



KAMUYU AYDINLATMA PLATFORMU

BORUSAN BİRLEŞİK BORU FABRİKALARI SANAYİ VE TİCARET A.Ş. Sustainability Compliance Report 2025 - Annual Notification

Summary

2025 Sustainability Principles Compliance Report



**MERKEZİ KAYIT
İSTANBUL**
Türkiye Sermaye Piyasası - Merkezi
Saklama ve Veri Depolama Kuruluşu

Related Companies

Related Funds

	Company Compliance Status				Explanation	Report Information on Publicly Disclosed Information (Page number, menu name on the website)
	Yes	Partial	No	Not Applicable		
Sustainability Compliance Report						
A. GENERAL PRINCIPLES						
A1. Strategy, Policy and Goals						
A1.1. The prioritised environmental, social and corporate governance (ESG) issues, risks and opportunities have been determined by the Company's Board of Directors.	x				Climate-related risks and opportunities (including both physical and transition risks) are integrated into the Borusan Pipe’s strategy and are regularly reviewed at the Executive Committee and Board of Directors levels. Investment decisions and strategic directions are shaped within this framework. Environmental, Social and Governance (ESG) risks are periodically reported to senior management. For major investments, potential impacts on carbon emissions, water use and energy consumption are assessed and incorporated into the decision-making processes.	
A1.1. The ESG policies (Environmental Policy, Energy Policy, Human Rights and Employee Policy etc.) have been created and disclosed to the public by the Company's Board of Directors.	x				In the Corporate Governance and Sustainability Organization sections of the Report, the Company’s sustainability governance structure, the management of climate and environmental risks and opportunities, the relevant committees (Audit Committee, Early Detection of Risk Committee and Corporate Governance Committee), and the governance framework aligned with the Turkish Sustainability Reporting Standards (TSRS) are disclosed. The Company’s Environmental, Energy , Human Rights and Employee Policies have been established with the approval of the Board of Directors and are publicly available on the Company’s website. The TSRS Report further outlines the governance structure under which these policies are	

				implemented, including committee structures and the sustainability organization, thereby clarifying the policy framework and corporate ownership.	
A1.2. The short and long-term targets set within the scope of ESG policies have been disclosed to the public.	x			Borusan Boru has publicly disclosed its measurable short-, medium-, and longterm climate and environmental targets. Accordingly: A 35% reduction in Scope 1 and Scope 2 emissions intensity per product by 2034, A 40% reduction in water withdrawal per unit of product by 2034. These targets have been outlined in the CEO’s message and in the “Metrics and Targets” section.	
A2. Implementation/Monitoring					
A2.1. The responsible committees and/or business units for the implementation of ESG policies and the senior officials related to ESG issues in the Company and their duties have been identified and disclosed to the public.	x			The execution of sustainability and climaterelated policies and practices at Borusan Boru is carried out under the oversight of the Board of Directors, through the Borusan Boru Sustainability organization and thematic working groups, which operate in alignment with the Borusan Holding Sustainability Committee.The management of material topics under climate, environment, people, and innovation is carried out at the senior management level and coordinated by the relevant executive functions alongside sustainability leadership roles. The governance structure, roles, and responsibilities are clearly defined and disclosed in the report.	
A2.1. The activities carried out within the scope of policies by the responsible committee and/or unit have been reported to the Board of Directors at least once a year.	x			Sustainability governance at Borusan Boru is defined through senior management oversight , executive committee responsibility, and thematic working groups. The sustainability organization, including roles, responsibilities, and decisionmaking mechanisms, has been publicly disclosed, ensuring that climaterelated risks and opportunities are monitored and owned through established governance structures	
				Borusan Boru’s environmental and social targets have been publicly disclosed within the	

