes serving the infrastructure and project, energy, automotive, industrial and construction sectors.

Borusan Pipe has a strong capital structure that reflects its robust shareholder base and transparent corporate governance approach. As of year-end 2024, 73.48% of the Company's shares were held by Borusan Group, while 19.85% were publicly traded. Listed on Borsa İstanbul's Star Market under the ticker symbol BRSAN since 1994, Borusan Pipe simplified its capital structure following the merger of BMB Holding A.Ş. into Borusan Pipe, which was approved at the Extraordinary General Assembly held at the end of 2024.

Strengthening Its Global Market Presence Through Strategic Investments

Borusan Pipe continues to strengthen its presence in global markets through strategic investments. The SRM line, commissioned in Baytown, Texas, USA, with an investment of USD 50 million and an annual production capacity of 100,000 tons, became operational in 2024. Through this investment, Borusan Pipe achieved the position of a local producer in the industrial and construction business segment in the United States.

As part of its European operations, the service center established in Ploiești, Romania, with an investment of EUR 15 million and an annual production capacity of 21 million units, commenced commercial production in 2024. The facility strengthens Borusan Pipe's regional presence in the automotive business while also benefiting from investment incentives provided by the Romanian Ministry of Finance.

Another key pillar of Borusan Pipe's growth strategy in the United States is the Advanced Forming Technology Investment planned in Panama City, Florida, with a total investment of USD 68 million. Scheduled to become operational in 2027, this investment will enable the production of smaller-diameter, heavy-wall pipes, diversify the Company's product portfolio and further strengthen its competitiveness in the U.S. market.

Ten Manufacturing Facilities Across Three Continents

With 10 manufacturing facilities located across three continents, Borusan Pipe has a total annual production capacity of 1.7 million tons and an extensive operational network comprising 2,421 employees.

The Company's U.S. operations account for 53% of its production capacity and 69% of its sales revenues. This structure has enabled Borusan Pipe to establish a strong position as a local producer in the infrastructure and project, energy, industrial and construction sectors in the United States.

9% Increase in Export Revenues

In 2024, Borusan Pipe's exports amounted to USD 284 million. Despite the contraction in demand across the European market, the Company achieved a 9% increase in export revenues.

According to the data published by the Steel Exporters' Association, Borusan Pipe ranked as Türkiye's second-largest exporter in the longitudinally welded and spiral welded pipe categories and was also ranked among the top 10 steel exporters across all steel product categories.

10 MANUFACTURING FACILITIES ACROSS THREE CONTINENTS

With a total annual production capacity of 1.7 million tons, Borusan Pipe has an extensive operational network.



OUR BUSINESS MODEL

BORUSAN PIPE'S BUSINESS MODEL IS SHAPED BY SECTOR DIVERSIFICATION, A LOCAL PRODUCTION APPROACH IN GLOBAL MARKETS, INNOVATION AND SUSTAINABILITY.

The Company operates with a diversified business structure supported by a broad product portfolio capable of meeting the needs of different industries and a multi-continent manufacturing network, enabling effective risk diversification and long-term value creation.

Borusan Pipe carries out its manufacturing and sales activities across four main business segments. The Company operates through 10 manufacturing facilities located across three continents in these four core business segments.



Infrastructure and Project Pipes:

Large-diameter steel pipes are manufactured for the transportation of energy and infrastructure resources such as oil, natural gas and water.



Energy Pipes (OCTG): High-strength steel pipes are manufactured for the oil and natural gas industries to withstand high-pressure operating conditions.



General Industry and Construction Pipes: A wide range of steel pipe and hollow section solutions is offered for the construction industry.



Automotive Pipes: Specially processed steel pipes are manufactured to meet the requirements of the automotive industry.



OUR BUSINESS MODEL

Global Manufacturing Network

As part of its U.S. operations Borusan Pipe commenced manufacturing operations in the United States in 2014 through Borusan Pipe US Inc., established with an investment of USD 150 million (TRY 5,292 million).

The Houston facility manufactures OCTG (Oil Country Tubular Goods) for the oil and natural gas industry and operates with an annual production capacity of 300 thousand tons. The combined production capacity of Borusan Pipe's facilities in Texas, Florida and Alabama reaches 950 thousand tons per year.

As part of its European operations, Borusan Pipe entered the Italian market through its first international acquisition in 2001, Borusan Vobarno Tubi S.p.A., and began manufacturing high value-added cold-drawn specialty tubes. The facility has an annual production capacity of 30 thousand tons and primarily serves the automotive industry.

In addition, the advanced processing facility established in Ploiești, Romania, with an investment of EUR 15 million (TRY 551 million), commenced commercial operations in 2024. The facility has an enclosed area of 4,800 m² and an annual production capacity of 21 million units. Furthermore, Borusan Pipe's commercial office established in Germany in 2021 supports the Company's objective of being closer to its customers in the European market while enabling it to closely monitor regional developments.

Within the scope of its operations in Türkiye, Borusan Pipe operates its Gemlik, Halkalı and Bursa facilities with a combined annual production capacity of 800 thousand tons.

While carrying out manufacturing and sales activities in the general industry and construction, automotive and energy pipes business segments, the Company transfers the industrial know-how and engineering expertise it has developed in Türkiye to global markets. This approach contributes to creating added value for the national economy while strengthening the industrial ecosystem.

STRONG PERFORMANCE

Borusan Pipe's consolidated product sales volume increased by 24.6% compared to 2023, reaching 1,063 thousand tons.

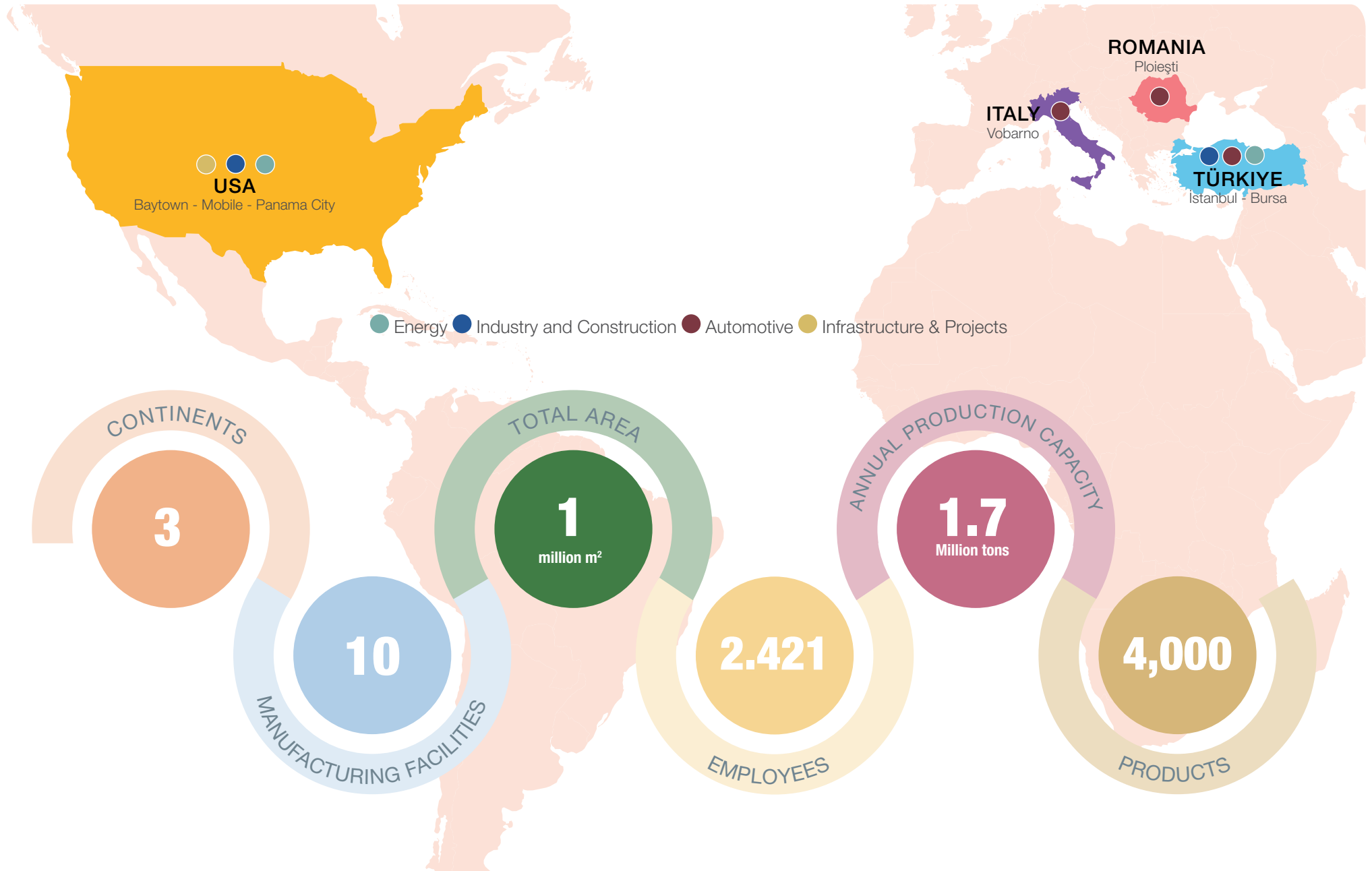
Local Producer Strategy

Borusan Pipe has adopted a local producer strategy to strengthen its competitive advantage in global markets. In line with this strategy:

- Growth in the United States: Borusan Pipe has strengthened its presence in the U.S. market through the acquisition of Berg Europipe Holding Corp. and the investment in the SRM line in Houston.
- Growth in Europe: Borusan Pipe has expanded its operational footprint in Europe through its manufacturing facility in Vobarno, Italy, and the Ploiești Service Center in Romania.



BORUSAN PIPE





OUR HISTORY

The Borusan Pipe Journey

1958

Boru Sanayii A.Ş. began its industrial journey under the leadership of its founder, the late Asım Kocabıyık, with 27 employees and five product types.



2024

The Ploiești Service Center in Romania commenced operations, while the SRM investment in the United States was completed to expand the Company's product portfolio.

- **1968:** In response to growing business volume, a new manufacturing facility with a total area of 58,000 m² was commissioned in Halkalı.
- **1969:** The Company's first export, valued at USD 100,000, was made to Syria.
- **1976:** Borusan Pipe's Gemlik Facilities, which today serve as the Company's main manufacturing base, were established on an area of 800,000 m² in Gemlik.
- **1994:** Borusan Pipe was listed on Borsa İstanbul.
- **2001:** Following the acquisition of the Structo Vobarno plant in Italy, Borusan Vobarno Tubi S.p.A. was established, marking the Company's first international investment.
- **2014:** Borusan Pipe established the Borusan Pipe US facility in Houston, Texas, with an investment of USD 150 million and commenced manufacturing operations in the United States. In the same year, Borusan Pipe US received the "Technology Provider of the Year" award from American Metal Market (AMM).
- **2016:** The Bursa Service Center commenced operations, serving the automotive industry. In the same year, Borusan Pipe US received the "Pipe Producer of the Year" award presented by American Metal Market (AMM).
- **2017:** Borusan Pipe US received the "Pipe Producer of the Year" award from American Metal Market (AMM) for the second time.
- **2019:** The Gemlik Automotive Plant, featuring Europe's fully automated manufacturing and surface preparation lines, commenced operations.
- **2020:** Borusan Pipe US received the "Pipe Producer of the Year" award for the third time as part of the AMM Steel Excellence Awards.
- **2023:** In line with its strategy of becoming a local player in global markets, Borusan Pipe acquired 100% of the shares of Berg Pipe in the United States.



OUR VISION, MISSION, STRATEGY AND VALUES

OUR MISSION

To deliver products and services that leave a lasting mark on the world, contribute to society and create value for our stakeholders.

OUR VISION

To become a globally recognized and leading steel pipe and integrated solutions provider by focusing on high value-added products, establishing local manufacturing capabilities in our target markets and delivering a competitive cost advantage across our entire product portfolio.

OUR VALUES

WE TAKE INITIATIVE AND OWN RESPONSIBILITY

We demonstrate effective leadership and take action to achieve what our work requires. We work collaboratively, prioritizing efficiency and a strong organizational structure.

We are experts in our fields and determined to achieve our goals. Through our innovative and creative approach, we embrace continuous improvement.

WE STRIVE FOR EXCELLENCE

WE DELIGHT OUR CUSTOMERS

We regard our customers' success as our own. We create value through our high-quality products and services while carefully considering our customers' needs and expectations.

We build open, transparent and honest relationships. We keep our promises and remain committed to fair competition.

WE ARE TRUSTWORTHY

WE CONTRIBUTE TO SOCIETY

We support social and cultural development and encourage our employees to participate in social responsibility initiatives. We fulfill our responsibilities towards the environment.



OUR SUSTAINABILITY MANIFESTO

Aligned with Borusan Holding's sustainability vision, Borusan Pipe embraces the goals of zero waste and zero emissions. This approach is shaped by our commitment to reducing carbon emissions and waste, protecting ecological balance, and leaving a more livable world for future generations.

At Borusan Pipe, we build our sustainability approach around three core pillars:



CLIMATE

“Protecting the climate to create value for our planet.”

We support the fight against climate change by improving energy efficiency, expanding the use of renewable energy sources, and effectively implementing our environmental responsibility policies. We prioritize reducing the environmental impacts of our operations and making tangible contributions to climate action.



PEOPLE

“We imagine, design, transform ideas into reality, and care for our people.”

Guided by our commitment to human rights, equality, and inclusion, we strive to provide a safe, healthy, and empowering working environment. Occupational health and safety, employee well-being, and creating positive social impact are among the key elements of our people-centered approach.



INNOVATION

“Driving innovation through forward-thinking ideas.”

Through investments in research and development, digitalization, and automation, we aim to improve efficiency, reduce environmental impacts, and develop sustainable products and solutions. Borusan Pipe considers innovation a fundamental driver of long-term value creation.

Our Sustainability Manifesto reflects our belief that sustainability extends beyond reducing environmental impacts. It embodies an integrated approach to creating long-term value through people-centered development, innovation, and responsible business practices.

CORPORATE GOVERNANCE

BORUSAN PIPE BELIEVES THAT LONG-TERM SUCCESS IS MADE POSSIBLE BY A STRONG CORPORATE GOVERNANCE CULTURE, ALIGNED WITH ITS PEOPLE-, CLIMATE- AND INNOVATION-FOCUSED BUSINESS MODEL

Borusan Pipe conducts its operations in line with ethical values, transparency and accountability, drawing on its strong engineering heritage and more than 65 years of experience.

The Company conducts its business in accordance with the Turkish Commercial Code, the regulations of the Capital Markets Board of Türkiye (CMB) and Borusan Holding's corporate governance principles. In doing so, it remains committed to transparency, accountability and creating sustainable value for all its stakeholders.

With the participation of independent members, the Board of Directors is responsible for determining, implementing and overseeing Borusan Pipe's strategic objectives. To enhance the effectiveness of its corporate governance processes, the

Company carries out risk management, ethics and compliance, and audit activities through dedicated committees in a systematic and integrated manner.

Aligned with its people-, climate- and innovation-focused business model, Borusan Pipe believes that long-term success is built upon a strong corporate governance culture. Accordingly, the Company embraces a governance approach that promotes stakeholder engagement, supports fair competition, is founded on responsible business conduct and prioritizes transparent communication throughout all its activities.

Detailed information on the structure of the Board of Directors, the duties and responsibilities of its members, and their declarations of independence is available in the Borusan Pipe Annual Report.



SUSTAINABLE ECONOMIC PERFORMANCE



IN 2024, BORUSAN PIPE'S FINANCIAL PERFORMANCE REMAINED IN LINE WITH OVERALL EXPECTATIONS DESPITE CHALLENGING CONDITIONS IN GLOBAL AND REGIONAL MARKETS.

In 2024, Borusan Pipe's financial performance remained broadly in line with overall expectations despite challenging conditions in global and regional markets.

During the year, sales volume increased by 9.8%, reaching 1,168 thousand tons. Revenue, however, declined by 3% compared to the previous year, amounting to USD 1.69 billion (2023: USD 1.74 billion).

Gross profit decreased by 64.7% year-on-year to USD 112 million, while the gross profit margin declined from 18.3% to 6.6%. Earnings Before Interest and Taxes (EBIT)

amounted to USD 59 million, remaining below the USD 295 million recorded in 2023. During the same period, the EBIT margin declined from 17.0% to 3.5%.

Profit before tax decreased significantly from USD 238 million in 2023 to USD 1 million in 2024, while net profit declined from USD 194 million to a net loss of USD 5 million. This performance reflects the impact of weakening demand in global markets, rising raw material prices and regulatory developments affecting the U.S. market.

9.8%

Sales Volume Reached 1,168 Thousand Tons In 2024, Up 9.8% Year-On-Year.

At year-end 2024, cash and cash equivalents decreased by 48.1% compared to the previous year, amounting to USD 67 million. Total assets declined by 17.3% to USD 1.57 billion, while equity remained broadly stable at USD 853 million (2023: USD 848 million).

Looking ahead to 2025, Borusan Pipe expects sales volume and revenue to remain broadly stable, while the EBIT margin is projected to be in the range of 5%-7%. Demand conditions in its core markets, exchange rate movements and the impact of regulatory developments in the U.S. market are expected to continue influencing profitability in the coming period.



STRATEGIC INVESTMENTS



United States - SRM Line Investment

The new SRM line established in Baytown, Texas, was completed in the first quarter of 2024, with commercial production commencing in the third quarter. This investment strengthened Borusan Pipe's position as a local producer in the U.S. market while expanding customer reach across the construction and industrial segments.



Romania - Ploiești Service Center

As part of its growth strategy in the automotive sector, Borusan Pipe completed its **EUR 15 million** investment in the third quarter of 2024. With an enclosed area of **4,800 m²** and an annual production capacity of **21 million units**, the facility carries out advanced processing operations for the automotive industry.



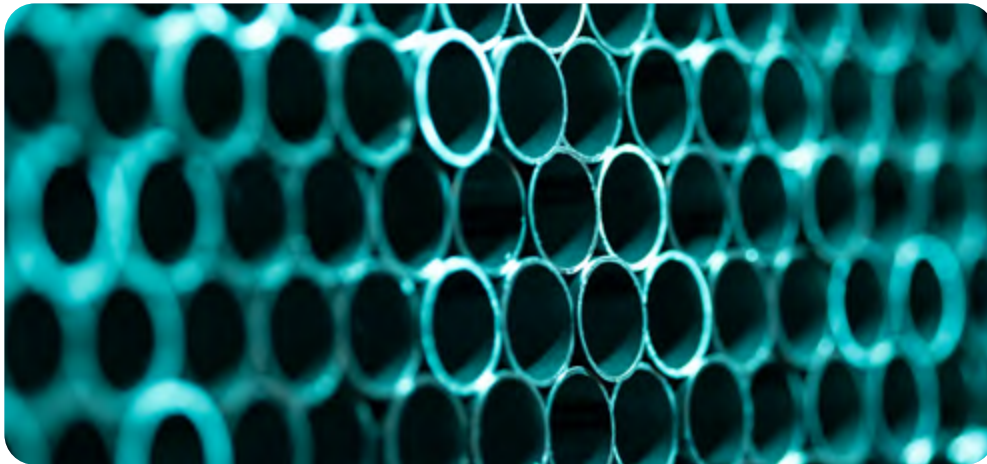
United States - Panama City Advanced Forming Technology Investment

As part of this project, which is scheduled for completion in 2027, Borusan Pipe has approved a total investment of **USD 68 million**. The investment is intended to expand the Company's high value-added manufacturing capacity in the U.S. steel pipe market and support the development of new product portfolios for renewable energy applications.

IN 2024, BORUSAN PIPE MADE STRATEGIC INVESTMENTS BOTH IN TÜRKİYE AND ABROAD TO STRENGTHEN ITS COMPETITIVE POSITION AND SUPPORT ITS SUSTAINABLE GROWTH STRATEGY.



BORUSAN PIPE VALUE CHAIN



BY PRIORITIZING LOCAL SOURCING, BORUSAN PIPE MAINTAINS ITS COMPETITIVE POSITION IN INTERNATIONAL MARKETS WHILE ENSURING SECURITY OF SUPPLY.

Borusan Pipe sources its steel raw materials predominantly from local suppliers. At the same time, certain raw materials are procured from international suppliers as part of its global supply chain. This approach enables Borusan Pipe to prioritize local sourcing while

Raw Material Structure

The raw materials used in Borusan Pipe's manufacturing processes are grouped under three main categories:

- **Primary Raw Materials:** Flat steel products, including hot-rolled coil (HRC), cold-rolled (CR) steel and steel plate, constitute the primary raw materials used in production. Accounting for approximately 80% of total raw material costs, they represent the largest component of the Company's cost structure.
- **Auxiliary Raw Materials:** Zinc and polyethylene (PE) coating materials, which form part of the finished products delivered to customers, are classified as auxiliary raw materials.
- **Machinery, Equipment and Spare Parts:** Machinery, equipment and spare parts required to ensure the continuity of manufacturing operations and maintenance activities are evaluated by production teams throughout their useful lives. Based on these evaluations, decisions are made on whether these assets will be reused or disposed of.

Integrated Operations Across The Value Chain

Borusan Pipe manages its value chain through an integrated operating model spanning from raw material sourcing to final customer delivery.

Suppliers

Borusan Pipe evaluates its suppliers in accordance with its **Supplier Code of Conduct**, which covers ethical, environmental and social criteria. In 2024, **the Company introduced the Sustainable Procurement Policy, Supplier Self-Assessment Questionnaire and Sustainable Procurement Supplier Guide**, engaging **92 suppliers** in the process.

Manufacturing

Borusan Pipe operates **10 manufacturing facilities** across Türkiye, Italy, Romania and the United States, utilizing a broad range of manufacturing technologies, including ERW, HSAW, LSAW, SRM, cold drawing and roll forming. The Company has a total annual production capacity of **1.7 million tons**. Integrated management systems covering quality, environment, energy, occupational health and safety are implemented across all manufacturing facilities.



BORUSAN PIPE VALUE CHAIN

Logistics and Delivery

Manufacturing and delivery processes are managed in line with project schedules, enabling Borusan Pipe to provide customers with reliable just-in-time delivery and tailored solutions.

Served Industries and Customer Segments

Borusan Pipe has diversified its product and service portfolio across four main sectors:

- **Energy (23%):** Line pipes and OCTG products are supplied from the Baytown and Gemlik facilities to energy infrastructure projects worldwide.
- **Automotive (12%):** High value-added automotive tubes, hydraulic tubes and special profiles are manufactured at the Company's facilities in Italy, Türkiye and Romania, supported by customer-focused engineering services.
- **Construction (18%):** A broad product portfolio, including fire protection pipes, water pipes and concrete pump pipes, addresses the day-to-day needs of the construction industry.

- **Infrastructure (47%):** Line pipes manufactured at the Panama City (Florida) and Mobile (Alabama) facilities contribute to major infrastructure projects across North America.

Customer Relations and Collaboration Model

Borusan Pipe's customer approach extends beyond conventional supplier relationships and is built on long-term partnerships based on a **win-win** philosophy. The Company conducts its business in accordance with the principles of ethics, integrity and reliability, going beyond regulatory compliance.

- **Just-in-time delivery:** Manufacturing and logistics processes are aligned with customers' project schedules, enabling flexible and timely solutions.
- **Sustainable business model:** Customer satisfaction is addressed through an integrated approach that also considers environmental and social impact management, reinforcing the Company's commitment to responsible business practices.

After-Sales Support

Borusan Pipe's customer-centric approach continues beyond product delivery through comprehensive after-sales support, fostering long-term customer relationships and sustainable partnerships.

How We Manufacture?

Borusan Pipe designs its manufacturing processes to meet the highest quality standards and customer expectations. Steel pipe production is carried out within the framework of an integrated quality management system, from raw material intake to the shipment of finished products.

The manufacturing process generally consists of the following stages:

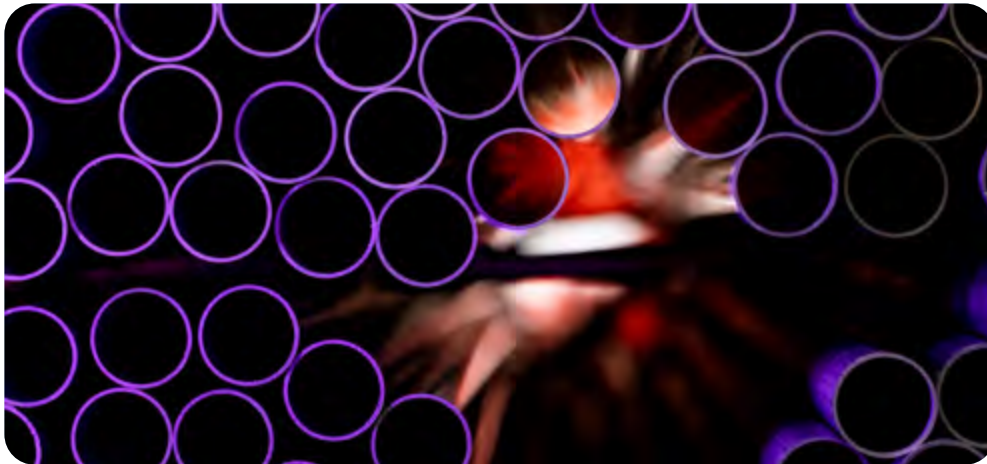
- **Raw Material Preparation:** Steel coils are uncoiled, levelled and slit into dimensions suitable for production.
- **Forming and Welding:** Steel strips are formed into pipes, joined using electric resistance welding and cleaned of weld burrs.

- **Heat Treatment and Cooling:** Pipes undergo heat treatment to enhance their mechanical properties and are subsequently water-cooled.
- **Quality Control:** Multi-stage quality inspections are performed, including ultrasonic testing, hydrostatic testing and visual inspections.
- **Cutting and Finishing:** Pipes are cut to standard lengths, end-finished and, where required, further processed to meet customer specifications.
- **Marking and Surface Treatment:** Finished products are measured, marked and subjected to surface treatment in accordance with customer requirements.
- **Shipment:** Products that successfully complete all quality inspections are securely packaged and delivered to customers.