A2.2. In line with the ESG targets, the implementation and action plans have been formed and disclosed to the public.	x			framework of its green transformation approach, along with the integration of climaterelated risks and opportunities into its strategy and its relevant performance metrics. Targets related to emissions reduction, energy efficiency, resource use, and peoplefocused priorities are presented together with implementation steps and a monitoring framework.	
A2.3. The Key ESG Performance Indicators (KPI) and the level of reaching these indicators have been disclosed to the public on yearly basis.	x			Borusan Boru’s environmental and social targets have been publicly disclosed within the framework of its green transformation approach, along with the integration of climaterelated risks and opportunities into its strategy and associated performance metrics. Targets related to emission reduction, energy efficiency, resource use, and peoplefocused priorities are presented together with implementation steps and a monitoring framework.	
A2.4. The activities for improving the sustainability performance of the business processes or products and services have been disclosed to the public.	x			Energy efficiency, emissions reduction, digitalization, and process improvement initiatives within production processes, as well as productlevel practices aimed at reducing environmental impact, have been reported. Operational enhancements are linked to innovation and process efficiency.	
A3. Reporting					
A3.1. The information about the sustainability performance, targets and actions have been given in annual reports of the Company an understandable, accurate and sufficient manner.	x			In the annual activity report, Borusan Boru’s sustainability approach, priorities, targets, and actions carried out throughout the year are presented in a clear and coherent manner under the strategic framework focused on climate, people, and innovation . Practices related to carbon footprint reduction, green transformation, digitalization, employee development, and sustainable growth are reported in connection with performance indicators and strategic targets.	Borusan Boru Annual Report (2024) page 20-23, 70-83
				Borusan Boru clearly presents the alignment of its activities with the United Nations Sustainable	

A3.2. The information about activities which are related to the United Nations (UN) 2030 Sustainable Development Goals have been disclosed to the public.	x			Development Goals (SDGs) in its reports. In the 2023 Sustainability Report, under the section “Our Contribution to the Sustainable Development Goals,” the company’s priority SDGs are matched with its areas of impact, and the contributions of activities carried out within the climate, people, and innovation focus areas are presented through both visual and narrative explanations. In the TSRSaligned 2024 Sustainability Report, SDG contributions are reported within the sections covering strategy, targets, metrics, and the integration of climaterelated risks and opportunities, ensuring consistency with the TSRS framework.	Sustainability Report page 70-73
A3.3. The lawsuits filed and/or concluded against the Company about ESG issues which are material in terms of ESG policies and/or will significantly affect the Company's activities, have been disclosed to the public.			X		
A4. Verification					
A4.1. The Company's Key ESG Performance metrics have been verified by an independent third party and publicly disclosed.	X			The climate and sustainability indicators included in Borusan Boru’s TSRScompliant sustainability report have been verified under limited assurance by an independent third party (EY – Güney Bağımsız Denetim). The assurance statement has been publicly disclosed.	
B. ENVIRONMENTAL PRINCIPLES					
B1. The policies and practices, action plans, environmental management systems (known by the ISO 14001 standard) and programs have been disclosed.	X			The company holds an ISO 14001 Environmental management systems standard certification.	
B2. The environmental reports prepared to provide information on environmental management have been disclosed to the public which is inculiding the scope, reporting period, reporting date and limitations about the reporting conditions.	X			Information on environmental management is publicly disclosed within Borusan Boru’s 2023 Sustainability Report. The report covers the period from January 1, 2023 to December 31, 2023 and includes Borusan Boru’s operations in Türkiye, as well as its facilities in Italy (Vobarno), the United States (Baytown), and the Panama City operations incorporated in 2023. The report is disclosed based on the Global Reporting Initiative (GRI) standards, while the Türkiye Sustainability Reporting Standards (TSRS) and the EU Corporate	

				Sustainability Reporting Directive (CSRD) requirements were also taken into consideration. Water management data presented in the report has been verified by QSI CERT, climate data by Bureau Veritas, and other performance indicators have been subject to limited external assurance.	
B4. The environmental targets within the scope of performance incentive systems which included in the rewarding criteria have been disclosed to the public on the basis of stakeholders (such as members of the Board of Directors, managers and employees).	X			Environmental targets at Borusan Boru have been integrated into performance incentive systems and incorporated into the performance scorecards of board members, executive committee members, plant directors, and relevant managers. As of 2024, the “ Sustainability” category has been assigned a specific weight within the performance scorecards of senior and key management, with a relatively higher allocation defined in the scorecard of the executive committee member responsible for sustainability. In addition, a significant portion of performance management bonuses is tied to climaterelated indicators. This structure ensures corporatelevel ownership of environmental targets and aligns progress in these targets with performance evaluation and reward mechanisms.	
B5. How the prioritised environmental issues have been integrated into business objectives and strategies has been disclosed.	X			At Borusan Boru, material environmental topics — including carbon emissions and decarbonization, energy efficiency, water stress and alignment with the European Union Carbon Border Adjustment Mechanism (EU CBAM) — are addressed as an integral part of the company’s strategy and business objectives. Climaterelated risks and opportunities are analyzed across the value chain (from raw material procurement to production, logistics , and customer operations) and their impacts on carbon emissions, water use and energy efficiency are taken into account in major investment and capacity expansion decisions.	