Throughout its manufacturing processes, Borusan Pipe leverages automation, AI-supported quality control systems and digital technologies to enhance manufacturing efficiency and further strengthen its sustainable manufacturing approach.



BUSINESS ETHICS AND COMPLIANCE



RESPECT FOR HUMAN RIGHTS, EQUAL OPPORTUNITY, NON-DISCRIMINATION, AND OCCUPATIONAL HEALTH AND SAFETY FORM THE FOUNDATION OF THE COMPANY'S ETHICAL APPROACH

Borusan Pipe considers business ethics not merely as a legal requirement, but as an integral part of its corporate culture and a cornerstone of its long-term success. The Company's ethical framework is built upon the Seven Core Business Principles and the Orange Guide, established by Borusan Holding and binding for all Group companies. This framework is founded on the principles of transparency, integrity, reliability and continuity.

General Approach to Business Ethics

As a signatory to the United Nations Global Compact (UNGC), Borusan Pipe reinforces its commitment to ethical business conduct at the international level. Respect for human rights, equal opportunity, non-discrimination, and occupational health and safety constitute the core elements of the Company's ethical approach.

Transparency, fair competition and mutual trust form the basis of the Company's relationships with its stakeholders. Employees receive regular ethics training to raise awareness of anti-bribery and anti-corruption practices, the prevention of conflicts of interest and professional standards of conduct. As part of Borusan Holding's annual audit program, Borusan Pipe continuously improves its business processes through a systematic audit and review approach.

Anti-Corruption and Fair Competition

Borusan Pipe applies a zero-tolerance policy towards bribery, corruption, abuse of authority and anti-competitive behavior. Gifts, hospitality and entertainment, donations, public tenders and all matters that may give rise to conflicts of interest are governed by clearly defined policies and procedures set out in the Orange Guide.

Across all geographies in which it operates, the Company conducts its business in line with the principles of transparency and fair competition, maintains full compliance in its interactions with public authorities, and avoids any practices that may distort competition or lead to monopolistic behavior.

2024 Highlights

During 2024, Borusan Holding conducted a number of audits covering Borusan Pipe's operations, reviewing manufacturing, quality, occupational health and safety, and ethics and compliance processes in detail.

During the year, 18 ethics notifications related to Borusan Pipe were received. Of these, nine were investigated and concluded in 2024, while the remaining nine were finalized in 2025. Across Borusan Holding, 134 ethics notifications were received during the year, of which 113 were concluded.

The audits confirmed that Borusan Pipe's operations did not have any adverse impacts on local communities. Reports submitted through the ethics hotline during 2024 were assessed, and the necessary disciplinary action was taken in relation to one confirmed case.

Borusan Pipe reinforces its commitment to ethical values through its zero-tolerance approach towards corruption and anti-competitive behavior, thereby safeguarding stakeholder trust and strengthening its corporate reputation. Business ethics and compliance remain at the core of the Company's decision-making processes, forming the foundation of its transparent and sustainable way of doing business.



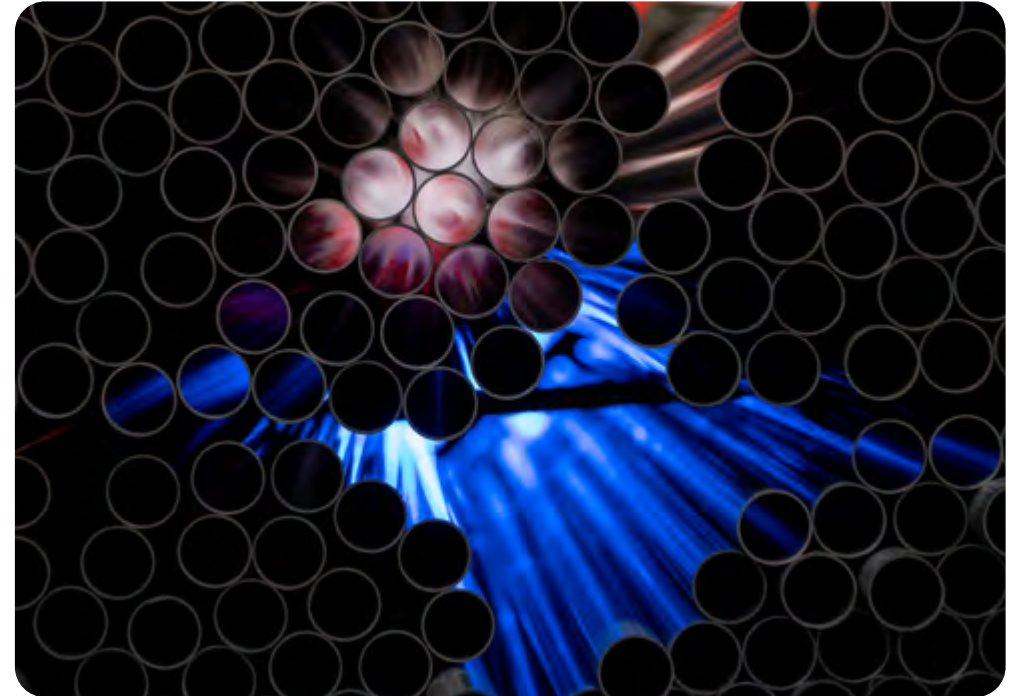
DIGITAL TRANSFORMATION, DATA SECURITY AND PRIVACY

Borusan Pipe views digital transformation not merely as a process of technological adaptation, but as a strategic enabler that supports operational excellence, strengthens occupational health and safety, and contributes to its sustainable manufacturing approach.

In line with its Industry 4.0 vision, Borusan Pipe has integrated robotic automation, AI-supported analytics, smart sensor technologies and digital data management solutions into its manufacturing and process management systems. These applications have enhanced operational efficiency, improved process traceability and strengthened data-driven decision-making.

The Company's digital transformation initiatives are also aligned with its environmental sustainability objectives. Through the digitalization of documentation processes, cloud-based data management and the wider use of digital forms, Borusan Pipe has improved operational efficiency while reducing paper consumption and the use of natural resources. Accordingly, digital transformation is regarded not only as a technology investment, but also as a strategic transformation that enhances operational efficiency, environmental performance and employee safety.

DIGITAL TRANSFORMATION INITIATIVES ARE IMPLEMENTED IN ALIGNMENT WITH BORUSAN PIPE'S ENVIRONMENTAL SUSTAINABILITY OBJECTIVES



Data Security and Privacy

Borusan Pipe manages data security and privacy in accordance with the information security policies and procedures established by Borusan Holding. Group-wide training, awareness and audit activities have strengthened the information security culture across the organization.

No incidents involving customer privacy breaches or data loss were recorded at Borusan Pipe during the 2022-2024 reporting period.

To ensure the continuity of its information systems, Disaster Recovery (DR) tests are conducted at least once a year in collaboration with KoçSistem. All systems are backed up on a daily, weekly, monthly and annual basis, while full database backups and continuous transaction log backups are performed daily. This infrastructure enables the Company to restore its systems quickly, securely and in a controlled manner in the event of a disruption.





GOVERNANCE

BORUSAN PIPE SUSTAINABILITY GOVERNANCE

Corporate Governance

Compliance with the principles of corporate governance is regarded as a fundamental principle by Borusan Pipe's management.

The management and representation of the Company are carried out by the Board of Directors in accordance with the Articles of Association, which are governed by the provisions of the Turkish Commercial Code (TCC). The duties and responsibilities of the Board of Directors and senior management are clearly defined in line with the applicable legislation.

The Board of Directors of Borusan Pipe is comprised of seven members, including executive and non-executive directors. The majority of the Board members are non-executive. The roles of the Chairperson of the Board and the Chief Executive Officer (CEO)

are held by different individuals, supporting the principle of separation of duties.

To support the effective fulfilment of the Board's duties and responsibilities, the Audit Committee, the Early Detection of Risk Committee and the Corporate Governance Committee have been established in accordance with the Capital Markets Law, the Corporate Governance Communiqué issued by the Capital Markets Board of Türkiye (CMB) and the provisions of the Turkish Commercial Code. These committees continue to perform their duties within the framework of the Company's governance policies and procedures.

Detailed information on the Board members, including their positions within Borusan Pipe and external appointments, as well as their biographies, is available on the Company's corporate website and in the relevant section of the 2024 Annual Report.

BORUSAN PIPE IS COMMITTED TO THE PRINCIPLES OF CORPORATE GOVERNANCE, WHICH ARE EMBRACED AS A FUNDAMENTAL MANAGEMENT PRINCIPLE.





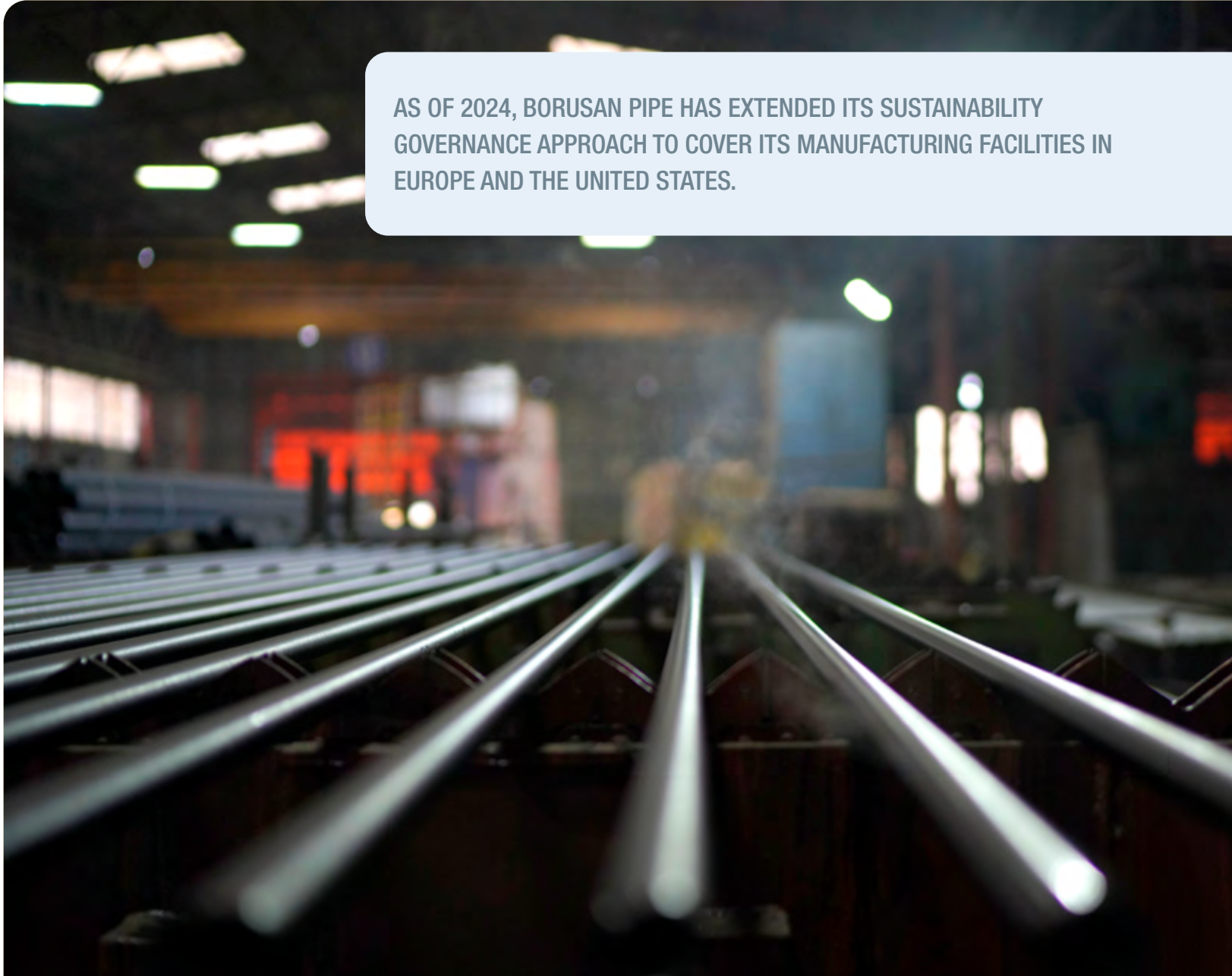
BORUSAN PIPE SUSTAINABILITY GOVERNANCE

Sustainability Organization

As of 2024, Borusan Pipe has expanded the scope of its sustainability efforts beyond its operations in Türkiye to include its manufacturing facilities in Europe and the United States. This approach reflects an integrated sustainability governance model designed to effectively manage climate-related risks and opportunities on a global scale.

The Company's sustainability organization is supported by Sustainability Agile Teams comprising representatives from different areas of expertise. Through weekly meetings, these teams assess climate-related risks and opportunities across Borusan Pipe's operations and share the identified actions with the Sustainability Council, ensuring a collaborative, transparent and agile governance model.

Through this governance structure, Borusan Pipe aims to effectively integrate its sustainability strategy into operational processes and systematically embed sustainability considerations into decision-making.



AS OF 2024, BORUSAN PIPE HAS EXTENDED ITS SUSTAINABILITY GOVERNANCE APPROACH TO COVER ITS MANUFACTURING FACILITIES IN EUROPE AND THE UNITED STATES.



BORUSAN PIPE SUSTAINABILITY GOVERNANCE

Borusan Pipe Sustainability Committee

President of the Executive Committee

Executive Committee Members

- Executive Committee Member Responsible for Sustainability
- Executive Committee Member, Construction and General Industry Segment
- Executive Committee Member, Automotive Segment
- Executive Committee Member, Digital Technologies and New Products
- Executive Committee Member, Finance and Foreign Trade

Corporate Sustainability Department

- Sustainability Manager
- Sustainability Specialists

Sustainability Thematic Group Leaders

Borusan Pipe Sustainability Agile Teams

CLIMATE

- * Decarbonization
- * Circular Economy

PEOPLE

- * Sustainable Talent Management
- * Borusan Equals

INNOVATION

- * Sustainable Product and Process Innovation





BORUSAN PIPE SUSTAINABILITY GOVERNANCE

Managing Climate-Related Risks and Opportunities

At Borusan Pipe, climate-related risks and opportunities are identified and managed through a cross-functional approach. Within this framework, each team assesses potential physical and transition risks, including water stress, carbon regulations and technological transformation, within its respective area of responsibility and evaluates their potential impacts across the value chain.

All activities are carried out in accordance with the Türkiye Sustainability Reporting Standards (TSRS). Data collected from different manufacturing facilities are consolidated to develop an integrated climate-related risk and opportunity profile covering the Company's global operations.

Regular training programs are provided for relevant employees and managers on climate change, the low-carbon transition, TCFD/TSRS 2-aligned risk management, greenhouse gas accounting and international disclosure frameworks such as CDP. Preparations have also been initiated to expand these training programs globally in order to further strengthen the Company's institutional capabilities across all operations.

As part of its climate risk management approach, Borusan Pipe receives support from external technical experts and SCR-certified consultants, where required. In addition, the Company obtains legal advisory services to support compliance with emerging regulations, including the Emissions Trading System (ETS) and the Carbon Border Adjustment Mechanism (CBAM), thereby strengthening its regulatory compliance processes.

Final decisions on sustainability and climate-related matters are made by the Executive Committee. Based on the analyses and assessments submitted by the Sustainability Agile Teams, the Executive Committee

formulates investment recommendations for the Board of Directors and provides strategic direction. Climate-related risks are assessed holistically by considering not only their environmental implications but also their operational and financial impacts. Accordingly, compliance with emerging regulations and climate-related opportunities are regularly reviewed during the quarterly meetings of the Executive Committee and the Board of Directors.

Borusan Pipe carries out periodic reporting to ensure the effective monitoring of climate-related risks and opportunities. Monthly updates are presented at the Borusan Pipe Sustainability Committee, chaired by

the President of the Executive Committee, where the progress of projects led by the Sustainability Agile Teams is regularly reviewed. In addition, annual sustainability review meetings are held to reassess the Company's targets and budgets for the upcoming period in light of climate-related risks and opportunities.

Through this multi-layered and integrated governance structure, Borusan Pipe continuously strengthens not only the sustainability of its operations but also its long-term resilience to climate-related risks and opportunities.

BORUSAN PIPE CONTINUOUSLY STRENGTHENS ITS CLIMATE-RELATED STRATEGIC RESILIENCE ALONG SIDE THE SUSTAINABILITY OF ITS OPERATIONS





BORUSAN PIPE SUSTAINABILITY GOVERNANCE

Governance Body / Role	Reporting Frequency	Reporting Method	Information Provided
Borusan Pipe Sustainability Committee	Monthly and Annually	Sustainability Agile Team reports, site assessments, investment recommendations	Climate-related risk and opportunity assessments, operational impacts, strategic priorities
Executive Committee	Monthly	Reporting based on site data and input from the Sustainability Agile Teams	Critical issues, physical and transition risks, follow-up of action plans, sustainability developments across Türkiye, the United States and Europe, climate-related risk and opportunity assessments
Board of Directors	Quarterly	Management presentations, risk reports and decision-support materials	Material climate-related risks, regulatory developments and proposed action plans
Sustainability Agile Teams	Weekly / Monthly	Internal team meetings and site observations	Identified local climate-related risks and operational mitigation measures
Risk and Internal Control Team	Quarterly	IFRS-compliant financial risk reports	Financial impacts of climate-related risks and risk materiality
All Relevant Employees	Annually and Ongoing	Training sessions, digital learning platforms, seminars delivered by external experts and other awareness activities	Greenhouse gas accounting, scenario analysis and sustainability reporting updates

Governance and Responsibilities for Climate-Related Risks and Opportunities

The management of climate-related risks and opportunities at Borusan Pipe is integrated into the Company's corporate governance framework through clearly defined roles, responsibilities and multi-layered decision-making mechanisms. Roles, authorities and responsibilities are supported by documented policies and procedures.



BORUSAN PIPE SUSTAINABILITY GOVERNANCE

Role of the President of the Executive Committee

At Borusan Pipe, the overall accountability for sustainability and the management of climate-related risks and opportunities rests with Zafer Atabey, President of the Executive Committee, who also serves as Chair of the Borusan Pipe Sustainability Committee.

In his capacity as Chair of the Sustainability Committee, the President of the Executive Committee provides strategic leadership for the integration of sustainability into the Company's business strategy. He promotes

ownership of sustainability across the organization, closely monitors the work carried out by the Sustainability Agile Teams, and ensures that their findings are incorporated into strategic decision-making processes. Climate-related risks and opportunities are assessed under his leadership through a holistic approach when evaluating investment decisions, capacity expansion projects and long-term growth plans.

The responsibilities of the President of the Executive Committee include representing Borusan Pipe as the executive sponsor

of sustainability, serving as Chair of the Sustainability Committee, coordinating with senior management to integrate sustainability into strategic decision-making, sponsoring the implementation of sustainability initiatives across the Company, engaging with key executives and stakeholders on sustainability performance, and submitting budget proposals or recommendations for sustainability-related investments to the Board of Directors. Final investment decisions remain under the authority of the Board of Directors.

Monthly meetings of the Borusan Pipe Sustainability Committee are held under the leadership of the President of the Executive Committee. During these meetings, Sustainability Agile Team leaders and representatives review climate-related analyses, project progress and regulatory developments, while strategic guidance and priorities are established. This governance model ensures that sustainability-related matters are effectively escalated from the operational level to strategic decision-making.

In addition to his extensive industrial and international business experience, Mr. Atabey actively contributes to a number of organizations supporting the corporate sustainability agenda. He serves as a Board Member of the Turkish Steel Exporters'

Association (Turkish Steel), a Member of the Executive Board of the Turkish-American Business Council (TAİK), a Board Member of the Borusan Kocabıyık Foundation, a Founding Member of the Supervisory Board of Yuvam Dünya Association, and Chair of the Board of the Turkish Association of Steel Pipe Manufacturers (ÇEBİD). Through these roles, he contributes to environmental, social and economic sustainability across multiple stakeholder platforms.

This experience further strengthens the strategic leadership of the President of the Executive Committee in shaping and overseeing Borusan Pipe's climate strategy. Climate-related risks and opportunities are addressed at the corporate level under the leadership of the Executive Committee, which oversees strategic direction, investment recommendations and performance monitoring. Climate-related considerations are evaluated not only from an environmental perspective, but also in terms of their operational and financial implications. For major investments and capacity expansion projects, climate-related factors including greenhouse gas emissions, water use and energy efficiency are incorporated into decision-making, supported by cost-benefit and trade-off analyses across alternative scenarios.

AS CHAIR OF THE SUSTAINABILITY COMMITTEE, THE PRESIDENT OF THE EXECUTIVE COMMITTEE PROVIDES STRATEGIC LEADERSHIP FOR THE INTEGRATION OF SUSTAINABILITY INTO THE COMPANY'S STRATEGY.





BORUSAN PIPE SUSTAINABILITY GOVERNANCE

Role of the Board of Directors

The Board of Directors is responsible for approving the Company's sustainability objectives, including those related to climate change, and the investment decisions supporting these objectives. The Board reviews the risks and opportunities associated with projects developed by the Sustainability Agile Teams and is responsible for the final approval of these initiatives.

Executive Committee Member Responsible for Sustainability (CSO)

The Executive Committee Member Responsible for Sustainability (Chief Sustainability Officer - CSO) serves as the link between the development of Borusan Pipe's sustainability strategy and its implementation across the Company's operations. Working in close coordination with the President of the Executive Committee, the CSO ensures that sustainability objectives are aligned with the Company's strategy and effectively implemented.

Within this role, the CSO is responsible for planning sustainability initiatives, managing engagement with internal and external stakeholders, integrating material topics such as decarbonization and climate change into the Company's sustainability and emissions reduction strategies, and monitoring sustainability performance indicators. The CSO also coordinates initiatives aimed at integrating sustainability metrics into compensation and performance management systems.

The CSO leads the monthly meetings of the Sustainability Agile Teams, ensuring coordination across teams and presenting key findings to the Executive Committee and the Borusan Pipe Sustainability Committee. Through this governance structure, sustainability is managed as a measurable, monitored and strategically integrated component of the Company's decision-making processes.

Board of Directors

The Board of Directors is responsible for approving the Company's sustainability objectives and the investment decisions supporting these objectives.





BORUSAN PIPE SUSTAINABILITY GOVERNANCE

Global Sustainability Manager and Operational Structure

The Global Sustainability Manager is responsible for coordinating the implementation of sustainability initiatives and the activities of the Sustainability Agile Teams across Borusan Pipe's operations in Türkiye, the United States and Europe. Working under the leadership of the Chief Sustainability Officer (CSO), the Global Sustainability Manager has expertise in technical areas including TSRS 2-aligned climate risk assessment, internal carbon pricing and CDP reporting.

The Corporate Sustainability Department conducts climate-related risk assessments on topics such as water management, the Carbon Border Adjustment Mechanism (CBAM) and carbon pricing mechanisms, evaluates their impacts across the value chain, and develops strategic recommendations. Sustainability

team members participate in the Company's performance-based incentive system within the scope of their defined responsibilities.

Competencies related to climate-related responsibilities are reviewed through the annual performance evaluation process. Development needs are addressed through training programs, external expert support and role development initiatives. Emerging regulatory frameworks, including CBAM, the Emissions Trading System (ETS) and the IFRS Sustainability Disclosure Standards, are closely monitored to ensure that organizational capabilities remain up to date.

Through this governance structure, responsibilities for managing climate-related risks and opportunities are integrated into Borusan Pipe's corporate governance framework through clearly defined roles, delegated authorities and robust governance policies.

Within this framework:

Position / Role	Responsibilities
Chair of the Executive Board (also Chair of the Sustainability Board)	- Integration of climate-related risks and opportunities into corporate strategies - Conducting initiatives focused on short-, medium-, and long-term goals - Maintaining regular communication with the Early Risk Detection Committee - Presenting investment proposals to the Board of Directors
Executive Board Member Responsible for Sustainability	- Defining and implementing sustainability strategies - Bringing climate-related issues to the agenda - Engagement with stakeholders - Development of carbon reduction strategies
Sustainability Committee	- Providing strategic guidance - Working in alignment with global climate policies and in line with our goals
Global Sustainability Manager	- Monitoring operational processes across all locations - Reporting to Borusan Pipe's Sustainability Committees - Coordinating all sustainability teams and tracking their progress - Communicating climate-related risk and opportunity assessments to senior management - Monitoring competency development
Sustainability Department	- Analysis of physical and transition risks, such as water stress and carbon regulations - Mentoring all sustainability teams
Agile Team Members	- Identifying projects aligned with the company's sustainability goals - Budgeting projects and presenting them to the Sustainability Manager





BORUSAN PIPE SUSTAINABILITY GOVERNANCE

Climate-related objectives at Borusan Pipe are established in alignment with the Company's overall strategic objectives. These objectives are developed through the contributions of the President of the Executive Committee, the Borusan Pipe Sustainability Committee, relevant Executive Committee Members, Plant Directors and operational teams, ensuring ownership at both the strategic and operational levels.

The objective-setting process takes into consideration greenhouse gas emissions data, climate-related risk and opportunity

assessments, regulatory compliance requirements and financial implications.

Progress is monitored through monthly Sustainability Agile Team meetings, quarterly performance reports and annual sustainability review meetings. The results are regularly reported to the Executive Committee and the Board of Directors.

As part of Borusan Pipe's 2024 performance objectives, sustainability indicators were incorporated into the performance scorecards of different management levels.

Sustainability indicators accounted for 5% of the performance scorecards of the President of the Executive Committee and the Executive Committee Members responsible for the Construction and General Industry Segment, Automotive Segment, Finance and Foreign Trade, and Digital Technologies and New Products, while the weighting for the Executive Committee Member Responsible for Sustainability (Chief Sustainability Officer - CSO) was set at 15%. The same indicators represented 10% of the performance scorecards of Plant Directors and 5% of those of other directors and managers.