				These topics are routinely part of the agendas of the Executive Committee and the Board of Directors, and targets, budgets, and investment priorities are updated in line with climate risk and opportunity assessments. Priorities such as carbon reduction and water efficiency are integrated into business objectives through transition plans, performance metrics and performance target sets, enabling systematic performance tracking.	
B7. The way of how environmental issues has been managed and integrated into business objectives and strategies throughout the Company's value chain, including the operational process, suppliers and customers has been disclosed.	X			At Borusan Boru, environmental topics are managed in an integrated approach including the entire value chain, i.e. all operational stages from raw material procurement to production, logistics, customer engagement, and aftersales processes. Suppliers are evaluated in line with the Supplier Working Conditions Protocol, which incorporates ethical, environmental, and social criteria. As of 2024, the Sustainable Procurement Policy, Supplier SelfAssessment Form, and Sustainable Procurement Supplier Guideline have been implemented, ensuring supplier participation in the above process. Quality , environmental, energy, and occupational health and safety management systems are operated in an integrated framework across production facilities, while logistics and delivery processes are planned in alignment with customer project timelines and with consideration of carbon footprint impacts. Customer relations are managed via a longterm partnership approach, integrating customer satisfaction with environmental and social impact management. Climaterelated risks and opportunities—such as carbon regulations / the EU CBAM, and dependencies on energy and water—are evaluated throughout the value chain. These	

				assessments are taken into account in major investment and capacity expansion decisions, ensuring that impacts on carbon emissions, water use, and energy efficiency are considered. The outcomes of these analyses are integrated into the company's business objectives and strategies.	
B8. Whether the Company have been involved to environmental related organizations and non-governmental organizations' policy making processes and collabrations with these organizations has been disclosed.	X			Borusan Boru actively participates in environmental and climaterelated policy development processes through sectoral organizations and nongovernmental organizations. Senior management and relevant company representatives take part in associations and business platforms related to the steel industry, contributing to discussions on environmental and climate policies, as well as carbon regulations such as the EU CBAM and the Emissions Trading Scheme (EU ETS). In addition, Borusan Boru collaborates with various NGOs and business initiatives to support the dissemination of best practices in sustainability and to provide input for policy dialogues. The company shares its views and recommendations with the public and policymakers through these platforms.	Sustainability Report page 123
B9. In the light of environmental indicators (Greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect), air quality, energy management, water and wastewater management, waste management, biodiversity impacts)), information on environmental impacts is periodically disclosed to the public in a comparable manner.	X			Borusan Boru publicly discloses its environmental indicators in a periodic and comparable manner under the categories of greenhouse gas emissions (Scope 1 – direct, Scope 2 – energy indirect, and Scope 3 – other indirect), air quality, energy management, water and wastewater management, waste management, and biodiversity impacts. Emissions data are calculated in accordance with the ISO 14064 standard and the GHG Protocol corporate approach, while energy, water, and waste indicators are reported at the facility level on a yearoveryear basis.	
				In the collection and calculation of environmental data,	

B10. Details of the standard, protocol, methodology, and baseline year used to collect and calculate data has been disclosed.	X			international standards such as greenhouse gases - ISO 14064-1:2018, the Greenhouse Gases Protocol [GHG] (corporate approach), and water footprint - ISO 14046:2014, as well as the TSRS 1–2 framework, are applied. Scope definitions (Scopes 1, 2 & 3), organizational boundaries (operational control), and the baseyear approach are explained in the methodology section of the report.	
B11. The increase or decrease in Company's environmental indicators as of the reporting year has been comparatively disclosed with previous years.	X			In the reporting year, changes in environmental indicators are presented in a comparative manner against previous years, with trends over time — particularly for emissions, energy, water, and waste indicators — explained through yearoveryear analysis.	Sustainability Report page 134-136
B12. The short and long-term targets for reducing the environmental impacts have been determined and the progress compared to previous years' targets has been disclosed.	X			Short and longterm targets aimed at reducing environmental impacts—such as emissions reduction, energy efficiency, and water efficiency—have been established, and progress towards these targets is regularly monitored and reported in the metrics and targets section.	
B13. A strategy to combat the climate crisis has been created and the planned actions have been publicly disclosed.	X			A climate crisis mitigation strategy has been established, with both physical and transition risks identified, scenario analyses conducted, and the planned actions under the transition plan publicly disclosed.	
B14. The programs/procedures to prevent or minimize the potential negative impact of products and/or services on the environment have been established and disclosed.	X			Environmental, energy , and quality management systems, along with process improvement practices , are implemented to reduce the potential negative environmental impacts of products and services. Efficiency , resource use, and waste reduction are taken into consideration during product design stage.	Sustainability Report page 80-95
B14. The actions to reduce greenhouse gas emissions of third parties (suppliers, subcontractors, dealers, etc.) have been carried out and disclosed.	X			As part of the management of valuechain emissions (Scope 3), supplier processes and sustainable procurement tools have been developed, and expectations and actions aimed at improving suppliers'	

				environmental performance have been communicated.	
B15. The environmental benefits/gains and cost savings of initiatives/projects that aims reducing environmental impacts have been disclosed.	X			The benefits achieved through projects aimed at reducing environmental impacts—such as gains in emission reduction, water consumption efficiency, and energy efficiency—are presented in the report alongside their results. The environmental improvements and operational savings generated by the relevant initiatives are illustrated with examples.	Sustainability Report page 80-95
B16. The data related to energy consumption (natural gas, diesel, gasoline, LPG, coal, electricity, heating, cooling, etc.) has been disclosed as Scope-1 and Scope-2.	X			Energy consumption (including natural gas, electricity, and other sources) is publicly disclosed at the facility level under Scope 1 and Scope 2, with comparable yearoveryear data presented.	Sustainability Report page 134-136
B17. The information related to production of electricity, heat, steam and cooling as of the reporting year has been disclosed.	X			Information on the electricity, heat, steam , and cooling generated or procured during the reporting year is disclosed within the scope of energy management, and energy consumption and energy sources are presented in the performance indicator tables.	Sustainability Report page 134-136
B18. The studies related to increase the use of renewable energy and transition to zero/low carbon electricity have been conducted and disclosed.	X			Borusan Boru aims to increase the use of renewable energy and support the transition to low / near zerocarbon electricity by shifting toward green energy sources in the electricity procurement stage. The company is also carrying out initiatives to increase the share of renewables-based electricity used across its facilities.	
B19. The renewable energy production and usage data has been publicly disclosed.	X			Data on renewable energy generation and use are publicly disclosed, while the electricity consumption and procurement structure are reported at the facility level.	Sustainability Report page 134-136
B20. The Company conducted projects about energy efficiency and the amount of reduction on energy consumption and emission achieved through these projects have been disclosed.	X			Energy efficiency projects have been implemented, and the reductions achieved in energy consumption and the corresponding emissions decreases—enabled through process improvements and equipment investments—have been reported on a project basis.	Sustainability Report page 80-86
				Water consumption, including the volumes withdrawn from groundwater and surface water sources,	