This distribution demonstrates that climate and sustainability objectives are embedded across Borusan Pipe's management structure and collectively owned at the corporate level.

2024 Corporate Objectives	President of the Executive Committee	Executive Committee Member, Construction and General Industry Segment	Executive Committee Member, Automotive Segment	Executive Committee Member, Finance and Foreign Trade	Executive Committee Member Responsible for Sustainability (CSO)	Executive Committee Member, Digital Technologies and New Products	Plant Director	Directors & Managers	Technical Teams	Other Teams
Sustainability	5%	5%	5%	5%	15%	5%	10%	5%	0%	0%

As of 2024, approximately 7% of the performance incentives awarded to management are linked to climate-related sustainability indicators. This percentage is calculated based on the weighted average of sustainability-related responsibilities assigned to the relevant management functions.

The calculation takes into account the sustainability indicators included in the performance scorecards of the President of the Executive Committee, Executive Committee Members, Plant Directors and

the relevant functional teams. The overall contribution of climate-related objectives to the performance incentive system is determined by consolidating the weighting assigned to different management roles.

As of 2024, sustainability-focused performance monitoring and reporting practices have also been introduced across Borusan Pipe's global operations. Within this framework, a manager responsible for sustainability at each location reports progress to the Global Sustainability Manager on a monthly basis, while project

developments and data are reviewed during bi-weekly meetings of the Sustainability Agile Teams.

The performance scorecards of sustainability managers across global locations and the relevant Executive Committee Members also include sustainability-related criteria aligned with Borusan Pipe's corporate objectives, ensuring that climate and sustainability objectives are monitored consistently across the Company's global operations.





STRATEGY



OUR VALUE CREATION STRATEGY

THE STRATEGY OF BECOMING A LOCAL PLAYER IN GLOBAL MARKETS REMAINED ONE OF BORUSAN PIPE'S KEY STRATEGIC PRIORITIES IN 2024.



Borusan Pipe shapes its sustainability vision by taking into account the rapidly evolving global economic, geopolitical and environmental landscape. As of 2024, global carbon regulations, growing demand for green steel investments, volatility in energy prices and supply chain resilience remain among the key priorities of the steel pipe industry. Borusan Pipe aims not only to respond to these developments but also to position itself as a market leader that helps shape the industry's transformation through its strategic decisions.

The Company's strategy of becoming a local player in global markets remained one of its key priorities in 2024. Carbon regulations introduced under the European Green Deal, state-level environmental policies in the United States and Türkiye's transition towards an Emissions Trading System (ETS) continue to directly influence the Company's operations. Accordingly, Borusan Pipe has invested in low-carbon manufacturing technologies while strengthening supply chain resilience through its local production model across its facilities in the United States and Europe. Growing demand for green steel and the increasing adoption of carbon pricing mechanisms continue to be among the key drivers of the Company's long-term competitiveness.

Strengthening its leadership in quality and reliability was another strategic priority in 2024. AI-supported quality control systems, smart sensor technologies and predictive maintenance applications have reduced operational risks while further enhancing occupational health and safety and product quality standards. In addition, the

processing center investment in Romania has strengthened Borusan Pipe's position within the Tier 1 and Tier 2 customer segments across Europe, transforming customer satisfaction into a strategic competitive advantage.

Borusan Pipe's sustainability strategy is built around four strategic pillars: commercial excellence, operational excellence, sustainability and new product innovation. Investments in digital transformation have enabled the integration of robotic automation and artificial intelligence applications into manufacturing processes, while energy efficiency projects have contributed both to cost competitiveness and greenhouse gas emissions reduction. At the same time, research and development activities continue to focus on delivering innovative, value-added products tailored to evolving customer needs.

The green transformation remains at the core of the Company's strategy. Investments in low-carbon production technologies, including Electric Arc Furnace (EAF) technologies, are prioritized to reduce the use of natural resources and promote circular economy practices. Compared with the 2021 baseline, Borusan Pipe aims to reduce greenhouse gas emissions intensity per tonne of product by 35% and water withdrawal by 40% by 2034. Energy efficiency projects and the increased use of renewable energy constitute the primary levers for achieving these targets.

Borusan Pipe evaluates climate-related risks and opportunities arising from different regulatory environments and market

expectations across its operating geographies through an integrated perspective. While preparations for ETS implementation and carbon pricing in Türkiye, together with CSRD and CBAM requirements in Europe, constitute strategic priorities, state-level energy policies in the United States create different challenges that are addressed through the Company's flexible operating model. Meanwhile, the growing global demand for green steel presents significant opportunities for product portfolio diversification and expansion into new markets.

Borusan Pipe manages sustainability-related risks and opportunities through an integrated approach encompassing environmental, social and financial dimensions. Climate-related risks and opportunities are assessed through scenario analysis, and their potential impacts on cash flows are evaluated.

Based on these assessments, the Company has confirmed that its existing financial and operational resources are sufficient to support its planned investments. Supported by its integrated value chain, Borusan Pipe proactively manages sustainability-related risks and opportunities by prioritizing energy efficiency and renewable energy investments, expanding circular economy practices and improving resource efficiency through digital transformation. While detailed technical assessments and financial implications of climate-related risks are presented in the Company's TSRS Report, this Sustainability Report provides a comprehensive overview of Borusan Pipe's value creation journey and its long-term commitment to sustainable growth.



STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

Borusan Pipe regularly evaluates the expectations of all stakeholders across its value chain and integrates these expectations into its sustainability strategy. Through structured engagement mechanisms that enable stakeholders to participate in corporate decision-making processes, expectations, risks and opportunities related to environmental, social and governance (ESG) matters are assessed through an integrated perspective.

In this context, the sustainability materiality assessment initiated in the last quarter of 2023 was further developed in 2024 into a framework that supports Borusan Pipe's strategic decision-making processes. Throughout the assessment, both the impacts of stakeholders on Borusan Pipe and the Company's impacts on environmental and social matters were evaluated, thereby strengthening the double materiality approach. Based on stakeholder surveys, workshops and strategic evaluation meetings, a total of 17 material sustainability topics were identified for Borusan Pipe.

These material topics were assessed not only in terms of the environmental and social impacts of Borusan Pipe's operations, but also with respect to their potential implications for the Company's financial and operational performance.

No new stakeholder survey was conducted during 2024. Instead, the Company continued to implement its strategic priorities based on the material topics identified in 2023, focusing on implementation and monitoring activities. At the same time, in preparation for the entry into force of the Türkiye Sustainability Reporting Standards (TSRS) in 2025, comprehensive analyses with a particular focus on climate-related matters were carried out throughout 2024. Additional assessments were also performed in line with investor expectations and the reporting requirements of TSRS and the Corporate Sustainability Reporting Directive (CSRD). These efforts established a solid foundation for addressing both stakeholder expectations and national and international sustainability reporting requirements more effectively.

The materiality assessment process consisted of identifying sustainability topics, conducting sector analyses, holding preliminary evaluation meetings with the Borusan Holding project team, collecting stakeholder feedback through online surveys conducted with the stakeholder groups identified in 2023, and analysing the results to develop a Borusan Pipe-specific materiality matrix.

The 17 material sustainability topics identified through this process are listed below:

1. Climate Change Mitigation and Adaptation
2. Corporate Governance, Regulatory Compliance and Monitoring
3. Technology and Digital Transformation
4. Sustainable Business Models
5. Protection of Nature and Biodiversity
6. Circularity and Waste Management
7. Water Management
8. Occupational Health and Safety
9. People-Centered Corporate Culture
10. Sustainable Supply Chain Management
11. Customer Satisfaction and Service Quality
12. Talent Management and Development
13. Creating Social Value
14. Sustainable Economic Performance
15. Supporting Entrepreneurship and Fostering Collaboration
16. Employee Rights
17. Information Security and Protection of Customer Privacy

A TOTAL OF 17 MATERIAL SUSTAINABILITY TOPICS WERE IDENTIFIED FOR BORUSAN PIPE THROUGH STAKEHOLDER SURVEYS, WORKSHOPS AND STRATEGIC EVALUATION MEETINGS.





STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

This materiality assessment forms one of the cornerstones of Borusan Pipe's sustainability strategy. The detailed climate-related analyses conducted throughout 2024, together with the assessments addressing investor expectations, established a strong foundation for compliance with the Türkiye Sustainability Reporting Standards (TSRS), which entered into force in 2025. In this context, Borusan Pipe adopted an analysis methodology in accordance with the provisions of TSRS 1 paragraphs B29-B30 and TSRS 2 paragraph 13(b) to assess the financial implications of its material sustainability topics.

As part of the assessment process, risks were classified as physical risks (acute and chronic) and transition risks (regulatory, technological, market and reputational). These risks were evaluated across short-, medium- and long-term time horizons and throughout Borusan Pipe's value chain, including upstream (procurement), direct operations, and downstream (distribution and customer use) activities. For the financial

materiality assessment, a 5% change in EBIT was established as the materiality threshold, with impacts exceeding this threshold considered financially material. The findings were further refined by focusing on climate-related financial risks and investor expectations and subsequently integrated into the Company's financial planning processes. This approach ensures that sustainability matters are evaluated not only in terms of their environmental and social impacts, but also as strategic factors influencing Borusan Pipe's long-term financial performance.

Within the scope of the 2024 TSRS assessment, particular emphasis was placed on climate-related risks and opportunities, with climate change mitigation and adaptation identified as the highest-priority financial sustainability topic. Comprehensive analyses were conducted to better understand the potential financial implications of climate-related risks for Borusan Pipe, and the results were incorporated into the Company's strategic planning processes.

Looking ahead to 2025, Borusan Pipe aims to further enhance this approach by expanding the scope of its double materiality assessment in line with the Corporate Sustainability Reporting Directive (CSRD). Through this approach, the Company seeks to establish a robust and comprehensive reporting framework capable of meeting not only current reporting obligations but also the expectations arising from future regulatory developments.

From an impact perspective, the following sustainability topics were identified as the most significant in terms of Borusan Pipe's environmental, social and governance impacts:

- Circularity and Waste Management
- People-Centered Corporate Culture
- Protection of Nature and Biodiversity
- Employee Rights
- Creating Social Value
- Talent Management and Development
- Technology and Digital Transformation

- Supporting Entrepreneurship and Fostering Collaboration
- Water Management
- Customer Satisfaction and Service Quality
- Information Security and Protection of Customer Privacy
- Sustainable Economic Performance
- Corporate Governance, Regulatory Compliance and Monitoring
- Sustainable Supply Chain Management
- Sustainable Business Models
- Climate Change Mitigation and Adaptation

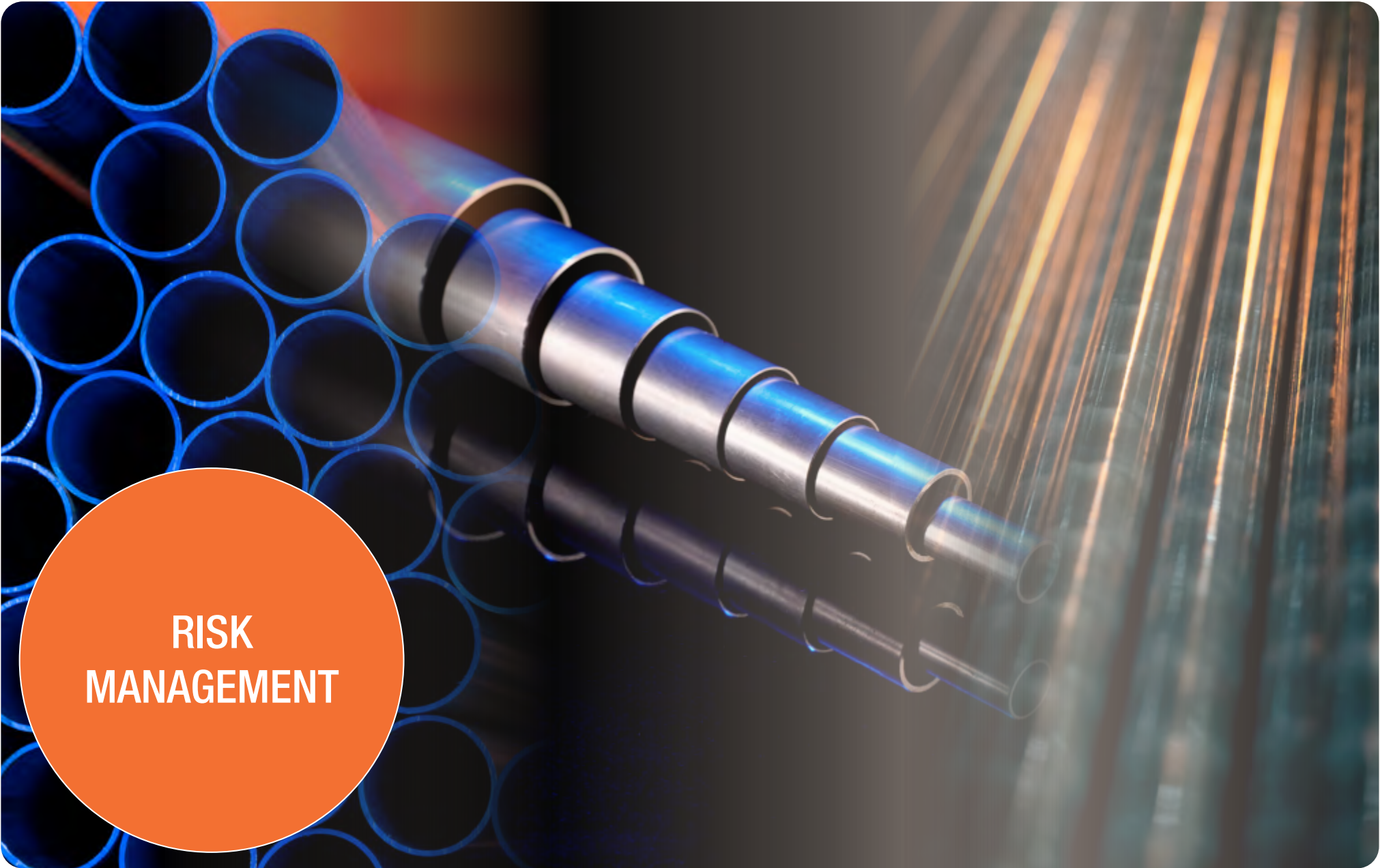
This analysis strengthens Borusan Pipe's double materiality-based reporting approach and supports the development of its sustainability strategy in line with the requirements of the Türkiye Sustainability Reporting Standards (TSRS) and the Corporate Sustainability Reporting Directive (CSRD). By deepening climate-related financial analyses, systematically evaluating investor expectations, and assessing material topics from both impact and financial materiality perspectives, the Company has established a more robust foundation for managing its sustainability performance.

DETAILED ANALYSES WERE CONDUCTED TO BETTER UNDERSTAND THE POTENTIAL FINANCIAL IMPLICATIONS OF CLIMATE-RELATED RISKS AND OPPORTUNITIES FOR BORUSAN PIPE.



OUR CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS

Topic	Related SDGs	Borusan Pipe Highlights (2023-2024)
Circularity and Waste Management		Closed-loop practices have been expanded to improve material efficiency, reduce scrap generation and increase the recovery of by-products across manufacturing processes. In 2024, investments focused on waste reduction and increasing recycling and recovery rates.
People-Centered Corporate Culture		Diversity, inclusion and a participatory corporate culture remain key priorities. In 2024, leadership development, talent management and employee experience initiatives were further strengthened.
Protection of Nature and Biodiversity		The Company continues to improve resource efficiency, reduce emissions and monitor environmental risks. In 2024, initiatives focused on reducing water consumption and minimizing environmental impacts.
Employee Rights		Respect for human rights, prevention of discrimination, freedom of association and the provision of a safe working environment remain fundamental priorities. Occupational health and safety continued to be one of the Company's highest-priority sustainability topics in 2024.
Creating Social Value		Projects focusing on education, culture, social development and community impact are implemented in cooperation with the Borusan Kocabyık Foundation. During 2023-2024, educational programs and local development initiatives remained key focus areas.
Talent Management and Development		Employee development has been supported through training programs, talent pools and leadership development initiatives. In 2024, integrated development plans linked to the performance management system were implemented.
Technology and Digital Transformation		SAP transformation, automation and digital optimization projects were among the Company's key initiatives in 2024. Digital transformation supports both operational excellence and sustainability objectives.
Supporting Entrepreneurship and Fostering Collaboration		Collaboration with suppliers and ecosystem partners on innovation and sustainability has been strengthened. Technology investments across European and U.S. operations continue to support industry transformation.
Water Management		Projects have been implemented to improve water quality, expand closed-loop water systems and increase water reuse. In 2024, water recovery initiatives were further expanded.
Customer Satisfaction and Service Quality		International certifications, including UL, FM, DVGW and NSF, continue to strengthen quality standards. On-time delivery performance and customer satisfaction remained important competitive advantages in global markets throughout 2024.
Information Security and Protection of Customer Privacy		Data security remained a key material issue throughout the Company's digital transformation journey. In 2024, IT infrastructure was further strengthened and investments in cybersecurity were increased.
Sustainable Economic Performance		The Company reported an EBITDA margin of 6.0% in 2024.
Corporate Governance, Regulatory Compliance and Monitoring		Strong corporate governance, transparency and regulatory compliance remain fundamental priorities. The Board structure and committee activities support this governance framework.
Sustainable Supply Chain Management		Environmental, social and governance (ESG) criteria are incorporated into supplier evaluations, with greater integration of climate- and water-related criteria across procurement processes.
Sustainable Business Models		New business models are being developed through low-carbon manufacturing technologies, circular economy practices and digital innovation.
Climate Change Mitigation and Adaptation		In 2024, climate-related risks and opportunities were assessed in accordance with the Türkiye Sustainability Reporting Standards (TSRS). Climate Change Mitigation and Adaptation was identified as the Company's highest-priority financial sustainability topic.
Occupational Health and Safety		Applications supporting safe working environments, proactive risk management and the Company's zero-accident ambition were further strengthened throughout 2024.



RISK MANAGEMENT



RISK MANAGEMENT

Borusan Pipe conducts its operations with a sustainability-driven approach, assessing risks and opportunities through an integrated risk management framework. The Company's risk profile is increasingly shaped by climate change, environmental pressures, regulatory developments and global market dynamics. Accordingly, sustainability-focused risk management is regarded not only as an environmental responsibility but also as a strategic imperative for ensuring operational continuity and long-term financial resilience.

Sustainability-related risks and opportunities are managed at the highest level of governance within Borusan Pipe. The Board of Directors is the highest governing body responsible for overseeing sustainability and climate-related risks, supported by dedicated governance structures and competent management teams. This approach ensures that risk management is fully integrated into the Company's overall business strategy.

Since 2023, sustainability and climate-related risks and opportunities have been reviewed regularly by the Borusan Pipe Sustainability Committee and reported to the Board of Directors on a quarterly basis. During the Board meetings held throughout 2024, key topics included developments related to the Carbon Border Adjustment Mechanism (CBAM) and the associated risks and opportunities, TSRS implementation, Corporate Sustainability Due Diligence Directive (CSDDD) and Corporate Sustainability Reporting Directive (CSRD) requirements, short-, medium- and long-term regulatory expectations, updates to supplier evaluation criteria and supply chain alignment, decarbonization projects and related investment requirements, as well as the

risk implications of digital transformation and procurement processes.

Borusan Pipe systematically evaluates risks not only according to their potential impacts but also based on their position within the value chain and their timing. Accordingly, risks are assessed across the following categories:

- Upstream risks: Raw material procurement, material sourcing, logistics and transportation.
- Direct operational risks: Manufacturing operations and production processes.
- Downstream risks: Customer use scenarios, after-sales activities and waste management.

In assessing climate-related risks and opportunities, Borusan Pipe applies short-, medium- and long-term time horizons that are aligned with the Company's strategic decision-making processes. These time horizons are integrated into both operational planning and long-term strategic planning, enabling risks and opportunities to be managed through a comprehensive and forward-looking perspective.

This classification is aligned with the Company's strategic planning cycle.

Short-term assessments support annual business planning and budgeting processes, with particular emphasis on acute weather events, water stress and preparedness for emerging regulatory requirements such as the Emissions Trading System (ETS) and CBAM reporting obligations.

Medium-term assessments support the development of strategic roadmaps covering a three- to ten-year period. These include the

Time Horizon	Scope of Assessment
Short-term (0-3 years)	Acute weather events and preparedness for regulatory changes
Medium-term (3-10 years)	Impacts of the Carbon Border Adjustment Mechanism (CBAM), carbon pricing and technology transition
Long-term (10+ years)	Net Zero targets, infrastructure investments and climate resilience

transition to low-carbon manufacturing, digital climate monitoring solutions and adaptation to carbon-related regulations across export markets.

Long-term assessments focus on the Company's 2053 Net Zero ambition, infrastructure transformation, and the transition towards alternative raw materials and energy sources. These priorities are fully integrated into Borusan Pipe's sustainable growth strategy and long-term investment programs.

Approximately 95% of Borusan Pipe's greenhouse gas emissions originate from raw materials used in production. As a result, a significant proportion of the Company's climate-related exposure under CBAM is associated with raw material sourcing. Carbon cost scenarios are evaluated using financial models based on EU Emissions Trading System (EU ETS) price assumptions, while mitigation measures include increasing the use of green steel, strengthening collaboration with low-carbon suppliers and expanding recycled material content.

Climate-related physical risks—including water scarcity, heat waves and wildfire risk—directly affect Borusan Pipe's operations in Türkiye, the United States and Europe. The Company addresses these risks through water recovery projects, advanced water treatment systems and infrastructure investments designed to enhance operational resilience.

The transition to a low-carbon economy has a direct impact on the Company's energy, production and product strategies. Limited availability of green steel, increasing costs, evolving regulatory requirements (including TSRS, ISSB and CSRD), rising customer expectations and certification requirements constitute the Company's principal transition risks. Borusan Pipe responds to these challenges through investments in green manufacturing technologies, energy efficiency projects and environmentally sustainable product development.

Borusan Pipe has adopted the ISSB framework underpinning TSRS and applies the IFRS Sustainability Disclosure Guidance - Volume 9: Iron & Steel Producers, together with the relevant SASB industry standards. As part of its CSRD readiness program, climate-related risks and opportunities are integrated into the Company's financial and operational strategies.

Borusan Pipe views risk management not merely as a compliance process but as a value creation tool. Risks and opportunities are assessed together, prioritized in line with the Company's sustainability objectives and continuously monitored. Through regular executive governance meetings, ongoing monitoring of global developments and established Group feedback mechanisms, the Company's risk management framework is continuously reviewed and enhanced.



OUR
SUSTAINABLE
VALUE CREATION
JOURNEY



OUR SUSTAINABLE VALUE CREATION JOURNEY

Borusan Pipe regards sustainability not only as an environmental responsibility but also as a key driver of long-term value creation. Accordingly, the Company shapes its activities in line with the Borusan Group's sustainability vision, focusing on Climate, People and Innovation (i³).

These three strategic focus areas, defined by Borusan Holding, form the foundation of Borusan Pipe's sustainability approach. Within this framework, the Company prioritizes taking concrete action to combat and adapt to climate change, empowering its people and creating positive social impact, while driving transformation through innovation.

This approach is implemented across the Company under three strategic themes: "Taking Action for the Climate," "Turning Dreams into Reality," and "Inspiring the Future with i³."

Through this approach, Borusan Pipe continues to strengthen its sustainability performance in alignment with national and international reporting and assessment frameworks, including the Türkiye Sustainability Reporting Standards (TSRS), GRI Standards, CDP and EcoVadis, while contributing to a more resilient, inclusive and low-carbon future together with its stakeholders.





TAKING ACTION FOR THE CLIMATE

Environmental responsibility lies at the core of Borusan Pipe's sustainability strategy. In line with the Borusan Group's Climate focus, the Company is driving transformation by combating and adapting to climate change, promoting the efficient use of natural resources, advancing circular economy practices and protecting ecosystems.

Key areas of focus include:

- Reducing greenhouse gas emissions, advancing compliance with the Carbon Border Adjustment Mechanism (CBAM) and progressing towards the Company's Net Zero targets;
- Expanding circularity practices, optimizing manufacturing processes and increasing the adoption of closed-loop systems;
- Implementing water management initiatives and investing in measures to strengthen resilience to water scarcity; and

- Protecting biodiversity through environmental improvement and ecosystem conservation programs.

Climate-related risks and opportunities are assessed over short-, medium- and long-term time horizons in accordance with TSRS 1 and TSRS 2. The outcomes of these assessments are integrated into the Company's strategic planning processes and investment decision-making.

SUSTAINABILITY

Environmental responsibility lies at the core of Borusan Pipe's sustainability strategy.

Combating and Adapting to Climate Change

In response to the growing impacts of the global climate crisis and the evolving carbon regulatory landscape, Borusan Pipe considers the reduction of greenhouse gas emissions to be both an environmental responsibility and a key driver of its long-term competitiveness. The energy-intensive nature of the steel pipe industry, together with the high embedded emissions associated with raw materials and the increasing adoption of carbon pricing mechanisms, is accelerating the sector's transition towards low-carbon production.

Throughout 2024, the increasing momentum of climate and carbon regulations in Türkiye, together with the continued transition period

of the Carbon Border Adjustment Mechanism (CBAM) in the European Union, further reinforced the importance of investments aimed at reducing greenhouse gas emissions across the steel pipe industry. In response, Borusan Pipe continued to implement a comprehensive decarbonization roadmap focused on improving energy efficiency, expanding the use of renewable energy sources and transforming its manufacturing processes through low-carbon technologies.

In line with its 2053 Net Zero vision, the Company has established a three-phase transition plan. The first phase (2024-2034) focuses on balancing the emissions associated with growth investments. The second phase (2034-2044) targets the reduction of electricity-related emissions

through the transition to renewable electricity. The final phase (2044-2053) aims to transform manufacturing processes through the adoption of hydrogen and electrification technologies. This transition plan is monitored in accordance with the Türkiye Sustainability Reporting Standards (TSRS) and is reviewed annually as part of the Company's performance evaluation process.

Borusan Pipe's approach to emissions reduction extends beyond its manufacturing operations. Increasing the use of low-carbon raw materials, optimizing logistics operations and strengthening customer collaboration to reduce Scope 3 greenhouse gas emissions are also integral components of this strategy. Through this comprehensive approach, the Company strengthens its readiness for

regulatory developments such as CBAM and emissions trading systems while enhancing its capability to meet the growing demand for low-carbon products across European and global markets.

Greenhouse gas reduction initiatives are integrated with Borusan Pipe's energy management practices, manufacturing technologies, supply chain strategies and innovation investments. Through these integrated efforts, the Company aims to reduce its environmental footprint while contributing to the transition towards a low-carbon economy.

Alongside its climate change initiatives, the management of air emissions constitutes another important component of Borusan



TAKING ACTION FOR THE CLIMATE

Pipe's environmental performance approach. The Company is committed to complying with applicable environmental legislation in all countries where it operates and regularly measures, monitors and reports its air emissions in accordance with regulatory requirements. Emission measurements and reporting activities are conducted in compliance with the standards established by the relevant authorities, contributing to the effective management of air quality impacts.

Borusan Pipe assesses the potential impacts of climate change on the operational resilience of its production facilities in Türkiye, the United States, Italy and Romania through the Climate Scale data platform. The analyses are based on CMIP5 and CMIP6 climate models using the SSP2-4.5 (intermediate emissions) and SSP5-8.5 (high emissions) scenarios.

Under these scenarios, key climate parameters—including water scarcity, temperature increase, wildfires, extreme precipitation and wind—were evaluated across short-, medium- and long-term time

Location-Based Findings

Region / Facility	Water Scarcity	Temperature	Wildfire	Extreme Precipitation	Wind
Türkiye - Gemlik / Halkalı	High (under both scenarios)	High	High	Low-Medium	High
USA - Texas, Mobile, Panama City	Medium-High > High	High	High > Medium	High	Low
Italy - Vobarno	High	Low > High	Medium	Low	Low
Romania - Ploiești	High	Medium > High	High	Medium	Medium

horizons, enabling the identification of both acute and chronic physical risks for each operating location.

The analyses indicate that the transition from the SSP2-4.5 scenario to SSP5-8.5 significantly increases water scarcity risks across all operating regions, while temperature-related risks become high in all regions except Italy. Although the Company's U.S. operations are exposed to relatively low hurricane-related wind risk, they remain vulnerable to flooding and extreme precipitation events.

During 2024, Borusan Pipe allocated USD 5,115,587 (TRY 180,479,444) to climate-related risk management initiatives. In addition, the Board of Directors approved further sustainability-related investments, including projects focused on occupational health and safety.

Approximately 52.7% of this budget, corresponding to USD 2,696,074 (TRY 95,118,300), was allocated to decarbonization initiatives supporting compliance with the Carbon Border Adjustment Mechanism (CBAM). A further

11.85%, equivalent to USD 606,047 (TRY 21,381,520), was invested in wastewater treatment and water efficiency projects aimed at mitigating water scarcity risks.

The remaining budget was allocated to initiatives supporting compliance with national and international regulatory requirements, waste management projects, and decarbonization programs across the Company's operations in the United States and Europe.

Borusan Pipe continues to invest in climate risk management and improvement initiatives to support its low-carbon transition strategy and long-term sustainability objectives.

BORUSAN PIPE COMPLIES WITH THE APPLICABLE ENVIRONMENTAL LEGISLATION IN ALL COUNTRIES WHERE IT OPERATES AND REGULARLY MEASURES, MONITORS AND REPORTS ITS EMISSIONS IN ACCORDANCE WITH THE RELEVANT LEGAL LIMIT VALUES.

TAKING ACTION FOR THE CLIMATE

Energy and Climate Management

Borusan Pipe considers climate action and energy management to be fundamental elements of its sustainability approach. The Company implements a wide range of initiatives across its operations in Türkiye, the United States and Europe to reduce greenhouse gas emissions and improve resource efficiency throughout its manufacturing processes.

These initiatives are aligned with the Sustainability Reporting Standard (TSRS) 2 and the sector-specific requirements applicable to the Iron and Steel industry, supporting both improved energy performance and the effective management of climate-related risks and opportunities.

1. Emissions Management and Technological Transformation

Borusan Pipe regards technological transformation as a key enabler of its greenhouse gas emissions reduction strategy. Accordingly, the Company continues to implement initiatives that enhance energy efficiency and support lower-emission manufacturing processes.

- Greenhouse gas monitoring and reporting activities carried out in accordance with ISO 14064 support the regular monitoring

and management of process-related emissions.

- High-efficiency furnace systems and automation-based process control applications are utilized across manufacturing facilities to improve emissions performance.
- Electrification initiatives, the use of alternative fuels and Compressed Natural Gas (CNG) solutions contribute to reducing fossil fuel consumption.
- Through energy recovery systems, process waste heat is recovered and reused, contributing to lower energy consumption and the associated reduction of carbon emissions.

2. Energy Efficiency Projects

In line with its commitment to climate action and its low-carbon growth strategy, Borusan Pipe focuses on reducing greenhouse gas emissions, improving energy efficiency and accelerating the transition to low-emission technologies. Process optimization and equipment modernization initiatives are being implemented to enhance energy performance across the Company's operations. Cooling water recovery systems also contribute to improved water efficiency while supporting

greenhouse gas emissions reduction. As several projects initiated in 2024 are expected to become fully operational during 2025, additional energy savings and emissions reductions are anticipated.

“No Waste”

- Initiatives are being implemented to reduce energy consumption by recovering waste heat and water generated during manufacturing processes.
- The flue gas heat recovery project has delivered annual savings of 184,000 Sm³ of natural gas, resulting in an estimated reduction of approximately 400 tons of CO₂.

“Green Transformation in Utility Facilities”

- As part of the modernization of utility facilities, heat recovery applications and high-efficiency compressor systems have been commissioned. Once operating at full capacity, these initiatives are expected to generate annual electricity savings of approximately 5 million kWh and reduce greenhouse gas emissions by approximately 2,500 tons of CO₂.

In line with the sustainability vision of Borusan Holding, the Company aims to reduce emissions intensity per unit of production by

35% and water withdrawal intensity per unit of production by 40% by 2034, compared to the 2021 baseline. These targets will be achieved through energy efficiency projects, renewable energy applications, modernization of production technologies and the wider implementation of recovery systems.

Borusan Pipe calculates its greenhouse gas emissions in accordance with the GHG Protocol and ISO 14064, and has monitored and reported its emissions through the Carbonsmart digital platform since 2023.

- Scope 1 (Direct Emissions): Emissions from steam boilers, generators, forklifts, fire suppression systems and air conditioning equipment.
- Scope 2 (Indirect Emissions - Location-based and Market-based): Emissions associated with purchased electricity consumption.
- Scope 3 (Other Indirect Emissions): Emissions arising from purchased goods and services, upstream fuel- and energy-related activities, transportation and distribution, operational waste, business travel, employee commuting and downstream transportation.
- Emissions intensity is calculated based on the tCO₂e equivalent of energy consumption.



TAKING ACTION FOR THE CLIMATE

Key Energy and Climate Management Projects

• “No Waste”

Implemented in 2024, Borusan Pipe’s “No Waste” project aims to recover waste heat from the high-temperature flue gases released by the pipe annealing furnace. Through the installation of an economizer system, part of the energy demand of the natural gas-fired hot water boilers is supplied by recovered waste heat.

During the first nine months of operation, the project delivered savings of 137,534 Sm³ of natural gas. Over approximately one year, it prevented around 400 tons of CO₂ emissions and reduced natural gas-related emissions at the facility by approximately 7%. Natural gas consumption per tonne of production decreased from 10.36 Sm³ in 2023 to 7.21 Sm³ in 2024, representing an improvement of more than 30%.

With an investment of approximately USD 80,000, the project generates annual financial savings of approximately USD 62,100, resulting in a payback period of approximately 1.3 years. The project contributes directly to Borusan Pipe’s energy efficiency, emissions reduction and resource efficiency objectives.

• Energy Efficiency Project for SRM Induction Furnaces

The SRM Induction Furnace Energy Efficiency Project, implemented at Borusan Pipe’s Gemlik Facility, received the Second Prize in the Energy Efficiency Category at the 2024 Istanbul Chamber of Industry Green Transformation Awards. The project represents a significant example of integrating energy management, data analytics and digital technologies into manufacturing processes.

As part of the project, the power distribution systems of the induction furnaces were re-evaluated and approximately 350,000 production data records were analyzed using Python-based data analytics. Based on the findings, furnace operating behavior was remodelled, power distribution was optimized, and machine learning-based automatic minimum power optimization applications were integrated into the manufacturing process.

As a result, CO₂ emissions per unit of production were reduced by 4.93%, preventing approximately 651 tons of CO₂e emissions annually. Annual electricity savings reached approximately 1,176,000 kWh, while

energy consumption per tonne of production decreased from 227.5 kWh to 216.3 kWh. The project also generated annual cost savings of approximately TRY 2.79 million.

One of the project’s distinguishing features is that these improvements were achieved without requiring additional equipment investments, relying instead on data analytics, software applications and in-house technical expertise.





TAKING ACTION FOR THE CLIMATE

• Energy Efficiency and Recovery Program for Utility Facilities

The Energy Efficiency and Recovery Program implemented at the Gemlik Facility aims to improve energy efficiency, reduce greenhouse gas emissions and lower operating costs across compressor systems, boilers, cooling systems and compressed air processes.

The program has delivered the following outcomes:

- Replacing compressed air blowing applications with fan systems resulted in annual savings of 1,508,400 kWh and a reduction of 655 tons of CO₂ emissions.
- Replacing screw compressors with turbo compressors and upgrading low-efficiency boilers to next-generation Scotch boilers achieved annual savings of 1,000,200 kWh of electricity, 215,268 m³ of natural gas, and approximately 858 tons of CO₂ emissions.
- Replacing cooling tower fans with adjustable E-glass fans generated annual electricity savings of 175,000 kWh and reduced emissions by approximately 86 tons of CO₂.

- Eliminating compressed air leakages delivered annual energy savings of 2,225,850 kWh and reduced emissions by approximately 977 tons of CO₂.
- Maintenance costs were reduced through the refurbishment and reuse of pneumatic valves and pistons.
- Reusing treated wastewater in cooling tower make-up systems and implementing localized isolation measures within fire water systems resulted in annual water savings of approximately 36,200 tons.

• OME Line Product-Process Data Matching Project

This project, implemented on the OME production lines at the Gemlik Facility, links critical manufacturing parameters—including welding temperature, pressing force, strip thickness, strip width and alignment—with individual product identification numbers to enable more precise process monitoring.

The system provides operators with real-time monitoring, alarm and data recording capabilities, enabling early detection of process deviations and potential quality issues. As a result, the need for rework and the associated energy consumption are reduced while manufacturing efficiency is improved through optimized energy use.

• SmartPipe - Intelligent Sensor-Integrated Pipe

The SmartPipe project utilizes MEMS-based sensor technologies to monitor stress, deformation and positional data in pipeline systems in real time.

The solution enables early detection of leakage and deformation risks, reduces unplanned shutdowns, optimizes maintenance activities and minimizes associated energy and resource losses. Its multi-point sensing infrastructure enables three-dimensional visualization of pipeline conditions, supporting operational continuity and more effective asset performance management.

Designed for applications in the oil and gas, wastewater and various industrial sectors, the solution has successfully demonstrated measurement accuracy and real-time response capability during Proof of Concept (PoC) studies.

• Regenerative Braking Units

Implemented at Borusan Pipe's U.S. operations, this project aims to improve energy efficiency and reduce operating costs by integrating Yaskawa Regenerative Braking Units (RBUs) into overhead cranes. The initiative was developed to recover the kinetic

energy that is traditionally dissipated as heat during crane braking operations.

RBUs convert braking energy into electrical energy and feed it back into the facility's power system, thereby reducing overall electricity consumption. The system is also expected to reduce electricity costs while minimizing mechanical wear and extending equipment lifetime.

The project is being implemented through the collaboration of the maintenance department, automation engineers and project management teams, covering compatibility assessment, installation planning, employee training and post-commissioning performance monitoring.

Following full implementation, project performance will be evaluated based on key indicators including energy consumption, cost savings and maintenance efficiency. The project is expected to support Borusan Pipe's sustainability objectives and contribute to reducing its carbon footprint.



TAKING ACTION FOR THE CLIMATE



Year	Scope 1	Scope 2	Total	tCO ₂ e per Ton of Production	Improvement (%) vs. 2021 Baseline
2021	21,762.10	45,727.51	67,489.61	0.1183	-
2022	18,644.29	46,833.35	65,477.65	0.1051	11.21%
2023	16,245.52	42,680.26	58,925.78	0.1008	14.80%
2024	15,759.45	42,703.81	58,463.27	0.1035	12.53%

Facility	Scope 1 Emissions (tCO ₂ e)	Scope 2 Emissions - Location-based (tCO ₂ e)	Scope 2 Emissions - Market-based (tCO ₂ e)
Borusan Birleşik Boru Fabrikaları San. ve Tic. A.Ş. - Headquarters	612.91	325.50	325.50
Borusan Birleşik Boru Fabrikaları San. ve Tic. A.Ş. - Halkalı Plant	6,503.99	8,694.47	0.00
Borusan Birleşik Boru Fabrikaları San. ve Tic. A.Ş. - Gemlik Plant	9,260.84	31,979.04	0.00
Borusan Birleşik Boru Fabrikaları San. ve Tic. A.Ş. - Bursa Service Center	22.19	972.14	972.14
Borusan Pipe U.S.	28,020.75	13,605.35	13,605.35
Borusan Berg Pipe Panama	2,734.64	4,562.35	4,562.35
Borusan Berg Pipe Mobile	1,103.20	6,339.21	6,339.21
Borusan Vobarno Tubi S.p.A.	4,210.63	1,125.05	1,125.05
Borusan Tube Products	-	94.81	94.81
Total	52,469.39	67,697.92	27,024.41

TAKING ACTION FOR THE CLIMATE

Circular Economy and Waste Management

Borusan Pipe integrates circular economy principles into its operations to improve resource efficiency and minimize waste generation. Through waste reduction at source, reuse and recovery practices, the Company aims to reduce its environmental impacts while creating economic value.

All waste management activities are carried out in accordance with the ISO 14001 Environmental Management System and in compliance with applicable environmental legislation. Waste is transferred to licensed recovery and recycling companies in line with regulatory requirements, while suitable waste streams are managed through recycling, reuse and upcycling practices.

The environmental and economic impacts of circularity initiatives are regularly monitored and evaluated through the Company's management systems. The results are tracked systematically and communicated transparently to stakeholders.

Featured Circular Economy and Waste Management Projects

Ongoing Projects

“A Future Like Medicine!” Social Responsibility Project (2022-ongoing)

Unused, unopened, and unexpired medications are systematically collected and distributed to those in need; expired medications are disposed of in accordance with medical waste regulations. The goal is to both convert usable medications into a social benefit and prevent pharmaceutical waste from entering the environment.

As of early 2025, more than 14,000 medications have been collected under the project, 11,000 of which have been distributed to individuals in need. Medications that were no longer usable were disposed of as medical waste, contributing to the

reduction of environmental risks. The project is among the initiatives that combine the circular economy approach with social benefit.

B'design - Advanced Recycling Design Initiative (2023-ongoing)

The B'design project, which aims to transform discarded and second-grade pipes into industrial design products, brings together the fields of the circular economy, innovation, and talent development. The products developed as a result of design workshops conducted in collaboration with universities were produced without the use of additional raw materials and have contributed to a more efficient use of resources. The project also provides an opportunity to explore different applications of the circular economy approach.

Assistant App (2021-ongoing)

Originally developed for emergency management, the Assistant app has evolved over time into a digital platform that enhances operational efficiency and supports the reduction of environmental impacts. The app's car-sharing feature helps reduce transportation-related emissions, while the digital business card module reduces paper consumption, and the meeting room reservation system ensures efficient resource utilization.





TAKING ACTION FOR THE CLIMATE

2024 Circular Economy Initiatives

Separator Blades through Circular Production:

A Second Chance for Waste

At Gemlik Operations, the separator blades used during the slitting process are remanufactured from waste saws and reintroduced into the circular economy. Under this initiative, in which each saw can be converted into approximately four separator blades, an average of 240 blades are produced annually. The project has resulted in annual cost savings of approximately USD 60,000 while also reducing the need for new raw materials.

Automatic Dosing System for Varnish Lines

As part of a project carried out at the Gemlik facility, solvent-based varnish systems were converted to high-capacity IBC systems. Thanks to this initiative, the generation of 3,040 metal drums and 8,047 plastic pails of waste was prevented in 2023. The system was made permanent in 2024, resulting in a 33% reduction in metal drum waste generated from the use of solvent-based varnishes. In addition to reducing waste, the initiative also provided benefits in terms of storage space utilization and occupational health and safety.

Acid Regeneration

As part of a project launched in 2023 and continued in 2024 at Borusan Pipe's facility in Italy, efforts were undertaken to repurpose materials used in acid pickling processes through regeneration methods. Thanks to this approach, a 50% reduction in hazardous waste disposal was achieved.

The iron sulfate byproduct resulting from the regeneration process was recognized as a product with economic value and incorporated into the circular economy. The project generated both environmental and economic benefits by achieving a 66% reduction in waste disposal costs.

Reusable and Biodegradable Earplugs

Launched in 2024 at Borusan Pipe's Panama City facility, the project aims to reduce the amount of waste generated by single-use earplugs. As part of the project, reusable earplugs were provided to salaried employees, thereby reducing the need for single-use products. For hourly workers, traditional earplugs were replaced with biodegradable alternatives.

Biodegradable earplugs made from bio-based materials have a lower carbon footprint compared to traditional products. This approach contributes to sustainable waste management practices by supporting the goals of conserving resources and reducing waste.

Circular Business Models and Economic Contribution

In 2024, Borusan Pipe implemented various initiatives supporting the circular economy approach and achieved both environmental and economic benefits through these efforts.

In this context:

- Natural gas consumption was reduced by reusing waste heat from hot water boilers, resulting in an economic benefit of approximately USD 52,000.
- An economic benefit of TRY 116,545 was achieved through the recovery of grit blasting waste.
- Approximately EUR 27,000 in value was created by repurposing bearings that had been idle in warehouse stock for 1-5 years through upcycling initiatives.
- The recovery of hydraulic oils sent to the landfill generated an economic benefit of approximately USD 5,000.

ENVIRONMENTAL- ECONOMIC

Borusan Pipe implemented various initiatives supporting its circular economy approach throughout 2024, generating both environmental and economic value through these efforts.



TAKING ACTION FOR THE CLIMATE

Quantities by Waste Type (TR Locations)	Unit	2022	2023	2024
Total Hazardous Waste Volume	metric tons	7,719	10,507.5	8,519.88
Total Non-Hazardous Waste Volume	metric tons	43,484.5	28,484.8	44,392.255
Total Waste	metric tons	51,203.5	38,992.3	52,912.135
Waste Management by Disposal Method	Unit	2022	2023	2024
Recycling	metric tons	43,336.6	28,272.6	33,657.64
Landfill Controlled Disposal	metric tons	586.3	603.2	0.33
Energy Recovery	metric tons	7,173.9	10,115.3	7,703.55
Waste Incineration	metric tons	109.6	1.2	-

Circular Economy and Future Perspectives

The circular economy approach stands out as one of the key approaches supporting sustainable development through the efficient use of resources, the reduction of waste generation, and the extension of product lifecycles. Advances in digitalization, data analytics, automation, and artificial intelligence technologies are contributing to the more effective implementation of circular economy practices.

As resource efficiency, the sharing economy, and reuse and recycling practices become more widespread on a global scale, production and consumption models are also undergoing a transformation. This transformation offers businesses opportunities to both reduce their environmental impact and create new value.

Borusan Pipe views the circular economy approach as a key component of its efforts focused on innovation, digitalization, and sustainability. Initiatives aimed at the efficient use of resources, the revaluation of waste, and the improvement of operational efficiency support the company's long-term value creation strategy.

In this context, Akın Eren, BH Circular Economy Thematic Group Leader and Borusan Pipe Türkiye Strategic Transformation Project Director, assesses the impact of the circular economy approach on technological, economic, and social transformation in his article titled "The Future: The Stone Age or The Jetsons?" While highlighting the potential effects of developments such as artificial intelligence, automation, and the sharing economy on future business models, Eren emphasizes the need to consider the ethical and social dimensions of this transformation.





TAKING ACTION FOR THE CLIMATE

Water Management

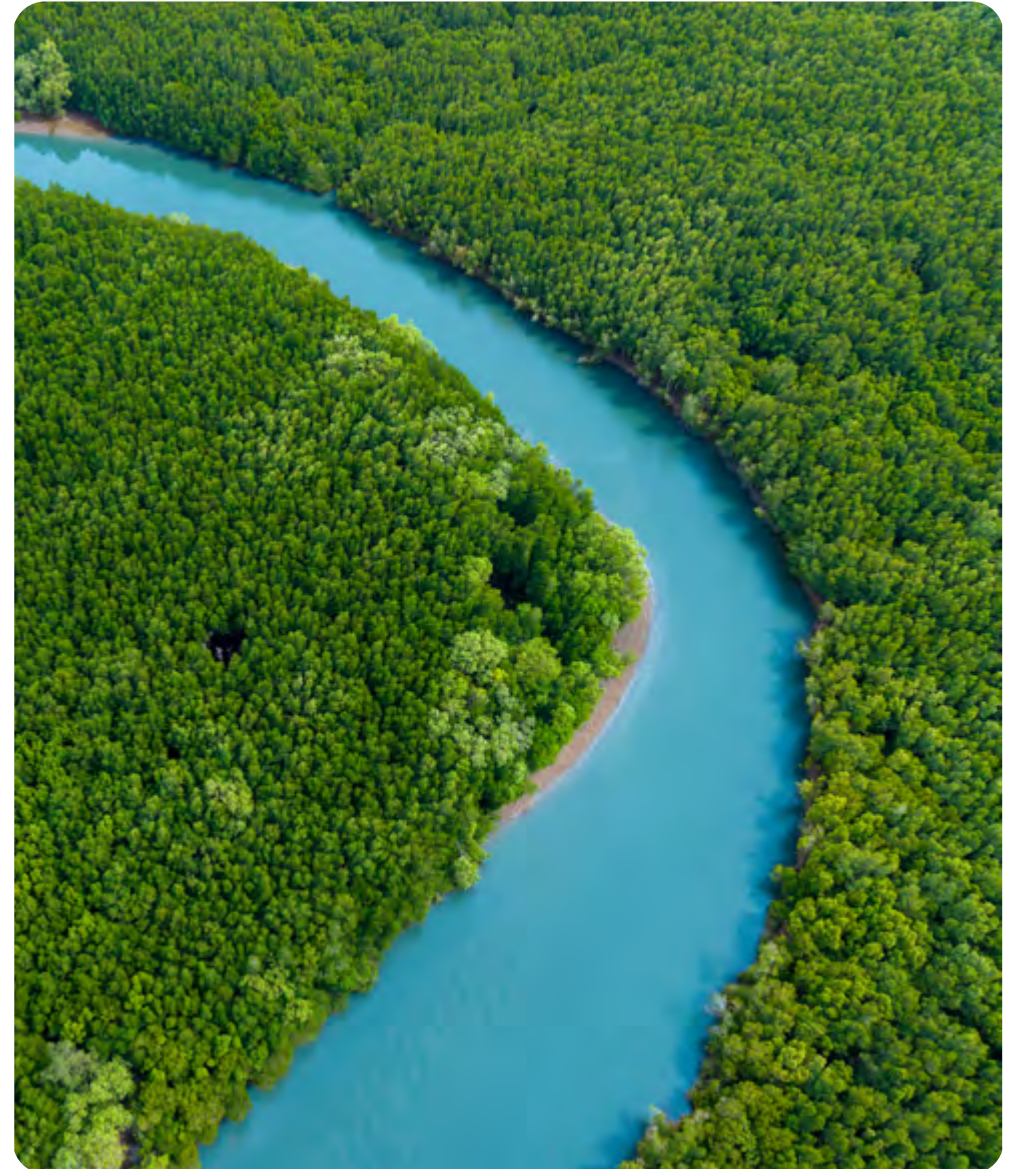
Borusan Pipe considers the effects of climate change on water resources among its strategic priorities; it adopts a holistic approach to the efficient use, recovery, and sustainable management of water in its production processes. The company's water management strategy is shaped in accordance with the TSRS 1 and TSRS 2 standards, the ISO 14046-1:2014 Water Footprint Standard, and the CDP Water Program methodologies.

In this context, water consumption and discharge data are verified annually by independent third parties, and short-, medium-, and long-term risks and opportunities are systematically assessed in line with climate scenarios and Climate Scale analyses.

To ensure the efficient use of water resources at all production facilities, water sourced from various sources such as well water, municipal water, water transported by tanker, and drinking water—is used in a controlled manner and reused in processes after passing through treatment systems. Treated wastewater is discharged in a controlled manner into sewer systems or the sea in accordance with applicable environmental regulations.

To enhance the traceability of water data, the company has strengthened its digital infrastructure and begun monitoring operational data through Power BI-based dashboards. As of 2023, water data has been certified according to the ISO 14046-1:2014 standard, and independent third-party verification processes under the CDP Water Program have been completed.

BORUSAN PIPE ADOPTS A HOLISTIC APPROACH TO THE EFFICIENT USE OF WATER IN PRODUCTION PROCESSES, WATER REC , AND SUSTAINABLE MANAGEMENT.



TAKING ACTION FOR THE CLIMATE

Borusan Pipe is expanding the use of closed-loop systems, water recovery technologies, and process optimizations in its production processes to mitigate water scarcity risks. Thanks to the treatment systems installed at its facilities, water from production processes is reused; this aims to reduce both freshwater consumption and the volume of wastewater.