B21. The water consumption, the amount, procedures and sources of recycled and discharged water from underground or above ground (if any), have been disclosed.	X			as well as data on water recovery and discharge and the procedures applied, is publicly disclosed on an annual basis in addition to comparable indicators reported at the facility level.	
B22. The information related to whether Company's operations or activities are included in any carbon pricing system (Emissions Trading System, Cap & Trade or Carbon Tax).	X			Borusan Boru’s operations are not currently subject to any direct obligations under an ETS, CapandTrade mechanism, or carbon tax. However, the company closely monitors developments related to the EU CBAM and Türkiye’s preparations for a national ETS, and potential carbonpricing impacts are treated as a strategic risk.	
B23. The information related to accumulated or purchased carbon credits within the reporting period has been disclosed.	X			Information regarding carbon credits accumulated or purchased during the reporting period is not included in the report, as the Company prioritizes direct emission reduction and the implementation of energy efficiency and renewable energy practices.	
B24. If carbon pricing is applied within the Company, the details have been disclosed.	X			An internal carbon pricing mechanism is not applied within Borusan Boru, however, potential carbon costs associated with the EU CBAM and a prospective national ETS are incorporated into strategic risk assessments, while financial impact analyses are being continuously enhanced.	
B25. The platforms where the Company discloses its environmental information have been disclosed.	X			Borusan Boru discloses its environmental information through the annual sustainability reports and international reporting platforms such as CDP, and also makes this information publicly available to its stakeholders via its official corporate website.	Sustainability Report page 3,6
C. SOCIAL PRINCIPLES					
C1. Human Rights and Employee Rights					
C1.1. The Institutional Human Rights and Employee Rights Policy has been established in the ligh of the Universal Declaration of Human Rights, ILO Conventions ratified by Turkey and other relevant legislation. The policy and the officals that responsible for the implementation of it have been determined and disclosed.	X			Borusan Boru’s Corporate Human Rights and Employee Rights Policy has been established based on the Universal Declaration of Human Rights, the ILO conventions ratified by Türkiye, and the relevant national legislation. The responsibilities	Sustainability Report page 54-56

				regarding the implementation of the policy have been clearly defined, and the policy has been publicly disclosed.	
C1.2. Considering the effects of supply and value chain, fair workforce, improvement of labor standards, women's employment and inclusion issues (gender, race , religion, language, marital status, ethnic identity, sexual orientation, gender identity, family responsibilities, union activities, political opinion, disability, social and cultural differences, etc., such as non-discrimination) are included in its policy on employee rights.	X			Principles related to fair labor practices, improved working standards, women’s employment, inclusiveness, and the prevention of discrimination (including gender, race, religion, language, marital status, ethnic origin, sexual orientation, gender identity, disability, etc.) are incorporated into the Employee Rights Policy and implemented with consideration of impacts across the supply chain and the broader value chain.	Sustainability Report page 57-60
C1.3. The measures taken for the minority rights/equality of opportunity or the ones who are sensitive about certain economic, environmental, social factors (low income groups, women, etc.) along the supply chain have been disclosed.	X			An approach centered on minority rights and equal opportunity—including lowincome groups, women, and vulnerable communities—is incorporated into social impact management across the value chain and into supplier expectations. Inclusive practices implemented within this framework are publicly disclosed.	Sustainability Report page 61-69
C1.4. The developments regarding preventive and corrective practices against discrimination, inequality, human rights violations, forced and child labor have been disclosed.	X			Preventive and corrective practices aimed at eliminating discrimination, inequality, human rights violations, forced labor, and child labor have been established, and these matters are monitored and reported through ethics & compliance hotline and disciplinary processes.	Sustainability Report page 54-56,60
C1.5. Investments in employees (education, development policies), compensation, fringe benefits, right to unionize, work/life balance solutions and talent management are included in the employee rights policy.	X			Investments in employees—such as training and development, compensation and benefits, the right to unionize, work–life balance practices, and talent management—are included within the Employee Rights Policy, and the associated practices are publicly disclosed.	Sustainability Report page 46-53
C1.5. The mechanism for employee complaints and resolution of disputes have been established and related solution processes have been determined.	X			Mechanisms such as the Ethics Hotline and internal reporting channels have been established for addressing employee complaints and resolving disputes, with clearly defined processes ensuring confidentiality, protection against	Sustainability Report page 54-56