Borusan Pipe's production facilities in Türkiye are located in the Marmara Region (Gemlik, Halkalı, and İzmit). Given the water stress risks in the region, water management is treated as a strategic issue by the company.

As of 2024, as part of the initiatives carried out at the Gemlik Facility:

- An annual water savings of 36,200 metric tons has been achieved by using reclaimed wastewater in cooling towers and fire suppression systems.
- Approximately 6,200 m³/year of additional water savings have been achieved through condensate recovery.

With these systems expected to be fully operational by 2025, the amount of water recovered is projected to increase further. Water recovery projects also contribute to reducing energy consumption.

As part of the Oil-Water Separator Project being carried out at Borusan Pipe's facility in Panama City, USA, the existing system is being upgraded with ASME-certified technology that offers higher filtration capacity. The project will enable the reuse of treated water and aims to save over 100,000 gallons of water annually. In addition, the project helps ensure compliance with relevant environmental and regulatory requirements.

At the Gemlik facilities, investment in a new biological wastewater treatment plant began in 2024 with the aim of upgrading the existing treatment plant in terms of capacity and technology. The plant, which will have a daily capacity of 350 m³, is intended to enable more advanced treatment of industrial and domestic wastewater, reduce environmental

impacts, and support a sustainable water management approach.

Assessments conducted in line with Climate Scale analyses have determined that some regions where Borusan Pipe operates are at high risk of water stress in the medium and long term. For this reason, water management activities are addressed not only with a focus on operational efficiency but also from the perspective of adaptation to and resilience against climate change.

In this context:

- In the short term, priority is given to operational efficiency, increasing recovery rates, and ensuring discharges comply with regulations.
- In the medium term, the focus is on developing water footprint management and reporting processes.
- In the long term, investments in climate-resilient infrastructure, the use of alternative water sources, and supply chain resilience are among the strategic priorities.

The fact that the per capita share of renewable water resources in Türkiye stands at approximately 1,400 m³ underscores the importance of effective water resource management. In this regard, Borusan Pipe views water management not merely as an operational issue, but as a strategic sustainability material issue that must be addressed throughout the value chain.

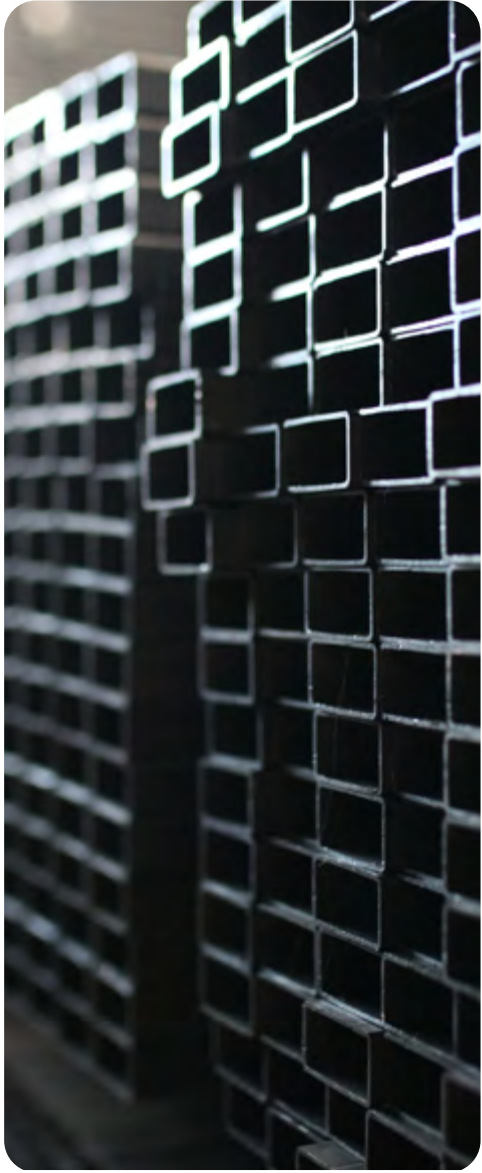
The company supports the widespread adoption of water efficiency practices through collaborative efforts with suppliers and customers, as well as data sharing and awareness-raising activities. Water management initiatives are continuously developed with the aim of reducing environmental impacts, increasing resource efficiency, and strengthening resilience against climate risks.

BORUSAN PIPE IS WIDELY IMPLEMENTING CLOSED-LOOP SYSTEMS, RECYCLING TECHNOLOGIES, AND PROCESS OPTIMIZATIONS IN ITS PRODUCTION PROCESSES TO MITIGATE WATER SCARCITY RISKS.



TAKING ACTION FOR THE CLIMATE

Country	City / Facility	Water Withdrawn from Source (m³)	Drinking Water Intake (m³)	Domestic Discharge (m³)	Industrial Discharge (m³)	Total Discharge (m³)	Reclaimed / Gray Water (m³)
Türkiye	Gemlik	262,770	768	61,079	33,589	94,668	28,178
	Halkalı	48,985	177	19,487	11,619	31,106	8,896
	Central (Istanbul)	1,867	40	1,907	-	1,907	1,907
	ABKY	1,984	49	1,839	-	1,839	5,044
Türkiye Total		315,606	1,034	84,312	45,208	129,520	44,025
United States	Panama City	8,311	82	24,131	3,353	27,484	-
	Mobile	50,987	49	21,064	1,999	23,063	-
	Houston	54,140	55	41,078	-	41,078	-
U.S. Total		113,438	186	86,273	5,352	91,625	-
Italy	Vobarno	414,902	4,032	4,746	374,222	378,968	-
Romania	Ploiești	2,696	21	532	-	532	-
Europe Total		417,598	4,053	5,278	374,222	379,500	-
GRAND TOTAL		846,642	5,273	175,863	424,782	600,645	44,025





TAKING ACTION FOR THE CLIMATE

Protection of Nature and Biodiversity

Biodiversity is one of the fundamental elements of the healthy functioning of ecosystems, the sustainable use of natural resources, and the continuity of economic activities. Climate change, the loss of natural habitats, and pressures on resource use, however, pose significant risks to biological diversity. Accordingly, the protection of nature and biodiversity is among the core elements of the Borusan Group's sustainability approach.

Borusan Pipe is systematically advancing its efforts to protect biodiversity as part of its efforts to combat climate change and manage environmental impacts. The company views the protection of ecosystems and the sustainable use of natural resources as a key component of its long-term value creation approach. In this context, it is implementing initiatives that address the impacts on both the climate and nature.

Borusan Pipe conducts Environmental Impact Assessment (EIA) processes prior to making investments to evaluate the potential impacts of its activities on ecosystems. As of 2024, these efforts have been developed in line with the TNFD (Task Force on Nature-related Financial Disclosures) framework; the goal is to more systematically assess nature-related impacts, dependencies, risks, and opportunities throughout the value chain.

The company is also developing its practices in alignment with the GRI 101 Biodiversity 2024 Standard and the TNFD approach. This enables a more comprehensive assessment of the impacts of its operations on biodiversity; the findings are integrated into decision-making processes and guide management practices.

BORUSAN PIPE IS SYSTEMATICALLY ADVANCING ITS EFFORTS TO PROTECT BIODIVERSITY AS PART OF ITS COMMITMENT TO COMBATING CLIMATE CHANGE AND MANAGING ENVIRONMENTAL IMPACTS.





WE TURN DREAMS INTO REALITY

Drawing strength from its deep-rooted values, Borusan Pipe shapes the future while placing people at the center of all its activities. The foundation of the company's success lies in its employees' knowledge, skills, and creativity, as well as a strong corporate culture shaped by a shared purpose. In line with this philosophy, Borusan Pipe fosters an inclusive work environment where diversity is embraced as a strength; it prioritizes enhancing the employee experience and creating equal opportunities for all.

The company's people-centered approach encompasses not only improving working conditions but also creating a safe, supportive, and innovative work environment where employees can realize their full potential. The goal is to equip employees with the skills needed for the future through leadership development programs, talent management practices, initiatives promoting inclusion, and training opportunities supported by digital transformation.



BORUSAN PIPE AIMS TO CREATE A SAFE, INCLUSIVE, FAIR, AND DEVELOPMENT-FOCUSED ECOSYSTEM THAT ENCOMPASSES ITS EMPLOYEES, SUPPLIERS, CUSTOMERS, AND LOCAL COMMUNITIES.



WE TURN DREAMS INTO REALITY

In line with Borusan Holding's "People"-centered approach, Borusan Pipe aims to create a safe, inclusive, fair, and development-supporting ecosystem that encompasses its employees, suppliers, customers, and local communities.

In this context, the material areas of focus are:

- Integrating the principles of human rights, diversity, and inclusion into the corporate culture,
- Continuously improving occupational health and safety practices,
- Protecting employee rights and supporting opportunities for development,
- Expanding talent management, training, and leadership development programs,
- Supporting local development through projects that benefit the community,
- Maintaining safe product and service processes while ensuring customer satisfaction.

Borusan Pipe does not view its "Turning Dreams into Reality" approach as limited solely to corporate goals; it aims to create long-term value through initiatives that support its employees' career development, individual potential, and quality of life. This approach is carried out in alignment with the Borusan Group's people-centered sustainability vision.

People-Centric Corporate Culture

Borusan Pipe builds its corporate success on the value created by its human resources. At the core of the company's culture lies a strong sense of collaboration shaped by its employees' knowledge, competencies, creativity, and shared values. In line with this, Borusan Pipe prioritizes creating a work environment that embraces diversity as a strength and offers inclusive and equal opportunities.

A people-centered approach is not limited to simply improving working conditions. The company focuses on fostering a safe, supportive, and innovative work environment where employees can realize their full potential. Ensuring fair, safe, and healthy working conditions, developing transparent communication channels, and fostering trust-based relationships are among the key elements of this approach.

Borusan Pipe offers leadership programs, talent management practices, and training opportunities supported by digitalization to continuously improve its organizational structure. Through initiatives that strengthen employee engagement, the company supports both corporate goals and individual development processes. In alignment with the strategic human resources practices implemented within Borusan Holding, the company maintains an inclusive and innovative organizational structure that strengthens employee engagement.

Equal Minister Leaders Training

The "Equal Ministers Leadership Training" program, launched to strengthen a leadership approach based on the principles of diversity, inclusion, and equal opportunity, was expanded in 2024 to include field leaders. Forty employees participated in the training as part of the program. The training aimed to increase leaders' awareness of bias and promote an inclusive workplace culture.

My Milk Time Project

Free breast pumps were provided for lactation rooms to support working mothers as they return to work after maternity leave. Conducted in partnership with Philips, the project aims to provide working mothers with hygienic and suitable spaces for use. The project contributes to supporting female employees' transition back to the workforce and raising awareness.

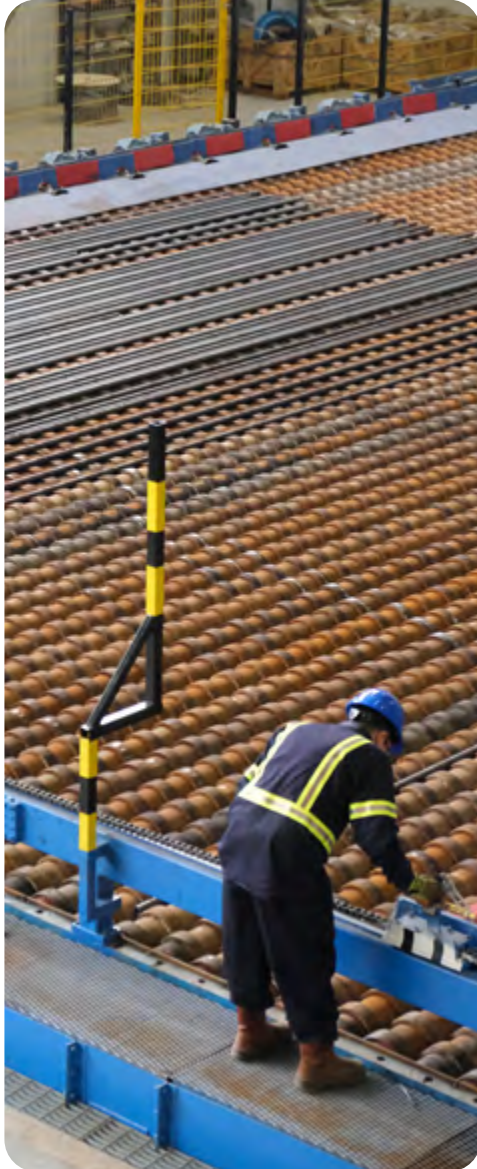
STRONG COLLABORATION

At the core of the company's culture lies a strong sense of collaboration shaped by its employees' knowledge, skills, creativity, and shared values.





WE TURN DREAMS INTO REALITY



Occupational Health and Safety

Borusan Pipe considers the health and safety of its employees to be among its top priorities in the course of its operations. The company's occupational health and safety approach is based on creating safe working conditions, proactively managing risks, and ensuring that all employees embrace a culture of occupational health and safety, in line with the "Zero Workplace Accidents" goal.

The initiatives carried out in this context are not limited to merely meeting legal requirements; they are developed in line with international best practices and a philosophy of continuous improvement. Key areas of focus include creating safe work environments for employees, contractors, and visitors; identifying and controlling risks in advance; reducing risks arising from manual operations; and promoting ergonomic working conditions.

SAFE ENVIRONMENT

Creating safe working environments for employees, contractors, and visitors at Borusan Pipe is a top priority.

In line with the group companies within Borusan Holding, management objectives are integrated into occupational health and safety performance indicators. The continuous improvement approach is supported through on-site inspections, behavior-based observation systems, reporting and reward mechanisms, and awareness programs. Occupational Health and Safety Committees, meanwhile, carry out their activities with the full participation of employee representatives.

Our OHS policy:

- Ensuring safe and healthy working conditions,
- Preventing injuries and health impairments,
- Fostering a sustainable OSH culture through the active participation of employees principles.

In line with this, Borusan Pipe:

- Fully complies with all OHS and environmental protection compliance obligations,

- Identifying all risks that may arise from its operations and reducing them to an acceptable level,
- Minimizing the consumption of natural resources,
- Regularly audits the systems it has established and keeps them open to audits by relevant parties,
- To adopt and implement the principle of continuous improvement

The Occupational Health, Safety, and Environmental Policy is shared with the public via the company's website, corporate newsletters, and bulletin boards located at its facilities. Additionally, the policy is communicated in writing to subcontractors and suppliers working with Borusan Pipe for the first time during the contracting process; compliance by contractors with legal occupational health and safety obligations and internal company practices is monitored.

As an integral part of occupational health and safety management, risks are regularly assessed, mapped, and integrated into operational processes.



WE TURN DREAMS INTO REALITY



AS AN INTEGRAL PART OF OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT, RISKS ARE REGULARLY ASSESSED, MAPPED, AND INTEGRATED INTO OPERATIONAL PROCESSES.

Key risk categories:

- Crushing and pinching risks
- Cutting, piercing, and puncture risks
- Slip, trip, and fall risks
- Risks of being struck by or colliding with materials

These risks are continuously updated based on data collected from the field and are evaluated in conjunction with risk mitigation measures.

Routine and Non-Routine Risks:

- Routine risks are identified through Standard Workflow Forms (SIAF), instructions, and procedures; they are integrated into processes and communicated to all employees. Occupational safety and health (OSH) reports submitted by employees are systematically evaluated and incorporated into this process; implementation is monitored through regular risk assessments and site inspections.
- Non-routine risks are analyzed in detail using forms specific to the type of activity; potential hazards are identified before work begins, specific risk analyses are conducted for non-routine tasks, and necessary preventive measures are taken.

- This systematic approach contributes to the continuous improvement of Borusan Pipe's OSH management system.

Zero Workplace Accident Goal and OHS Practices

As part of efforts toward the zero workplace accident goal in 2024, the following practices have been implemented:

- A site walk-through non-conformance tracking system and the OHS Internal Regulations were implemented.
- Control measures regarding crane safety have been strengthened, and a specialized team has been established.
- The Personal On-the-Job Risk Assessment (KİRD) program has been widely implemented.
- LOTO, color-coding, and Safe Work Systems (SSoW) have been integrated into field operations.
- Systematic and transparent performance management has been supported through QDMS-based tracking of Corrective and Preventive Actions (CPA) and the HSE Scorecard.



WE TURN DREAMS INTO REALITY

- Artificial intelligence-powered image processing systems have been implemented using the ASİSTAN digital emergency management application.

As part of emergency management efforts, training conducted in collaboration with AFAD and investments in equipment have resulted in the Borusan Pipe Search and Rescue Team obtaining “Light Search and Rescue” accreditation and gaining official certification. As a result, the company has strengthened its efforts not only to ensure workplace safety but also to enhance its disaster preparedness and response capabilities.

Borusan Pipe’s occupational health and safety goals include reducing the accident frequency rate by 50% and the accident severity rate by 30%.

In line with these goals, the company continuously improves its policies, processes, and technologies, and continues its efforts to support a safe, healthy, and inclusive work environment.

Motion-Based Digital System for Detecting Unsafe Behaviors and Conditions

A Motion-Based Digital Unsafe Behavior and Situation Detection System, which monitors worker behavior and risky situations using sensor technologies to enhance site safety, has been implemented. The system analyzes worker movements, equipment positions, and environmental safety parameters in real time without requiring manual reporting.

Data obtained from the sensors is evaluated using AI-powered algorithms to:

- Instantly detect hazardous behaviors,
- Identify risky site conditions,
- Generating alerts based on the hazard level,
- and supports field teams in taking swift action.

This digital monitoring infrastructure aims to support worker safety and increase risk visibility. The system enables the identification of recurring unsafe behavior patterns; at the same time, it contributes to the data-driven management of occupational health and safety processes by monitoring high-volume data through digital platforms.

The application serves as an example of efforts to integrate sensor technologies, data analytics, and AI-powered solutions into occupational health and safety processes.

Location-Based Management for In-House Logistics and Occupational Health and Safety

As part of the project developed at the Gemlik facilities, the movements of trailers and tractors, as well as the tracking of visitors and lone workers, are managed in real time. The application aims to increase operational efficiency in on-site logistics and reduce occupational health and safety risks.

Thanks to this solution, planning is supported to prevent downtime during shipping processes, unnecessary vehicle movements are reduced, and inventory traceability is strengthened. Performance is monitored by regularly tracking changes in the number of alarms, as well as fuel and maintenance costs, thereby supporting continuous improvement efforts.

The system’s adaptable structure, which can be tailored to different production areas, enables the solution to be rolled out to a wider range of operations.





WE TURN DREAMS INTO REALITY



The Champion's Approach

The “Champion's Approach” project, launched in 2024 at the Borusan Pipe Baytown Facility, was developed to strengthen the occupational health and safety culture and promote safe behaviors. As part of the project, existing occupational health and safety training programs were

supplemented with visual content, music, and various communication tools to increase employee awareness.

As part of the initiative led by Christopher Champion, video and visual content supporting occupational health and safety messages was produced with the aim of making safety practices more visible in daily work life.

AS AN INTEGRAL PART OF OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT, RISKS ARE REGULARLY ASSESSED, MAPPED, AND INTEGRATED INTO OPERATIONAL PROCESSES.

During the project's implementation period, the Total Recordable Incident Rate (TRIR) decreased from above 2.00 to 0.81 over a seven-year period. This result demonstrates the long-term impact of efforts to develop an occupational health and safety culture.

Fifteen different videos and visual materials were produced as part of the project, and employee participation in the program increased over time. The initiative, sustained with the support of top management, is regarded as one of the tools for strengthening

employees' occupational health and safety awareness.

Borusan Pipe is continuously improving its occupational health and safety management systems in line with its “Zero Workplace Accidents” goal and continues its efforts to create safe working environments for both company employees and contractor staff. The performance indicators for the 2022-2024 period demonstrate the positive results of the initiatives carried out in the field of occupational health and safety.



WE TURN DREAMS INTO REALITY

Indicators (Borusan Pipe TR Data)	Unit	2022	2023	2024
Total Number of Accidents	#	-	254	176
Workplace Accidents Resulting in More Than 3 Days of Absence	#	23	11	14
Accident Frequency Rate	%	6.57	3.48	4.92
Injury Rate (per hour worked)	#	-	-	61.87
Accident Rate (per worker)	%	-	-	11.42
Serious Accident Rate	%	0.26	0.40	0.46
Absenteeism Due to Accidents (cases)	#	-	1,260	1,311
Absences (days)	days	-	15,887	15,573
Lost Workday Rate	%	-	11.58	10.53

- Although the number of workplace accidents resulting in more than three lost workdays decreased compared to 2022, it rose from 11 to 14 in 2024.
- The accident frequency rate stood at 6.57% in 2022, fell to 3.48% in 2023, and reached 4.92% in 2024. These results highlight the importance of continuously monitoring and improving occupational health and safety performance.

Due to social distancing measures implemented during the pandemic, controlled work arrangements, a slowdown in production pace, and reduced work hours, the accident severity rate fell to historically low levels. As production activities approached pre-pandemic intensity levels during the normalization process, the accident severity rate also returned to levels close to those of previous periods. This situation highlights the importance of the relationship between operational intensity and occupational health and safety performance.

Indicators (Borusan Pipe TR Subcontractor Data)	Unit	2022	2023	2024
Total Number of Accidents	#	-	53	40
Workplace Accident Resulting in More Than 3 Days of Absence	#	3	5	0
Accident Frequency Rate	%	4.52	6.36	0
Decrease in Accident Frequency Rate	%	-	-	100
Accident Severity Rate	%	0.20	0.50	0.37
Decrease in Accident Severity Ratio	%	-	-	26
Absences Due to Accidents (cases)	#	-	390	265
Absences (days)	days	-	3,005	6,949
Lost Workday Rate	%	-	3.55	8.58

As of 2024, there have been no work-related accidents among subcontractor employees resulting in the loss of more than three workdays. This result indicates a 100% improvement in the accident frequency rate compared to the previous period.

Borusan Pipe's occupational health and safety performance showed positive progress during the 2022-2024 period, particularly with regard to subcontractor employees. An improving trend was also observed in the total accident frequency rate—which evaluates both company employees and subcontractor workers—throughout the period. However, the accident severity rate increased in 2024. This situation once again highlights the importance of risk management practices during periods of intensified operational activity.

Efforts continue to develop an occupational health and safety approach supported by OHS policies, on-site inspections, digital monitoring systems (QDMS and ASİSTAN), leadership practices, and awareness programs. Within this framework, the goals include focusing on risks arising from non-routine activities, strengthening training programs, and expanding the use of machine automation systems.



WE TURN DREAMS INTO REALITY

Talent Management and Development

Borusan Pipe conducts its talent management and development activities in a way that maximizes the potential of its employees and supports a culture of sustainable development. In this context, an integrated talent management approach is implemented, ranging from recruitment to career planning, and from leadership development to specialized programs.

The company aims to support its employees in setting their career goals, help them acquire the knowledge and skills necessary to achieve these goals, and provide opportunities for them to develop their strengths.

Career Management and Development Approach

The career management process begins with identifying employees' individual career expectations and development goals. Leaders regularly assess the potential of team members; company-wide talent distribution and succession plans are established through committees at various levels. Recognizing that every employee's development journey is unique, Borusan Pipe supports employees in defining their career goals, identifying areas for growth, and developing their strengths.

At Borusan Pipe, development is not limited to training activities conducted only at specific intervals. The development process is supported through project experiences, new responsibilities, regular feedback,

coaching sessions, knowledge-sharing initiatives, and learning platforms. Employees are encouraged to progress in line with the development plans they create together with their managers, and the implementation of these plans and their progress are regularly monitored.

Recruitment and Talent Development

Borusan Pipe is continuously strengthening its talent pool in line with its strategic goals. To attract qualified talent, the company implements effective recruitment processes and runs various programs targeting recent graduates, interns, and experienced professionals. As part of the Borusan Alpha Young Talent Program—developed under the Borusan Group umbrella to attract young talent to the organization at an early stage—students and recent graduates are offered internship, project, and development opportunities.

The Faculty and Specialization Programs, conducted under the Borusan Academy umbrella, support employees' development in both functional and leadership areas. Through these programs, employees are provided with training opportunities that contribute to technical expertise, managerial skills, and career development. Under the

“360° Competency Assessment” system, managers' leadership skills and behavioral competencies are regularly evaluated, and plans are developed to address identified areas for growth. Additionally, through feedback mechanisms integrated with performance management processes, individual contributions are supported to ensure they align with company goals.

Performance and Career Management

Borusan Pipe aims to foster a high-performance culture by establishing a strong link between employees' individual goals and company objectives. In this context, performance evaluation processes focus not only on measuring past performance but also on identifying areas for development. Goal-setting and performance evaluation processes are conducted as a key component of employees' development plans.

Borusan Pipe's talent management approach encompasses not only meeting current organizational needs but also developing future talent. The company's long-term human resources planning is supported by a holistic framework that includes career management, leadership development, expertise programs, and initiatives for young talent.

AT BORUSAN PIPE, AN INTEGRATED TALENT MANAGEMENT APPROACH IS IMPLEMENTED, RANGING FROM RECRUITMENT TO CAREER PLANNING, AND FROM LEADERSHIP DEVELOPMENT TO SPECIALIZATION PROGRAMS.



WE TURN DREAMS INTO REALITY

Talent management and development activities focus on enhancing employees' knowledge, skills, and competencies; creating development plans aligned with corporate goals; and fostering a culture of continuous learning. Training and development programs are tailored to the needs of different employee groups; training based on gender, age, management level, and subject matter is implemented as part of annual planning.

Training and Development Initiatives in 2024

Borusan Pipe carried out comprehensive training and development programs in 2024 to support the continuous development of its employees. The goal was to enhance employees' knowledge, skills, and competencies through technical training, process training, personal development programs, and mandatory legal training.

A total of 41,454 hours of training were conducted throughout the year; 1,706 sessions organized under 508 different topics

reached a total of 7,238 participants. Training activities were conducted both in person and via digital platforms; 302 participants received a total of 2,759 hours of training through the Tech Station Online Training Portal.

Technical and Process Training

As part of the technical training programs organized in 2024 to strengthen technical expertise, a total of 5,037 hours of training were provided to 335 participants. In process training sessions aimed at increasing process efficiency, a total of 12,204 hours of training were provided to 2,826 participants. These training sessions were planned with the goal of achieving operational excellence across various areas, ranging from production to administrative processes.

Personal Development Training

A total of 158 participants took part in personal development training programs designed to support employees' individual growth, with a total of 2,145 hours of training

delivered. The training programs focused on topics such as leadership, communication, teamwork, and personal productivity.

Legal and Mandatory Training

A total of 19,309 hours of training were conducted on topics such as onboarding, occupational health and safety, the environment, and other legal requirements, reaching 3,617 participants. These initiatives aimed to strengthen the culture of occupational health and safety, support legal compliance, and raise environmental awareness.

Culture of Continuous Learning

The training and development activities carried out in 2024 contributed to the development of employees' competencies in various fields. The effectiveness of training programs is regularly monitored and evaluated through performance indicators and participant feedback.

Borusan Pipe considers training and learning initiatives that support employee development to be a key component of its sustainable human resources approach.

A TOTAL OF 41,454 HOURS OF TRAINING WERE CONDUCTED THROUGHOUT THE YEAR; 1,706 SESSIONS COVERING 508 DIFFERENT TOPICS REACHED A TOTAL OF 7,238 PARTICIPANTS.





WE TURN DREAMS INTO REALITY

Employee Rights

Borusan Pipe's corporate culture is rooted in a people-centered approach. Recognizing that its employees are one of the most important factors in its success, the company considers creating a safe, inclusive, participatory work environment that supports continuous development to be among its top priorities. In line with this, the company systematically implements initiatives aimed at enhancing employee satisfaction, engagement, the protection of employee rights, and development opportunities.

Borusan Pipe embraces respect for employee rights as a corporate principle. The company is a member of the Turkish Metal Industry Employers' Association (MESS), and the unionization rate among its employees in Türkiye stands at 81.7%. Additionally, it operates in accordance with the human rights principles of the United Nations Global Compact.

Among the benefits offered to employees are:

- Special health insurance and inpatient treatment options for office employees,
- Annual check-ups and life insurance programs offered with varying coverage levels,
- Retirement plans tailored to seniority levels,
- 14 days of paternity leave

are included.

These initiatives aim to support employees' health and well-being, strengthen work-life balance, and enhance the employee experience.

At Borusan Pipe, employee engagement is monitored as a key indicator of organizational culture development and a sustainable human resources approach. The sustainable engagement score was 72 in 2022, 77 in 2023, and 69 in 2024. The company

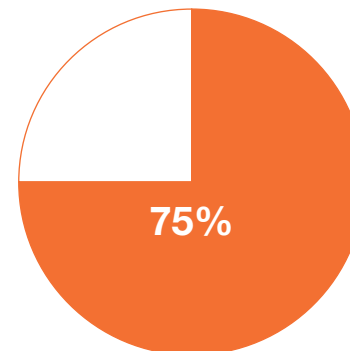
continues to implement initiatives such as mentoring programs, social events, employee feedback mechanisms, and development opportunities to strengthen employee engagement.

Metrics related to employee satisfaction and engagement are regularly monitored, and efforts are made to improve human resources practices based on the results obtained. In 2023, the overall employee engagement and satisfaction rate was measured at 80%; in 2024, evaluations were conducted covering both office and field employees.

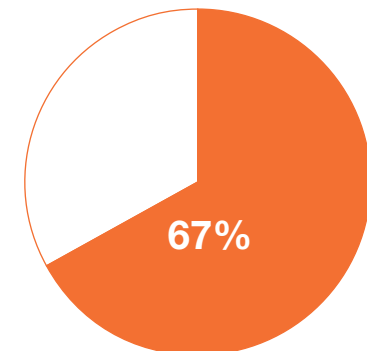


Employee Satisfaction Survey Results

Office employees:



Field employees:



THE UNIONIZATION RATE AMONG EMPLOYEES AT ITS OPERATIONS IN TÜRKİYE STANDS AT 81.7%. FURTHERMORE, THE COMPANY OPERATES IN ACCORDANCE WITH THE HUMAN RIGHTS PRINCIPLES OF THE UN GLOBAL COMPACT.



WE TURN DREAMS INTO REALITY

Based on these findings, the expectations and needs of different employee groups are assessed, and initiatives aimed at enhancing the employee experience are addressed using a data-driven approach. Additionally, improvement efforts focused on the needs of operational teams are being carried out as part of the action plans developed for field employees.

Borusan Pipe continues to implement initiatives such as social events, family-oriented activities, mentoring programs, and feedback mechanisms to strengthen employee engagement and the employee experience. The company considers its employees to be key stakeholders in sustainable growth, innovation, and organizational development.

At Borusan Pipe, compensation and rewards processes are conducted in line with the “Recognition, Appreciation, and Total Rewards Management” approach adopted by the Borusan Group. The Total Rewards Management approach is based on competitive compensation policies and fair reward mechanisms that support performance and encourage employees’ potential to create value. Within this framework, salary, bonuses, benefits, and recognition and appreciation programs are addressed as part of a holistic structure.

In accordance with the methodology applied across the Group, compensation policies are determined by taking into account industry and market data; a fair and competitive structure is established by evaluating the levels of knowledge, skills, experience, and responsibility required for each position. This approach supports the evaluation of employee contributions within a transparent and systematic framework.

In addition to compensation practices, employee performance is also incentivized through reward systems. In this context:

- Supporting high performance,
- Aligned with company strategies,
- Increase the visibility of achievements,
- and that support participation and motivation

are being implemented.

Performance-based bonus systems are implemented in accordance with criteria established by Group companies; both individual contributions and team success are evaluated. The aim of this system is to reward employees who contribute to company goals and to foster a culture of sustainable success.

BORUSAN PIPE CONSIDERS ITS EMPLOYEES TO BE KEY STAKEHOLDERS IN SUSTAINABLE GROWTH, INNOVATION, AND CORPORATE DEVELOPMENT.





WE TURN DREAMS INTO REALITY

Creating Social Value

Borusan Pipe considers contributing to the social, cultural, and environmental development of society—in addition to creating economic value in the areas where it operates—to be one of its primary responsibilities. In this regard, the company aims to contribute to social development through initiatives in the fields of education, culture, and the arts.

In line with the strong relationships it has built with the community and its deep-rooted corporate culture, Borusan Pipe carries out its social responsibility initiatives with a focus on long-term value creation. The company places a central emphasis on a volunteer-driven approach in projects developed in collaboration with its stakeholders, supporting the creation of social benefits through the participation of employees, business partners, and the community. The initiatives carried

out within this framework are not limited to financial contributions but also focus on strengthening social awareness and participation.

In 2024, Borusan Pipe's social benefit initiatives centered on projects supporting equal opportunities in education, partnerships that help bring culture and the arts to wider audiences, and volunteer activities. As part of the Corporate Volunteer Program, employees participated in projects that contribute to children's education, support the preservation of cultural heritage, and strengthen social solidarity.

The company also prioritizes projects addressing the needs of local communities in alignment with the social investment approach of the Borusan Kocabiyık Foundation and Borusan Holding. The goal is for these initiatives to generate long-term social impact and produce measurable outcomes.

As part of its 2030 Sustainability Strategy, Borusan Pipe places inclusive development goals at the center of its social impact initiatives. Empowering women, supporting young people through education, and increasing access to culture and the arts are among its material areas of focus. In this context, the company implements initiatives that support women's participation in economic and social life and strengthen equal opportunities.

The social benefit approach constitutes one of the key elements of Borusan Pipe's corporate values. The company continues its initiatives in the areas of volunteerism, support for culture and the arts, and inclusive social development.

GUIDED BY ITS STRONG RELATIONSHIP WITH THE COMMUNITY AND ITS DEEP-ROOTED CORPORATE CULTURE, BORUSAN PIPE CONDUCTS ITS SOCIAL RESPONSIBILITY INITIATIVES WITH A LONG-TERM VALUE CREATION APPROACH.





INSPIRING THE FUTURE WITH I³

In line with “Innovation,” Borusan Holding’s third strategic focus, Borusan Pipe is dedicated to supporting technological transformation and developing sustainable business models. The company aims to develop its operations and value chain in alignment with global sustainability goals and continues its efforts in the areas of innovation, digitalization, and governance accordingly.



In this context;

- Investments in digital transformation, data security, and cyber resilience,
- Sustainable supply chain practices, ethical business principles, and certification processes,
- Strengthening corporate governance and regulatory compliance mechanisms,
- The use of sustainable financing tools,
- Supporting sectoral transformation through the entrepreneurial ecosystem and innovative partnerships,
- Customer satisfaction management and the continuous monitoring of service quality are among our top priorities.

BORUSAN PIPE FOCUSES ON SUPPORTING TECHNOLOGICAL TRANSFORMATION AND DEVELOPING SUSTAINABLE BUSINESS MODELS.





INSPIRING THE FUTURE WITH I³

R&D and Innovation

In line with “Innovation”—Borusan Holding’s third strategic focus—Borusan Pipe positions technological transformation and sustainable value creation as key elements of its long-term growth strategy. The company aims to continuously improve its operations and value chain by developing innovative business models, provide more effective solutions to customer expectations, and support its sustainable growth targets.

This approach encompasses not only the enhancement of existing business practices but also the implementation of new products, processes, and business models that will contribute to the transformation of the industry. Borusan Pipe aims to increase its competitive strength and operational efficiency through digitalization, data-driven decision-making, sustainable production practices, and ecosystem partnerships.

The initiatives being carried out in this context include:

- Investments in digital transformation, data security, and cyber resilience,
- Sustainable supply chain practices, ethical business principles, and certification processes,
- Strengthening corporate governance and regulatory compliance mechanisms,
- Sustainable financing practices,
- The entrepreneurial ecosystem and innovative partnerships,
- Customer satisfaction management and service quality improvement,
- Value-added product development and process innovation

are the areas of focus.

Borusan Pipe views innovation as one of the key elements of competitive strength, efficiency, and sustainable value creation. In line with this, the company carries out product development initiatives tailored to customer and industry needs, implements digital transformation initiatives, and executes sustainability-focused innovation projects.

Innovation activities are supported by collaborative efforts carried out under the Factory Innovation Network umbrella, with the participation of internal and external stakeholders. The FutureUP Program, which is designed to foster an internal culture of innovation, enables employees to turn their innovative ideas into projects through a structure that includes training, workshops, and project development phases. Ideas developed within the program are evaluated during three-month sprint periods and transformed into viable projects.

Borusan Pipe does not limit its innovation activities solely to the development of new technologies; it also evaluates them with the aim of improving processes, enhancing digital capabilities, supporting sustainability goals, and creating shared value with stakeholders. This approach contributes to strengthening the company’s long-term value creation capacity.



BORUSAN PIPE, AIMS TO ENHANCE ITS COMPETITIVE STRENGTH AND OPERATIONAL EFFICIENCY THROUGH DIGITALIZATION, DATA-DRIVEN DECISION-MAKING, SUSTAINABLE PRODUCTION PRACTICES, AND ECOSYSTEM COLLABORATIONS.



INSPIRING THE FUTURE WITH I³

2024 Innovation Projects

AutoMate: RoboWorker

Launched by Borusan Pipe in 2024, the AutoMate: RoboWorker project was developed to increase the use of digital transformation and automation technologies in pipe production processes. The project aims to automate the processes of attaching sleeves and caps to pipe ends using image processing technologies and robotic systems. By performing three-dimensional analyses of products via a Cartesian system, process accuracy has been improved and the risk of human error has been reduced.

In this project, the lubrication process—which was previously performed using a traditional application method—was converted to a spraying technique; three-dimensional images of the sleeves located on irregular pallets were generated to enable the robot to select the appropriate sleeve. Inspired by applications in the chemical and food industries and adapted to pipe production processes, this solution has reduced operators' exposure to ergonomic risks and improved occupational health and safety conditions. As part of the project, a labor savings of 1 man-day per shift was achieved, and a 10% reduction in dope oil and varnish consumption was realized, thereby reducing the use of chemical materials and the associated carbon footprint. Additionally, by reducing the risk of human error, more consistent results have been achieved in production processes.

ThreadVision

Launched by Borusan Pipe in 2024, the ThreadVision project was developed to digitize quality control of threading operations in pipe production processes using image processing technologies. The project aimed to automate the manual thread inspection—previously performed on every seventh pipe on the production lines—and to strengthen quality assurance processes.

Thanks to the image processing algorithms used in the project, pipe threads are automatically scanned and analyzed. The system detects deviations, damage, and nonconformities in the thread profile in real time, enabling the early identification of nonconforming products. Labor efficiency has been enhanced by reducing the need for manual inspection. It is projected that if the system operates at 70% efficiency, 152 metric tons of pipe will be recovered annually, resulting in savings of approximately USD 90,000. Furthermore, the ability to perform 100% inspection contributes to enhancing product quality and meeting customer expectations.

CutSafe

The CutSafe project, launched by Borusan Pipe in 2024, was developed to implement a predictive maintenance approach in pipe-cutting processes. The project was designed to reduce production losses and scrap rates caused by saw wear.

As part of the project, data collected via vibration sensors integrated into the pipe-cutting saws is gathered on a centralized online monitoring platform. This data is analyzed using AI-powered algorithms to determine the saw's wear status and identify potential failure risks in advance. This supports the transition from a reactive to a proactive approach in maintenance processes.

The project aims to reduce unplanned downtime and support production continuity. While contributing to the reduction of cutting errors and scrap rates caused by saw wear, the project also aims to optimize maintenance processes through early failure detection. The payback period for the investment is projected to be approximately two months, with the goals of improving cut quality and increasing operational efficiency.

Robo SafeTest

The Robo SafeTest project, developed entirely with in-house resources by Borusan Pipe in 2024, aims to use robotic systems to perform sample collection, cutting, and hydrostatic testing on pipes reaching temperatures of approximately 700°C on the SRM line. As part of the project, high-risk operations such as cutting hot pipe samples and conducting crushing and expansion tests have begun to be carried out using automation systems.

While there are examples worldwide of pressure testing being performed using robotic systems, the application of cutting hot samples and testing them simultaneously sets this project apart from a technical standpoint. This has reduced workers' exposure to risks arising from high temperatures, falling pipes, and pressure testing operations. The goal is to adapt the knowledge gained from this project to other production processes as well.



INSPIRING THE FUTURE WITH I³

NoMoreChattering

Developed by Borusan Pipe in 2024, the NoMoreChattering project was designed to reduce surface defects and quality issues caused by breakage during the cold drawing process. The project uses vibration sensors and an adaptive speed control system to monitor vibrations generated during the drawing process in real time.

The system automatically reduces the production speed if vibration levels exceed specified limits, and allows the speed to be increased when conditions are appropriate. The goal is to both maintain product quality and support production efficiency. It was observed that quality issues—which had resulted in approximately 50 metric tons of scrap during the 2021-2023 period—were eliminated following the project, and the need for personnel intervention in the event of machine breakdowns was reduced.

FutureUP

Launched by Borusan Pipe in 2024, the FutureUP Program was created to support employees in developing their innovation skills and transforming their individual ideas into projects aligned with company strategies.

The program consists of training programs covering innovation and creativity, technical competencies, business acumen, and leadership; collaborations with universities, startups, and technology parks through the Factory Innovation Network; and sprint initiatives that translate ideas into project development processes.

More than 150 employees are actively participating in the program, working on various projects in the areas of cost optimization, customer experience, new product development, and customer financing. FutureUP encourages employee participation in innovation processes while contributing to the development of an internal innovation culture and supporting the company's long-term transformation goals.

A sustainability perspective is treated as an integral part of Borusan Pipe's innovation approach. Through projects such as "Boşa

Gitmesin," efforts have been made to reduce energy consumption in annealing processes, improve chemical usage, and reduce the carbon footprint at both the product and process levels. Furthermore, ethical business principles, data security, and cyber resilience standards are managed in an integrated manner alongside sustainable procurement and certification processes.

In the coming period, the company aims to introduce new pipe types tailored to customer and market needs, implement advanced coating technologies, expand the use of digital twin and autonomous quality control applications, and enhance its product portfolio in line with EPD and green building certifications. In addition, plans are in place to increase joint development efforts with startups and university partnerships, and to track the financial impacts of innovation more systematically through metrics such as cost savings, revenue contributions, and carbon reduction.

This holistic approach contributes to supporting technology-driven transformation, improving operational efficiency, and advancing sustainable growth objectives.

The R&D budget is directed toward strategic areas such as the digitization of production processes, the implementation of efficiency-enhancing technologies, product development activities, automation applications, data security, and sustainability-focused initiatives. Projects carried out within this scope support not only operational improvements but also goals aimed at reducing the carbon footprint.

Although there is no separate financial breakdown for R&D expenditures related to low-carbon products and services, the projects being developed are carried out using an integrated approach aligned with carbon reduction and sustainable production goals. For this reason, the share of R&D expenditures for low-carbon products in total revenue is not reported separately. Similarly, no separate calculation is made regarding the revenue generated from these products.

To strengthen Borusan Pipe's intellectual capital and support the sustainability of its innovation activities, patent-related work is carried out in coordination with the relevant departments. In this context, patent research was conducted for seven different projects in 2024, and a formal patent application was filed for one project.



INSPIRING THE FUTURE WITH I³

Technology and Digital Transformation

In line with rapidly evolving global technology trends, Borusan Pipe continued its digital transformation efforts in 2024 and continued to integrate Industry 4.0 applications into its production processes. The work carried out in this context was organized under five main headings:

1. Increased Workplace Safety and Productivity Through Robotic Automation

By supporting manual processes with automation systems, the company aimed to reduce employees' exposure to ergonomic risks, increase operational efficiency, and minimize the risk of errors in production processes. As of 2024, robotic systems have been implemented in processes requiring high precision, such as sleeve fitting.

2. AI-Powered Data Analytics and Quality Control

Artificial intelligence and image processing technologies have been utilized in source traceability, scrap detection, and quality measurement processes. These applications are designed to enable more effective monitoring of production processes, optimize raw material usage, and support quality performance.

3. Predictive Maintenance and Process Optimization with Smart Sensor Technologies

Predictive maintenance applications developed using vibration and acoustic sensor technologies aim to monitor equipment performance and detect potential failures in advance. These efforts help reduce unplanned downtime and support operational continuity.

4. Digitalization and Sustainability

Through the digitization of visitor processes, cloud-based data management applications, and initiatives to reduce paper usage, operational efficiency has been enhanced while also supporting sustainability goals.

5. Security and Emergency Management

With the Assistant Mobile App, which was launched in 2024, the goal is to quickly verify the status of employees and effectively coordinate crisis response during extraordinary situations such as earthquakes, fires, and floods.

As part of efforts in the area of data security, there were no instances of data loss or breaches of customer privacy during the 2024 reporting period.

Regular backups and disaster recovery (DR) tests conducted on the information technology infrastructure are intended to support business continuity, data security, and operational resilience.

BORUSAN PIPE CONTINUED ITS DIGITAL TRANSFORMATION EFFORTS IN 2024 AND CONTINUED TO INTEGRATE INDUSTRY 4.0 APPLICATIONS INTO ITS PRODUCTION PROCESSES.



INSPIRING THE FUTURE WITH I³

The B'Unity Program

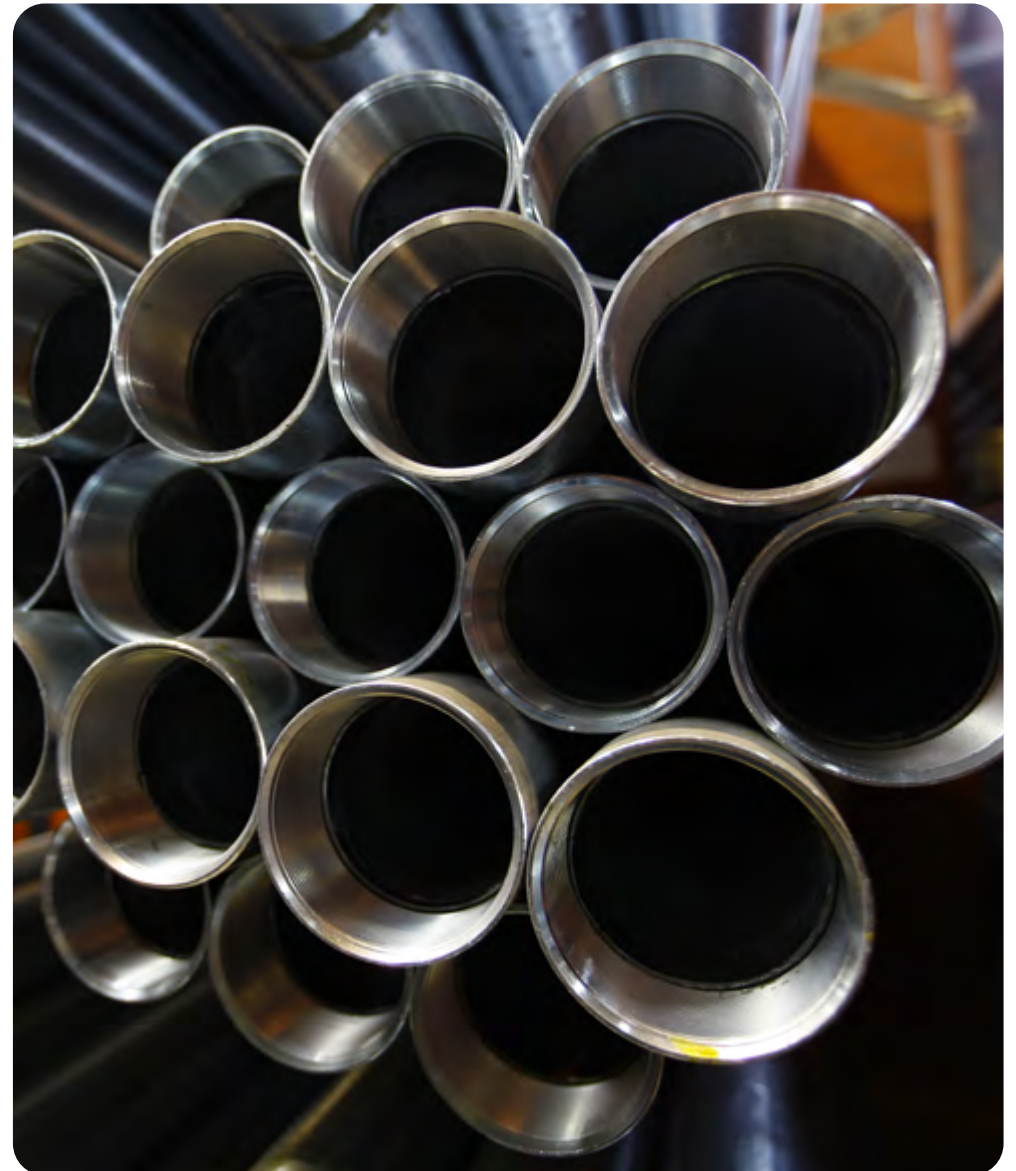
The B'Unity Program is a strategic transformation program aimed at enhancing process standardization, data consistency, and operational efficiency by implementing SAP transformation across Borusan's various business units through a holistic approach. The program is carried out using a comprehensive methodology that encompasses the analysis, design, development, testing, and go-live phases. Spanning the years 2023-2027, this transformation process supports the company's digitalization goals and aims to create a more integrated structure across global operations.

As part of the first phase, which began in February 2023, a significant milestone was reached on February 14, 2024, with the successful go-live of the BBP system. During this process, over 900 test scenarios were executed, and no system-related issues were identified that would prevent the go-live.

The final phase, scheduled for completion in March 2027, aims to implement the SAP transformation across Borusan's European operations. This phase is intended to enable more integrated management of processes across the company and to strengthen the digital infrastructure.

The progress achieved throughout the B'Unity Program has been supported by effective project management, user engagement, comprehensive testing processes, and a systematic implementation approach. As a key component of Borusan's digital transformation journey, the program contributes to the standardization of processes, the strengthening of data management, and the improvement of operational efficiency.

THE B'UNITY PROGRAM SUPPORTS THE COMPANY'S DIGITALIZATION GOALS AND AIMS TO CREATE A MORE INTEGRATED STRUCTURE ACROSS GLOBAL OPERATIONS.





INSPIRING THE FUTURE WITH I³

Sustainable Supply Chain Management

Borusan Holding considers the adoption of its sustainability philosophy by business partners and stakeholders to be one of its top priorities and aims to disseminate this approach throughout the value chain. In this context, the focus is not only on managing the environmental and social impacts arising from direct operations but also on improving the sustainability performance of the supply chain.

Geopolitical and socioeconomic developments on a global scale have heightened the importance of resilience and risk management in supply chains. Accordingly, the Borusan Group has positioned risk analysis and the development of sustainable practices as strategic priorities in supply chain management.

The Sustainable Procurement Policy, published in 2023, was developed to communicate Borusan's approach to sustainability to its business partners and to

manage the supply chain in accordance with environmental, social, and governance (ESG) principles. Under this policy, the sustainability criteria expected of suppliers have been defined, and assessment and monitoring mechanisms have been established.

In 2024, the scope of these initiatives was expanded; the number of suppliers assessed doubled compared to the previous year, and more comprehensive data on suppliers' sustainability practices was collected. The process, which began with form-based assessments, is being integrated into procurement decision-making mechanisms and rolled out in line with the Sustainable Procurement Policy.

Borusan Pipe is also integrating its sustainability efforts into the supply chain in line with this approach. The initiatives carried out under the Sustainable Procurement Policy focus on the responsible management of the supply chain and the efficient use of resources.

Borusan Pipe considers the supply chain to be an integral part of the value creation process in delivering reliable, high-quality, and sustainable products and services. Suppliers' performance in terms of delivery, quality, and product compliance is regularly monitored and evaluated.

While we adhere to ethical principles in all areas of our operations, we also expect our suppliers to adopt the same approach. Suppliers with whom we intend to establish a business relationship are evaluated based on the following fundamental social and environmental criteria:

- Prohibition of Forced Labor
- Prohibition of child labor
- Anti-harassment and anti-bribery principles
- Equal treatment and prevention of discrimination
- Compliance with occupational health and safety standards

Companies to be included in the approved supplier pool are expected to document their compliance with these criteria. The necessary documentation is obtained prior to establishing a business relationship, monitoring mechanisms are implemented throughout the process, and areas for improvement are identified.

The Borusan Group bases its relationships with suppliers on the principles of transparency, impartiality, and mutual trust. Suppliers are viewed not merely as providers of goods and services, but as long-term business partners. Supplier selection processes are conducted in accordance with objective criteria, and the Group does not collaborate with organizations that engage in practices contrary to legal regulations or ethical principles.

The Borusan Group also supports its supply chain practices through international sustainability initiatives. Initiatives such as the United Nations Global Compact (UNGC), the Women's Empowerment Principles (WEPS), and the Business and Sustainable Development Association (SKD) reinforce the Group's commitments to responsible resource use and ethical business practices.

Responsible resource use is adopted as a fundamental principle in production, consumption, and procurement processes. In line with this, commitments are obtained from suppliers under the Borusan Group Supplier Working Conditions Protocol; practices are monitored through periodic audits; and a continuous improvement approach is supported.

WHILE WE ACT IN ACCORDANCE WITH ETHICAL PRINCIPLES IN ALL AREAS WHERE OUR ACTIVITIES ARE CONDUCTED, WE EXPECT OUR SUPPLIERS TO ADOPT THE SAME APPROACH.



INSPIRING THE FUTURE WITH I³

Customer Satisfaction Management and Service Quality

The foundation of Borusan Pipe's customer satisfaction approach is the principle of customer focus. The company continuously improves its processes by taking customer demands and expectations into account, aiming to establish long-term, trust-based relationships with its customers.

To ensure the sustainable management of customer satisfaction, the level of compliance with customer requirements is regularly

measured, changing expectations are evaluated, and the results are integrated into relevant processes. Product development initiatives are carried out, and factors that could lead to customer dissatisfaction are addressed through improvement activities.

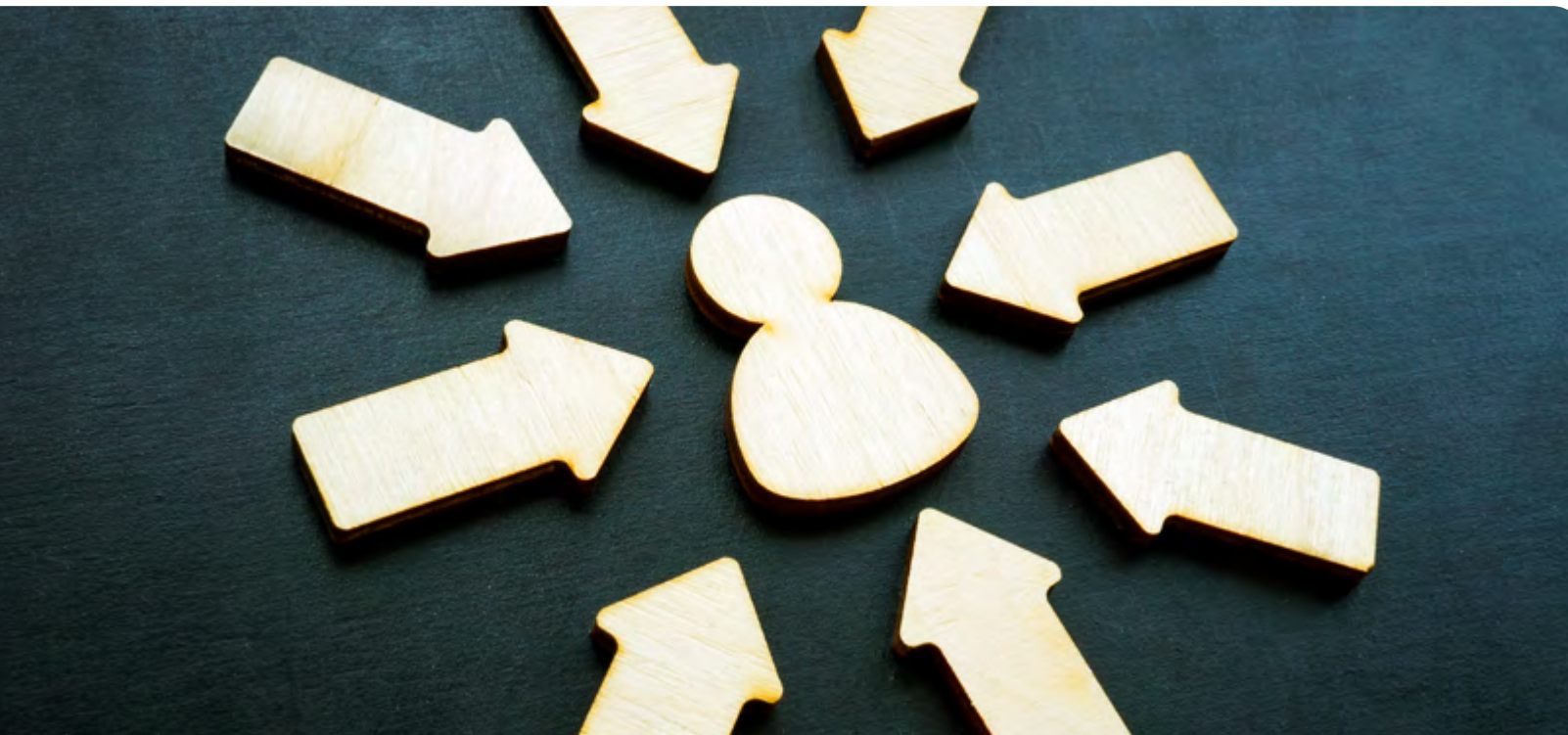
Feedback from customers is considered a key source of improvement by the company. In this context, Borusan Pipe implements a VOC (Voice of the Customer) Management System; customer requests, suggestions, and feedback are evaluated through a systematic approach and used to improve processes.

The company holds the ISO 10002:2018 Customer Complaints Management System Certificate to manage customer satisfaction in accordance with international standards. Customer complaints are evaluated using the 8D methodology, and resolution processes are carried out and finalized by the relevant departments.

Borusan Pipe regularly monitors its business processes to enhance customer satisfaction; it maintains its quality and complaint management practices by taking into account

legal and regulatory requirements, financial conditions, customer expectations, and the views of other stakeholders.

In 2024, the total training hours provided to employees in the area of customer relations amounted to 7,040 hours. During the same period, the customer satisfaction rate stood at 99% for Segment 4 in the domestic market, 100% for Segment 4 in exports, and 85% for Segments 2-3 in exports.



HAPPY CUSTOMERS

The customer satisfaction rate stood at 99% in Segment 4's domestic market, 100% in Segment 4's export market, and 85% in Segment 2-3's export market.



INSPIRING THE FUTURE WITH I³



Supporting the Entrepreneurship Ecosystem and Developing Partnerships

Borusan Pipe views innovation as a key element of its corporate culture and aims to strengthen its innovation capacity through internal development programs and collaborations with external stakeholders. In this context, supporting employees' innovative ideas, developing partnerships with the entrepreneurial ecosystem, and creating shared value are among the company's top priorities.

Internal Entrepreneurship Initiatives

As of 2024, a program called FutureUP has been launched and implemented within the organization. FutureUP encourages employees from different departments to come together in thematic groups to develop innovative ideas and transform these ideas into projects. Through the program,

employees' creative ideas are systematically supported, and the goal is to foster a culture of innovation throughout the organization.

Startup Partnerships

Borusan Pipe continues its collaborations with the entrepreneurial ecosystem and carries out joint projects with startups operating in various fields. During the 2024 reporting period, collaborations were established with three different startups:

- **Sensorpipe:** Three proof-of-concept (POC) studies were completed as part of a project aimed at adding smart features to traditional steel pipes.
- **Wisersense:** Projects have been carried out at various production sites focused on predictive maintenance applications.
- **Novelty:** Work has been carried out on the "V-angle measurement" application for welding lines.

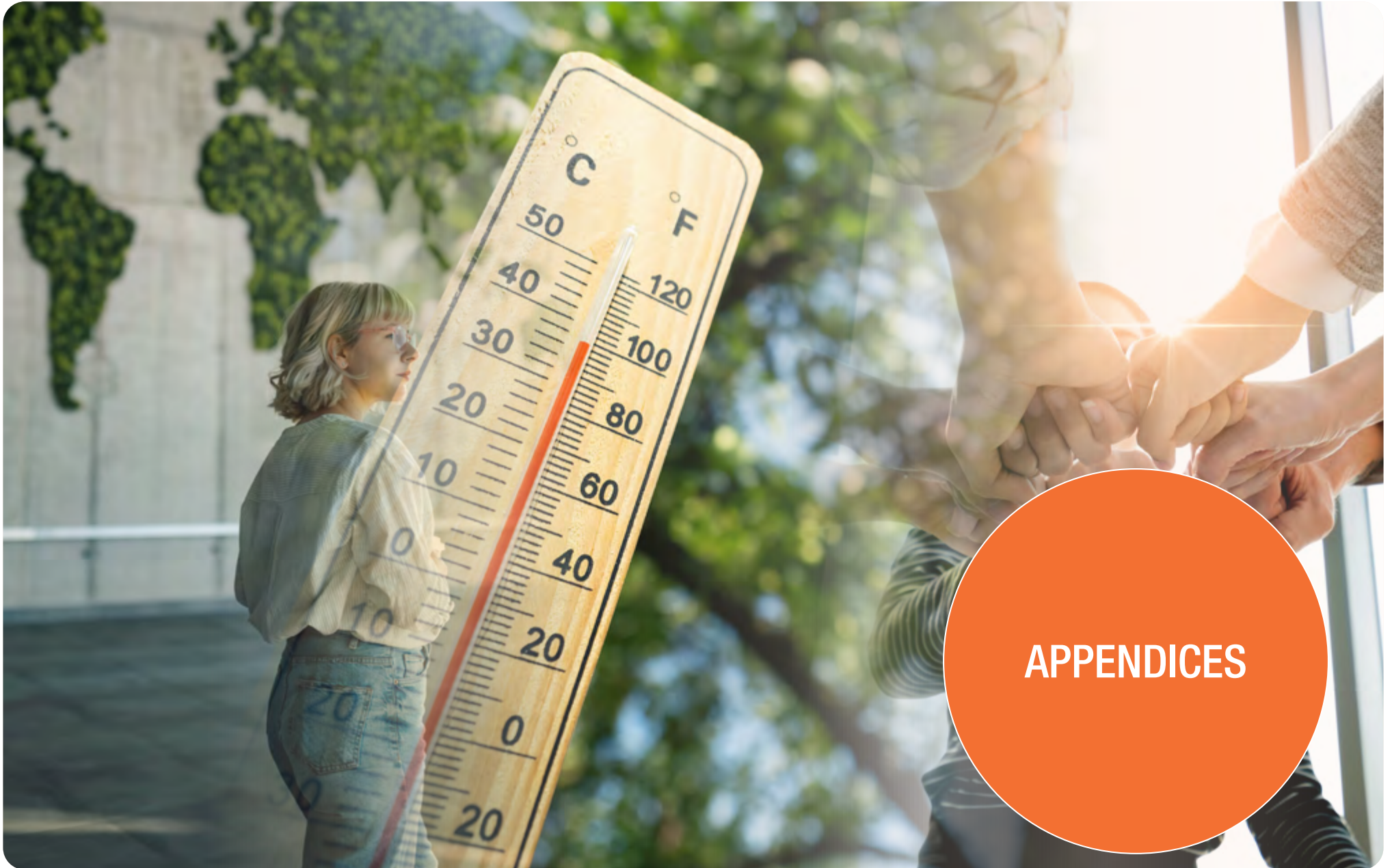
University Collaborations

Entrepreneurship and innovation initiatives are also supported through collaborations with academic institutions. In 2024:

- Proof-of-concept (POC) studies were conducted with Uludağ University to separate metal sludge from boron oil pools and produce value-added products.
- Support was provided to the Dokuz Eylül University Formula Club for vehicle development projects using Borusan Pipe products.
- Technical mentoring and product support were provided to the MAKTEK Astrid Autonomous Vehicle Team at Yıldız Technical University and the Racing Team at Eskişehir Technical University.

Through these initiatives, Borusan Pipe supports its employees' innovative ideas, fosters collaborations with various stakeholders in the entrepreneurial ecosystem, and continues its efforts to strengthen its innovation capacity.

BORUSAN PIPE CONTINUES TO COLLABORATE WITH THE ENTREPRENEURSHIP ECOSYSTEM AND CARRIES OUT JOINT PROJECTS WITH STARTUPS OPERATING IN VARIOUS FIELDS.





PARTNERSHIPS



- 43rd Group Professional Committee (ISO)
- AmCham Türkiye / ABFT (American Business Forum in Türkiye)
- UN Women's Empowerment Principles
- Steel Pipe Manufacturers Association (ÇEBİD)
- Steel Exporters' Association (ÇİB)
- Association for Environmentally Friendly Green Buildings (ÇEDBİK)
- Foreign Economic Relations Board (DEİK)
- Association of Italian Entrepreneurs Worldwide
- Gemlik Chamber of Commerce and Industry
- Istanbul Mining and Metals Exporters' Associations (İMMİB)
- Business World and Sustainable Development Association (SKD)
- Boiler and Pressure Vessel Manufacturers' Association
- Association of Corporate Communicators
- Sustainability Academy
- Automotive Suppliers Association (TAYSAD)
- Association of Awning and Tarpaulin Manufacturers
- Tunneling Association
- Turkish Structural Steel Association (TUCSA)
- Turkish Ethics and Reputation Association (TEİD)
- Turkish Institute of Internal Auditors
- Turkish Exporters' Assembly (TİM)
- Turkish Metal Manufacturers' Association (MESS)
- UN Global Compact Türkiye Network
- Structural Steel Association



AWARDS



Award Name	Awarding Organization	Name of the Award-Winning Project
2024 Fortune Sustainability Award	Fortune Türkiye	-
2024 Istanbul Chamber of Industry Green Transformation Awards-Second Place in the Energy Efficiency Project Category	Istanbul Chamber of Industry	Machine Learning Study for SRM Electricity Consumption Analysis
Responsibly Sourced Tubulars Request for Information Gold Medal	B&L PipeCo Services x Intertek	-
Borusan Holding 2023 Inspiration for the Future Awards Jury Special Award	Borusan Holding	Factory Innovation Network
Best Development Program for Frontline Leaders	Brandon Hall Group Excellence	Team Leader Development Program
International Safety Award Distinction	British Safety Council	Health and Safety Management
Investment of the Year Award	Prahova Business Awards	Our Investment in Romania
Social Responsibility Award	Prahova Business Awards	Sports events we sponsored and relief efforts we carried out during the earthquake
SAP Digital Transformation Award of the Year	SAP Türkiye	-
Capital 500	Capital	Ranked 70 th in 2024, we are among Türkiye's largest companies.
Fortune 500	Fortune	Ranked 55 th in 2024, we are among Türkiye's largest companies.
ISO 500	ISO 500	Ranked 65 th in 2024, we are among Türkiye's largest companies.



STAKEHOLDER COMMUNICATION

Borusan Pipe's key stakeholder groups and the communication channels it has established are as follows:

Stakeholder Group	Communication Method	Communication Frequency
Borusan Pipe employees	CEO and GM Memoranda (Celebrations of special occasions, updates on important matters)	Periodic
	Special Occasion Events (Digital)	Ongoing
	Engagement/Satisfaction Surveys	Annual
	Internal and External Reports (Sustainability and Activity Reports)	Periodic
	Social Responsibility Platforms and Clubs	Ongoing
	Social Media, Corporate Websites, and Borusan Apps	Ongoing
	Training	Ongoing
	Guides / Manuals	Ongoing
	Internal and External Meetings, Evaluations, and Announcements	Ongoing
	Ethical Principles and Ethics Hotline	Ongoing
Borusan Holding	Internal and External Reports	Once a Year
	Internal and External Meetings, Evaluations, and Announcements	Ongoing
	Social Media, Corporate Websites, and Borusan Apps	Ongoing
	Special Situation Notifications	Real-Time
Group Companies	Internal and External Reports	Once a Year
	Internal and External Meetings, Evaluations, and Announcements	Ongoing
	Training	Ongoing
	Corporate Websites, Social Media	Ongoing
Suppliers	Internal and External Reports	Once a Year
	Supplier Visits, Supplier Audits, Supplier Platforms	Ongoing
	Social Media	Ongoing
Board of Directors	Board of Directors Meetings	Ongoing
	Internal and External Reports	Once a Year
	Social Media, Corporate Website	Ongoing
Media	Internal and External Reports	Ongoing
	Press Releases	Ongoing
	Social Media, Corporate Websites, and Borusan Apps	Ongoing
Customers	Internal and External Reports	Once a Year
	Customer Satisfaction Surveys	Ongoing
	Internal and External Meetings, Evaluations, and Announcements	Ongoing
	Social Media, Corporate Websites, and Borusan Apps	Ongoing
	Customer Standards / Customer Audits	Ongoing



STAKEHOLDER COMMUNICATION

Stakeholder Group	Communication Method	Communication Frequency
Competitors	Internal and External Reports	Periodic
	Associations and Similar Organizations	Ongoing
	Social Media, Corporate Websites, and Borusan Apps	Ongoing
	Trade Shows	Ongoing
Local Community	Internal and External Reports	Periodic
	Social Responsibility Projects	Ongoing
	Social Media, Corporate Websites, and Borusan Apps	Ongoing
Students, Academics, Universities	Career Days	Ongoing
	Social Responsibility Projects	Ongoing
	Mentoring and Internship Programs for Students	Ongoing
	Social Media, Corporate Websites, and Borusan Apps	Ongoing
Financial Institutions	Internal and External Reports	Once a Year
	Social Media, Corporate Websites, and Borusan Apps	Ongoing
Public and Local Governments	Internal and External Reports	Once a year
	Internal and External Meetings, Evaluations, and Announcements	Ongoing
	Social Media, Corporate Websites, and Borusan Apps	Ongoing
	Projects	Project-Based
	Audits	On-Demand / Periodic
Nonprofit Organizations and Professional Associations	Internal and External Reports	Once a Year
	Internal and External Meetings, Evaluations, and Announcements	Ongoing
	Projects	Project-based
	Social Media, Corporate Websites, and Borusan Apps	Ongoing
	Memberships	Ongoing
	Donations and Sponsorships	Project-Based
Other Stakeholders	Internal and External Reports	Once a Year
	Internal and External Meetings, Evaluations, and Announcements	Ongoing
	Social Media, Corporate Websites, and Borusan Apps	Ongoing
Union	Internal and External Reports	Once a Year
	Internal and External Meetings, Evaluations, and Announcements	Ongoing
R&D Ecosystem	Internal and External Reports	Once a year
	Borusan Pipe's Collective Innovation Network	Ongoing



MANAGEMENT SYSTEMS



- ISO 14064-1:2006 Greenhouse Gas Calculation Verification
- ISO 14046 Water Footprint
- IATF 16949 Automotive Quality Management System
- Integrated Management System
 - ISO 9001:2015 Quality Management System,
 - ISO 14001:2015 Environmental Management System,
 - ISO 45001:2018 Occupational Health and Safety Management System,
 - ISO 10002:2018 Customer Satisfaction Management System
 - ISO 50001:2018 Energy Management System
 - ISO 17025:2017 Accreditation of Competence of Testing and Calibration Laboratories
- API 5L Specification for Line Pipe
- API 5CT Specification for Casing and Tubing
- API Q1 Quality Management System



PERFORMANCE INDICATORS

Innovation Indicators - Türkiye

	Unit	2024
Number of R&D Employees	people	7
New Products Developed	units	18

SOCIAL PERFORMANCE INDICATORS

Total Employee Data

Region	Hired	Resignations	Total Employees
Türkiye	68	431	1,350
Italy	4	1	82
United States	286	218	936
Total	358	650	2,368

Labor Force by Employment Type and Gender in Türkiye

	2022	2023	2024
White-Collar Women	88	105	94
White-Collar - Male	216	211	183
Blue-Collar-Female	43	69	37
Blue-Collar-Men	1,315	1,347	1,036
Total	1,662	1,732	1,350

Number of Employees by Management Category in Türkiye

		2022	2023	2024
Senior Management	Women	1	1	1
	%	14	14	10
	Male	6	6	9
	%	86	86	90
Intermediate Level	Women	5	8	9
	%	11	14	19
	Male	39	48	38
	%	89	68	81
Other	Women	125	165	121
	%	8	10	9
	Male	1,486	1,504	1,172
	%	92	90	91

Number of Employees by Gender Category in Türkiye

		2022	2023	2024
Men Hired	people	191	355	53
	ratio	81%	87.5%	78%
Men Who Left Their Jobs	person	200	292	377
	Rate	90%	96%	87%
Women Hired	persons	46	51	15
	ratio	19%	12.5%	22%
Women Who Left the Workforce	person	23	11	54
	rate	10%	4%	13%



PERFORMANCE INDICATORS

SOCIAL PERFORMANCE INDICATORS

Number of Employees by Age Group in Türkiye

		2022	2023	2024
Ages 18-30 - Hired	people	183	293	38
	Percentage	77%	67%*	56%
Ages 18-30 - Those Who Left Their Jobs	people	129	132	194
	Rate	58%	44%*	45%
Ages 31-40 - Hired	people	44	92	16
	percentage	19%	21%*	24%
Aged 31-40 - Those Who Left Their Jobs	person	38	71	131
	percentage	17%	23%*	30%
Ages 41-50 - Hired	people	5	19	14
	ratio	2%	4%*	21%
Aged 41-50 - Those Who Left Their Jobs	person	5	64	89
	ratio	2%	21%*	21%
Ages 51-60 - Hired	people	5	36	0
	Ratio	2%	8%*	0
Ages 51-60 - Left the Workforce	person	5	36	17
	percentage	6%	12%*	4%

*The rates in the table have been revised for the current year.

Maternity Leave Indicators in Türkiye

Maternity Leave	Unit	2022	2023	2024
Employees Eligible for Maternity Leave	people	100	100	78
Women	people	2	2	4
Man	person	98	98	74
Employees on parental leave	people	100	100	78
Women	people	2	2	4
Man	person	98	98	74
Employees returning to work after maternity leave	people	100	100	78
Women	people	2	2	4
Man	person	98	98	74
Those who returned to work after parental leave and continued working for at least 12 more months	people	93	86	72
Women	people	1	0	4
Male	person	92	86	68



PERFORMANCE INDICATORS

Occupational Health and Safety Data

Occupational Health and Safety - Türkiye

Workplace Accidents	Group	Unit	2022	2023	2024
Number of Accidents (Workplace accidents resulting in more than 3 days of lost time)	Company	number/year	23	5	14
	Subcontractor	units/year	4	5	0
KSO - Accident Frequency Rate (Lost Time Injury Rate) (Number of Accidents × 1,000,000) / FT	Company	Rate	6.57	3.48	4.92
	Subcontractor	Ratio	4.52	6.36	0
KAO - Accident Severity Rate (Severity Rate) (Lost Days × 1,000) / FTE	Company	Rate	0.26	0.4	0.46
	Subcontractor	ratio	0.15	0.5	0.37
Occupational disease rate (ODR) Number of Occupational Diseases × 1,000,000 / Workforce	Company	Rate	0.00	0.00	0.00
	Subcontractor	rate	0.00	0.00	0.00

Employees and Subcontractors / Subcontractors	Unit	2023	2024
Total Training Hours Provided to Employees and Contractors/Subcontractors on Occupational Safety and Health	person-hours	55,072	23,592
Number of Employees and Contractors / Subcontractors Who Received OSH Training	persons	33,081	36,441
Average Number of Training Hours per Employee and Contractor/Subcontractor Regarding OSH	person	2	15.3
OSH Committees	Unit	2023	2024
Number of Established OSH Committees	units	3	3
Total Number of Members in Established OSH Committees	people	46	44
Number of Employee Representatives on Established OSH Committees	people	3	3

Occupational Health and Safety - Global 2024

Workplace Accidents	Unit	BVT	BPU	BBPP	BBPM
Number of Accidents (Workplace accidents resulting in more than 3 days of lost time)	units/year	2	0	2	3
KSO - Accident Frequency Rate (Lost Time Injury Rate) (Number of Accidents × 1,000,000) / FT	Rate	13.51	0.00	3.19	4.86
KAO - Accident Severity Rate (Severity Rate) (Lost Days × 1,000) / Workdays	Ratio	0.19	0.11	0.10	0.38



PERFORMANCE INDICATORS

ENVIRONMENTAL PERFORMANCE INDICATORS

Borusan Pipe Water Management

Country	City / Facility	Water Withdrawn from Source (m³)	Drinking Water Intake (m³)	Domestic Discharge (m³)	Industrial Discharge (m³)	Total Discharge (m³)	Reclaimed / Gray Water (m³)
Türkiye	Gemlik	262,770	768	61,079	33,589	94,668	28,178
	Halkalı	48,985	177	19,487	11,619	31,106	8,896
	Central (Istanbul)	1,867	40	1,907	-	1,907	1,907
	ABKY	1,984	49	1,839	-	1,839	5,044
Türkiye Total		315,606	1,034	84,312	45,208	129,520	44,025
United States	Panama City	8,311	82	24,131	3,353	27,484	-
	Mobile	50,987	49	21,064	1,999	23,063	-
	Houston	54,140	55	41,078	-	41,078	-
U.S. Total		113,438	186	86,273	5,352	91,625	-
Italy	Vobarno	414,902	4,032	4,746	374,222	378,968	-
Romania	Ploiești	2,696	21	532	-	532	-
Europe Total		417,598	4,053	5,278	374,222	379,500	-
GRAND TOTAL (All Operations)		846,642	5,273	175,863	424,782	600,645	44,025

Circular Economy and Waste Management - Türkiye

Quantities by Waste Type	Unit	2022	2023	2024
Total Hazardous Waste Volume	metric tons	7,719	10,507.5	8,519.88
Total Non-Hazardous Waste Volume	metric tons	43,484.5	28,484.8	44,392.255
Total Waste	metric tons	51,203.5	38,992.3	52,912.135
Waste Management by Disposal Method	Unit	2022	2023	2024
Recycling	metric tons	43,336.6	28,272.6	33,657.64
Landfill Controlled Disposal	metric tons	586.3	603.2	0.33
Energy Recovery	metric tons	7,173.9	10,115.3	7,703.55
Waste Incineration	metric tons	109.6	1.2	-



PERFORMANCE INDICATORS

2024 Greenhouse Gas Emissions

Borusan Pipe Türkiye

Years	Scope 1 (metric tons of CO ₂ e)	Scope 2 (metric tons of CO ₂ e)	Scope 3 (metric tons of CO ₂ e)	Total (metric tons of CO ₂ e)
2022	18,644.29	46,833.35	1,575,387.61	1,640,865.25
2023	16,245.52	1,137.54	1,386,969.13	1,404,352.19
2024	16,399.93	1,297.64	1,156,744.09	1,174,441.66

Borusan Vobarno Tubi

Years	Scope 1 (metric tons of CO ₂ e)	Scope 2 (metric tons of CO ₂ e)	Scope 3 (metric tons of CO ₂ e)	Total (metric tons of CO ₂ e)
2022	4,974.38	1,467.53	*	6,441.92
2023	4,082.04	1,094.99	17,924.11	23,101.14
2024	4,210.63	1,125.05	19,075.49	24,411.17

Borusan Pipe Baytown

Years	Scope 1 (metric tons of CO ₂ e)	Scope 2 (metric tons of CO ₂ e)	Scope 3 (metric tons of CO ₂ e)	Total (metric tons of CO ₂ e)
2021	10,479.62	7,108.41	178,949.00	196,537.02
2022	17,684.71	10,695.62	333,636.69	362,017.03
2023	21,930.85	12,123.23	438,033.24	472,087.33
2024	28,020.75	13,605.35	479,999.81	521,625.91

Borusan Berg Pipe Panama City

Years	Scope 1 (metric tons of CO ₂ e)	Scope 2 (metric tons of CO ₂ e)	Scope 3 (metric tons of CO ₂ e)	Total (metric tons of CO ₂ e)
2023	2,546.21	5,108.67	587,968.42	595,623.30
2024	2,734.64	4,562.35	4,463,923.96	4,471,220.95

Borusan Berg Pipe Mobile

Years	Scope 1 (metric tons of CO ₂ e)	Scope 2 (metric tons of CO ₂ e)	Scope 3 (metric tons of CO ₂ e)	Total (metric tons of CO ₂ e)
2023	889.95	5,317.441	144,345.912	150,553.30
2024	1,103.20	6,339.21	985,184.00	992,626.41



GLOBAL COMPACT

United Nations Global Compact

Borusan Pipe is a member of the UN Global Compact. Companies that are signatories to the UN Global Compact align their strategies and operations with the 10 Principles in the areas of human rights, labor standards, the environment, and anti-corruption.

Human Rights

Principle 1: Business should support and respect internationally proclaimed human rights. Pages 18, 53, 61

Principle 2: Businesses should not be complicit in human rights abuses. Pages 18, 53, 61

Labor Standards

Principle 3: The business community should support workers' freedom of association and collective bargaining. Page 61

Principle 4: The practice of forced and compulsory labor must be eliminated. Pages 53, 61

Principle 5: All forms of child labor must be eliminated. Page 53, 61

Principle 6: Discrimination in hiring and placement must be eliminated. Pages 53, 61, 62

Environment

Principle 7: The business community should support a precautionary approach to environmental challenges. Pages 24, 39-51

Principle 8: Support should be provided for all activities and initiatives that enhance environmental responsibility. Pages 39-51

Principle 9: We should support the development and widespread adoption of environmentally friendly technologies. Pages 15, 19, 39-51

Combating Corruption

Principle 10: The business community must combat all forms of corruption, including bribery and extortion. Page 18



VERIFICATION STATEMENTS



Water Footprint Verification Statement
Su Ayakizi Doğrulama Beyanı

BORUSAN BİRLEŞİK BORU FABRİKALARI SAN. VE TİC. A.Ş.

Organizational Boundaries / Organizasyonel Sınırlar
Borusan Birleşik Boru Fabrikaları San. ve Tic. A.Ş. - Genel Müdürlük - Mecidiyeköy Mah. No: 37 34427 Sıpaşan/İstanbul
Borusan Birleşik Boru Fabrikaları San. ve Tic. A.Ş. - Halkalı - Halkalı Cad. No: 154 34295 Sefaköy/İstanbul
Borusan Birleşik Boru Fabrikaları San. ve Tic. A.Ş. - Gemlik - Ata Mah. Sanayi Cad. No: 54/68 16601 Gemlik/Bursa
Borusan Birleşik Boru Fabrikaları San. ve Tic. A.Ş. - Bursa Servis Merkezi - Bursa Organize Sanayi Bölgesi, Gri Caddesi, No: 8/A 16140 Nilüfer/Bursa

The Water Footprint report has been verified to meet the standard requirements specified below according to ISO 17029:2019 / Su Ayakizi Raporunun, ISO 17029:2019'a göre aşağıda belirtilen standart gerekliliklerini karşıladığı doğrulanmıştır.

ISO 14046:2014

Blue Water Footprint / Mavi Su Ayakizi	317.063,63 m ³
Gray Water Footprint / Gri Su Ayakizi	44.023,84 m ³
Green Water Footprint / Yeşil Su Ayakizi	- m ³

Level of Assurance / Güven Seviyesi	: Reasonable / Makul	Verification Report Date / Doğrulama Rapor Tarihi	: 22.04.2025
Reporting Period / Raporlama Dönemi	: 01.01.2024 - 31.12.2024	Statement No / Beyan No	: WP-GNL-110 / 2024

Approved by/Onaylayan
Okay Kayhanlı – Genel Müdür



QSI Belgelendirme, Müeyyene ve Test Hizmetleri Ltd. Şti.
Beştepe Mah. 5397 Sokak, Nispetiye Ofis B1 Blok D:2, Çekirge - Ankara
Tel : +90 312 472 60 67 Faks : +90 312 472 60 68
E-mail: info@qsi.com.tr Web: www.qsi.com.tr



EK/APPENDIX:

Location/Category	Blue Water Footprint	Gray Water Footprint	Green Water Footprint
Borusan Birleşik Boru Fabrikaları San. ve Tic. A.Ş. Genel Müdürlük	1.906,53	1.906,53	-
Borusan Birleşik Boru Fabrikaları San. ve Tic. A.Ş. Halkalı	49.470,87	8.895,81	-
Borusan Birleşik Boru Fabrikaları San. ve Tic. A.Ş. Gemlik	261.653,56	28.177,88	-
Borusan Birleşik Boru Fabrikaları San. ve Tic. A.Ş. Bursa Servis Merkezi	2.032,68	5.043,63	-
Toplam	317.063,63	44.023,84	-

QSI Belgelendirme, Müeyyene ve Test Hizmetleri Ltd. Şti.
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VERIFICATION STATEMENTS

QSI®
CERTIFICATION & INSPECTION

Water Footprint Verification Statement
Su Ayakizi Doğrulama Beyanı

BORUSAN BİRLEŞİK BORU FABRİKALARI SAN. VE TİC. A.Ş.

Organizational Boundaries / Organizasyonel Sınırlar
Borusan Pipe U.S. - Houston Fabrikası - 4949 Borusan Road Baytown, Texas 77523
Borusan Berg Pipe Panama - Panama City Fabrikası - 5315 West 19th Street Panama City, Florida 32401
Borusan Berg Pipe Mobile - Mobile Fabrikası - 900 Paper Mill Road Mobile, Alabama 36610
Borusan Vobarno Tubi S.p.A. - Vobarno Fabrikası - Via G E Falck 43 25079 Vobarno (BS) - İtalya
Borusan Tube Products - Ploesti Servis Merkezi - PWP Bucharest North Intrare Milano nr 5, Ancesti Rahova nr cod postal 107025
Ploesti-Romanya

The Water Footprint report has been verified to meet the standard requirements specified below according to ISO 17029:2019 / Su Ayakizi Raporunun, ISO 17029:2019'a göre aşağıda belirtilen standart gerekliliklerini karşıladığı doğrulanmıştır.

ISO 14046:2014

Blue Water Footprint / Mavi Su Ayakizi 535.274,21 m³
Gray Water Footprint / Gri Su Ayakizi 471.124,87 m³
Green Water Footprint / Yeşil Su Ayakizi - m³

Level of Assurance / Güven Seviyesi : Reasonable / Makul
Reporting Period / Raporlama Dönemi : 01.01.2024 - 31.12.2024

Verification Report Date / Doğrulama Rapor Tarihi : 22.04.2025
Statement No / Beyan No : WP-GRI-110 / 2024

Approved by/Onaylayan
Okay Kayhanlı - Genel Müdür

Okay Kayhanlı

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EK/APPENDIX:

Location/Category	Blue Water Footprint	Gray Water Footprint	Green Water Footprint
Borusan Pipe U.S.	54.195,19	41.078,34	-
Borusan Berg Pipe Panama	8.392,53	27.483,41	-
Borusan Berg Pipe Mobile	51.035,80	23.063,01	-
Borusan Vobarno Tubi S.p.A.	418.933,98	378.968,20	-
Borusan Tube Products	2.716,70	531,91	-
Toplam	535.274,21	471.124,87	-

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VERIFICATION STATEMENTS



BORUSAN PIPE GROUP

To whom it may concern,

This letter is presented to BORUSAN PIPE GROUP to present opinion of the Bureau Veritas Certification Türkiye on the Corporate Greenhouse Gases Verification for the monitoring period of 01.01.2024 to 31.12.2024.

Bureau Veritas Türkiye does not accept or assume any responsibility or liability on any other party who may access to this letter or assurance report.

BORUSAN PIPE GROUP commissioned Bureau Veritas to perform a verification of its 2024 Corporate GHG Inventory. The verification was performed on March-August 2025.

The GHG assertions verified were the following:

1. That the 2024 GHG Inventory for BORUSAN PIPE GROUP has been developed in accordance with common industry practice, including GHG Protocol.
2. The verification has been carried out to cover the Gemlik and Halkalı factories, which are operational in Turkey, the ABKY facilities, the Istanbul headquarters, the Tube Products Factory in Romania, the Vobarno (Italy) factory, as well as the Texas factory in the United States in which it holds shares, and the production facilities in Panama City and Mobile.
3. That the calculated Scope 1, Scope 2 and Scope 3 emissions for 2024 are **7,184,454 tons of CO₂e** (the emission sources included for each source has been given in verification report)

The verification task was to form an opinion at a reasonable level of assurance about the above GHG assertions, regarding:

1. Conformance with the general requirements of GHG Protocol.
2. Reasonableness of the calculated Scope 1, Scope 2 and Scope 3 emissions for the monitoring period of 01.01.2024 - 31.12.2024

The verification performed by Bureau Veritas applied ISO 14064-3 International Standard for GHG verifications. The following verification activities were conducted:

1. Review of documentation, controls and methodologies, including other verification reports,
2. Assessment of risks and verification planning,
3. Assessment of documentation, controls and methodologies, including the facility quality management systems,
4. Documentation of verification findings and outstanding issues in verification report,
5. Assessment and documentation of resolutions to outstanding issues in verification report,
6. Issuance of verification statement and completion of verification.



GHG Assertion #1: The GHG inventory conforms to the general requirements of GHG Protocol. GHG Assertion #2:

Facility		SCOPE 1 tonCO ₂ e	SCOPE 2 - Location based tonCO ₂ e	SCOPE 2 - Market-based tonCO ₂ e	Scope 3 tonCO ₂ e
Borusan Birleşik Boru Fabrikaları San. ve Tic. A.Ş. - Head Office	TR	612,91	325,5	325,5	
Borusan Birleşik Boru Fabrikaları San. ve Tic. A.Ş. - Halkalı	TR	6.503,99	8.694,47	0	1.156.744,09
Borusan Birleşik Boru Fabrikaları San. ve Tic. A.Ş. - Gemlik	TR	9.360,84	31.979,04	0	
Borusan Birleşik Boru Fabrikaları San. ve Tic. A.Ş. - Bursa Servis Merkezi	TR	22,19	972,14	972,14	
Borusan Pipe U.S.	USA	28.020,75	13.605,35	13.605,35	479.999,81
Borusan Berg Pipe Panama	USA	2.734,64	4.562,35	4.562,35	4.463.923,96
Borusan Berg Pipe Mobile	USA	1.103,2	6.339,21	6.339,21	985.184,00
Borusan Vobarno Tubi S.p.A.	Italy	4.210,63	1.125,05	1.125,05	19.075,49
Borusan Tube Products	Romania	0	94,81	94,81	32.831
TOTAL		52.469,15	67.697,92	27.024,41	7.184.960,19

GHG Assertion #3:

SCOPE 3	Borusan Birleşik Boru Fabrikaları San. ve Tic. A.Ş.	Borusan Pipe U.S.	Borusan Berg Pipe Panama	Borusan Berg Pipe Mobile	Borusan Vobarno Tubi S.p.A.	Borusan Tube Products
Category 1- Purchased goods and services	1.051.897,03	185.303,975	200.654,13	228.713,17	16.126,71	-
Category 3- Fuel and energy related activities	2.595,82	4.975,00	501.0778491	217,31	658,36	-
Category 4- Upstream transportation and distribution	40.906,47	289.720,84	1.208.759,38	108.501,05	108,65	-
Category 5- Waste generated in operations	377,06	-	-	-	-	-
Category 6- Business Travel	1.420,12	-	-	-	-	-
Category 7- Employee commuting	227,366293	-	-	-	-	-
Category 9- Downstream transportation and distribution	59.320,22	-	3.054.009,38	647.752,47	2.181,76	32.831



Emission due to biomass combustion is **0 tons of CO₂e**. (The emission sources included for each category has been given in verification report)

View Declaration

As a result of the verification audit conducted on the basis of international standards, the 2024 greenhouse gas emission data disclosed in the Corporate Carbon Footprint Report were verified for Scope 1, 2 and 3 with reasonable assurance.

Verifier Opinion and Qualifications

Based on the process and procedures conducted, the GHG assertion is prepared in accordance with the requirements of GHG Protocol.

Based on the process and procedures conducted, the GHG assertion is materially correct and is a fair representation of the GHG data and information.

Date: **16 September 2025**

S.Özge ŞAHINKAYA
Lead Verifier

Ibrahim TAGAY
Certification Manager



GRI CONTENT INDEX

Statement of Use	Borusan Pipe has prepared its report for the period 1 January 2024-31 December 2024 in accordance with the GRI Standards.
GRI Standards Used	GRI 1: Foundation 2021
Applicable Sector Standard	There is no applicable GRI Sector Standard.

GRI STANDARD	EXPLANATION	Page Number
GRI 2: General Disclosures 2021	2-1 Organizational details	6, 9, 21-23
	2-2 Entities included in the organization's sustainability reporting	4, 6-9, 22
	2-3 Reporting period, frequency and contact point	4, 94
	2-4 Restatements of information	No changes
	2-5 External assurance	4, 85
	2-6 Activities, value chain and other business relationships	7, 17
	2-7 Employees	6, 9, 52-63, 79-83
	2-8 Workers who are not employees	Appendices
	2-9 Governance structure and composition	13, 21-24
	2-10 Nomination and selection of the highest governance body	13, 21
	2-11 Chair of the highest governance body	21-24
	2-12 Role of the highest governance body in overseeing the management of impacts	21-24
	2-13 Delegation of responsibility for managing impacts	21-24
	2-14 Role of the highest governance body in sustainability reporting	21-24
	2-15 Conflicts of interest	18
	2-16 Communication of critical concerns	4, 18
	2-17 Collective knowledge of the highest governance body	24
	2-18 Evaluation of the performance of the highest governance body	Provided in the 2024 Borusan Pipe TSRS Report.
	2-19 Remuneration policies	The 2024 Borusan Pipe TSRS Report is available at .
	2-20 Process to determine remuneration	This information is provided in the 2024 Borusan Pipe TSRS Report.
	2-21 Annual total compensation ratio	11-12, 22-24, 31-35
	2-22 Statement on sustainable development strategy	12-19, 32-36
	2-23 Policy commitments	18-24



GRI CONTENT INDEX

GRI STANDARD	EXPLANATION	Page Number
GRI 2: General Disclosures 2021	2-24 Embedding policy commitments	18-24, 36
	2-25 Processes to remediate negative impacts	18, 76
	2-26 Mechanisms for seeking advice and raising concerns	13, 18, 24
	2-27 Compliance with laws and regulation	74, 84
	2-28 Membership associations	Appendices
	2-29 Approach to stakeholder engagement	53-54
	2-30 Collective bargaining agreements	53-55
Material Topics (The material topics marked with ■ in the list below represent Borusan Pipe's most significant impacts on the economy, environment and people, including impacts on human rights, in accordance with GRI 3: Material Topics 2021.)		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	32-22
	3-2 List of material topics	32-33
PROTECTION OF NATURE AND BIODIVERSITY		
Biodiversity		
GRI 3: Material Topics 2021	3-3 Management of material topics	51
GRI 101: Biodiversity 2024	101-1 Policies to halt and reverse biodiversity loss	51
	101-2 Management of Biodiversity Impacts	51
	101-3 Access and Benefit-Sharing	51
	101-4 Identification of Biodiversity Impacts	51
	101-5 Locations with biodiversity impacts	51
	101-6 Direct drivers of biodiversity loss	51
	101-7 Changes to the state of biodiversity	51
	101-8 Ecosystem services	51
DEVELOPING SUSTAINABLE BUSINESS MODELS - ■ SUSTAINABLE ECONOMIC PERFORMANCE		
Economic Performance		
GRI 3: Material Topics 2021	3-3 Management of material topics	32-33, 37-39
GRI 201: Economic Performance 2016 / GRI 203: Indirect Economic Impacts 2016	201-1 Direct economic value generated and distributed	21, Appendices, Borusan Pipe 2024 TSRS Report
	201-2 Financial implications and other risks and opportunities due to climate change	34-29
	203-1 Infrastructure investments and services supported	13-16
	201-4 Financial assistance received from government	Not available.
Market Presence		
GRI 3: Material Topics 2021	3-3 Management of material topics	20-21



GRI CONTENT INDEX

GRI STANDARD	EXPLANATION	Page Number
Indirect Economic Impact		
GRI 3: Material Topics 2021	3-3 Management of material topics	13, 16
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	13, 16
	203-2 Significant indirect economic impacts	37, 39
SUSTAINABLE SUPPLY CHAIN MANAGEMENT - ■ CORPORATE GOVERNANCE, COMPLIANCE, AND MONITORING		
Procurement Practices 2016		
GRI 3: Material Topics 2021	3-3 Management of material topics	40-43
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	43
Supplier Environmental Assessment		
GRI 3: Material Topics 2021	3-3 Management of material topics	40-43
Anti-Corruption		
GRI 3: Material Topics 2021	3-3 Management of material topics	21-30
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption	25-28
	205-2 Communication and training about anti-corruption policies and procedures	25-30
	205-3 Confirmed incidents of corruption and actions taken	29-30
Anti-Competitive Practices		
GRI 3: Material Topics 2021	3-3 Management of material topics	25-30
GRI 206: Anti-Competitive Practices 2016	206-1 Legal actions for anti-competitive behavior, anti-trust and monopoly practices	29-30
■ CIRCULARITY AND WASTE MANAGEMENT - ■ CLIMATE CHANGE MITIGATION AND ADAPTATION - ■ WATER MANAGEMENT		
Materials		
GRI 3: Material Topics 2021	3-3 Management of material topics	44-61
GRI 301: Materials 2016	301-3 Reclaimed products and their packaging materials	45-46, Appendices
Energy		
GRI 3: Material Topics 2021	3-3 Management of material topics	44-49
GRI 302: Energy 2016	302-1 Energy consumption within the organization	46-47, Appendices
	302-2 Energy Consumption Outside the Organization	47, Appendices
	302-4 Reduction of Energy Consumption	46-49
	302-5 Reducing the energy requirements of products and services	46-49



GRI CONTENT INDEX

GRI STANDARD	EXPLANATION	Page Number
Water and Wastewater		
GRI 3: Material Topics 2021	3-3 Management of material topics	49-50
	303-1 Interactions with water as a shared resource	49-50
	303-2 Management of water discharge-related impacts	49-50
GRI 303: Water and Effluents 2018	303-3 Water Withdrawal	49-50
	303-4 Water discharge	49-50
	303-5 Water consumption	49-50
Emissions		
GRI 3: Material Topics 2021	3-3 Management of material topics	52, 56
	305-1 Direct (Scope 1) greenhouse gas emissions	53-55, Appendices
	305-2 Indirect (Scope 2) greenhouse gas emissions	53-55, Appendices
GRI 305: Emissions 2016	305-3 Other indirect (Scope 3) greenhouse gas emissions	53-55, Appendices
	305-5 Reduction of greenhouse gas emissions	54-56
Waste		
GRI 3: Material Topics 2021	3-3 Management of material topics	57-59
	306-1 Waste generation and significant waste-related impacts	57-58
	306-2 Management of significant waste-related impacts	57-59
GRI 306: Waste 2020	306-3 Waste generated	Appendices
	306-4 Waste diverted from disposal	Appendices
	306-5 Waste directed to disposal	Appendices
TALENT MANAGEMENT AND DEVELOPMENT - CREATING SOCIAL BENEFIT - ■ EMPLOYEE RIGHTS		
Employees		
GRI 3: Material Topics 2021	3-3 Management of material topics	62-69
	401-1 New employee hires and employee turnover	63, 64, Appendices
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees but not to temporary or part-time employees	65
	401-3 Parental leave	65
■ OCCUPATIONAL HEALTH AND SAFETY		
Occupational Health and Safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	70-78



GRI CONTENT INDEX

GRI STANDARD	EXPLANATION	Page Number
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	70, 72
	403-2 Hazard identification, risk assessment, and incident investigation	72, 74
	403-3 Occupational health services	71, 72
	403-4 Worker participation, consultation, and communication on occupational health and safety	72, 74
	403-5 Worker training on occupational health and safety	74, 75
	403-6 Promotion of worker health	75
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	70, 75
	403-8 Workers covered by the occupational health and safety management system	70, 72
	403-9 Work-related injuries	76, Appendices
	403-10 Work-related ill health	76, Appendices
PEOPLE-CENTERED ORGANIZATIONAL CULTURE		
Education		
GRI 3: Material Topics 2021	3-3 Management of material topics	62-69
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Appendices
	404-2 Programs for upgrading employee skills and transition assistance programs	66-69
	404-3 Percentage of employees receiving regular performance and career development reviews	66-69
Diversity and Equal Opportunity		
GRI 3: Material Topics 2021	3-3 Management of material topics	62-69
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	64-65, Appendices
Freedom of Association		
GRI 3: Material Topics 2021	3-3 Management of material topics	65
Local Communities		
GRI 3: Material Topics 2021	3-3 Management of material topics	79-82
CUSTOMER SATISFACTION MANAGEMENT AND SERVICE QUALITY		
Customer Health and Safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	83-84
Marketing and Labeling 2016		
GRI 3: Material Topics 2021	3-3 Management of material topics	83-84
OTHER TOPICS		
TECHNOLOGY AND DIGITAL TRANSFORMATION		17-20, 33
SUPPORTING ENTREPRENEURSHIP AND DEVELOPING PARTNERSHIPS		18-20, 33
INFORMATION SECURITY AND PROTECTION OF CUSTOMER PRIVACY		29-31, 33, 84





METRICS AND TARGETS - TÜRKİYE

Value Area	Sub-Target Area	Target Definition	Unit	2024 Actual	2024 Target	2030 Target	
CLIMATE Decarbonization	Emissions Reduction	TOTAL (Scope 1 + Scope 2)	Emissions	tons of CO ₂ e	17,697.57	54,598	43,943
			Reduction	%	73.78	19	37
		Direct (Scope 1)	Emissions	tons of CO ₂ e	16,399.93	21,326	21,460
			Reduction	%	24.64	2	5
		Indirect (Scope 2)	Emissions	tons of CO ₂ e	1,297.64	33,272	22,483
			Reduction	%	97	27	52
CLIMATE Circular Economy	Water	Reducing Water Withdrawal	Reducing water withdrawal	%	29.90	5	50
		Increase in the amount of water recovered	Amount of water reused	%	11.39	15	50
INNOVATION	Revenue Generated from New Business Models/Products			USD / \$	13.8	TDB	20
HUMAN OSH	Loss Prevention	Decrease in the severity of accidents	Value	Accident Frequency (Number of accidents per 1 million hours worked)	0.44	0.27	0.14
			Improvement	%	-4.8	10% compared to the previous year	10% compared to the previous year
		Decrease in accident frequency rate	Value	Accident Severity (lost work hours per 1,000 hours worked)	3.93	4.7385	2.518233
			Recovery	%	0.03	10% compared to the previous year	10% compared to the previous year
PEOPLE Borusan Equals	Gender	Percentage of female employees in the office		%	34	31	36
		Percentage of female employees in the field/ factory		%	3.4	4.3	16
		Percentage of female leaders (all levels)		%	23.4	17	27
HUMAN Talent Management	Talent Retention	Future Leader Turnover Rate		%	0	10	5
		Borusan Alpha Churn Rate		%	0	50	20
	Employee Engagement Score			%	75 BY / 67 MY	BY 78-80 / MY 52-58	85



CONTACT

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