				retaliation, and fair investigation procedures.	
C1.5. The activities carried out within the reporting period which related to ensure employee satisfaction have been disclosed.	X			Initiatives aimed at enhancing employee satisfaction—such as employee experience programs, internal communication efforts , social activities, and feedback mechanisms—were implemented during the reporting period, and employee satisfaction survey results along with improvement actions have been publicly disclosed.	Sustainability Report page 47-49
C1.6. The occupational health and safety policies have been established and disclosed.	X			Occupational health and safety (OHS) policies have been established and publicly disclosed, and under the OHS management system, practices such as risk assessments, trainings , incident/accident monitoring, and continuous improvement activities are carried out.	Sustainability Report page 50-53
C1.6. The measures taken for protecting health, preventing occupational accidents and related statistics have been disclosed.	X			Within the scope of Borusan Boru’s Occupational Health and Safety (OHS) management system, risk assessments, safe working procedures, regular trainings, and onsite inspections are implemented to prevent workplace accidents and protect employee health. Accident statistics — including frequency and severity rates — are publicly disclosed on a periodic basis.	Sustainability Report page 50-53
C1.7. The personal data protection and data security policies have been established and disclosed.	X			Policies related to the protection of personal data and information security have been established, and data security processes have been defined within the scope of compliance with the Personal Data Protection Law (KVKK) and the information security management system. These policies and processes have been publicly disclosed.	Sustainability Report page 546-57
C1.8. The ethics policy have been established and disclosed.	X			The Ethics Policy and Code of Ethical Conduct have been established, outlining the ethical principles expected of employees and business partners, and the mechanisms for reporting violations have been publicly disclosed.	Sustainability Report page 54-56
				Within the scope of social investment and corporate social responsibility initiatives, projects focused on education, local development, and social inclusion	

C1.9. The studies related to social investment, social responsibility, finansal inclusivity and access to finance have been explained.	X			are being implemented, and collaborations that promote financial inclusion and broader societal benefit are publicly disclosed during the reporting period.	Sustainability Report page 61-69
C1.10. The informative meetings and training programs related to ESG policies and practices have been organized for employees.	X			Information sessions and training programs on environmental, social and governance (ESG) policies and practices are organized for employees, and awareness trainings on ethics, human rights, occupational health and safety, and environmental topics were implemented during the reporting period and publicly disclosed.	Sustainability Report page 46-49
C2. Stakeholders, International Standards and Initiatives					
C2.1. The customer satisfaction policy regarding the management and resolution of customer complaints has been prepared and disclosed.	X			A customer satisfaction policy has been established at Borusan Boru for the management and resolution of customer complaints, and the processes for collecting and evaluating customer feedback, as well as for implementing corrective actions, have been defined and publicly disclosed.	Sustainability Report page 72-74
C2.2. The information about the communication with stakeholders (which stakeholder, subject and frequency) have been disclosed.	X			The communication carried out with stakeholders — including employees, customers, suppliers, public institutions, NGOs, and investors — is systematically disclosed in the report, detailing which stakeholder groups are engaged, on which topics, and at what frequency.	Sustainability Report page 63-69
C2.3. The international reporting standards that adopted in reporting have been explained.	X			The international reporting standards adopted in the company's disclosures — including the GRI Standards, the UN Global Compact principles, the TSRS framework, and the TCFDaligned approach for climaterelated disclosures — have been publicly communicated.	
C2.4. The principles adopted regarding sustainability,the signatory or member international organizations, committees and principles have been disclosed.	X			The principles adopted by Borusan Boru in the field of sustainability, as well as the international initiatives and organizations to which the company is a signatory or member (e.g., the UN Global Compact), have been publicly disclosed in the report.	
				Borusan Boru is not included in the Borsa Istanbul Sustainability Index; however, the company continues to	

C2.5. The improvements have been made and studies have been carried out in order to be included in the Borsa Istanbul sustainability indices and/or international index providers.	X			carry out initiatives to enhance its sustainability performance through international rating and assessment platforms (such as CDP). In this context, the company regularly shares the data and disclosures requested by these platforms. Accordingly, independent from any index membership, Borusan Boru maintains its reporting and improvement activities with a focus on transparency and performance enhancement.	
D. CORPORATE GOVERNANCE PRINCIPLES					
D1. The opinions of stakeholders have been sought in the determination of measures and strategies related to sustainability field.	X			Borusan Boru takes stakeholder perspectives into account when determining sustainability-related measures and strategies. Through stakeholder mapping, stakeholder engagement and materiality assessments, the company integrates the views of employees, customers, suppliers, public institutions and non-governmental organizations into its decisionmaking processes. Feedback received from stakeholders is utilized in defining sustainability priorities and in the development of action plans.	Sustainability Report page 63-69
D2. The social responsibility projects, awareness activities and trainings have been carried out to raise awareness about sustainability and its importance.	X			Borusan Boru carries out initiatives to enhance awareness of sustainability through social responsibility projects, awarenessraising events and training programs. During the reporting period, the company publicly disclosed its community investment activities, volunteering initiatives and employee-oriented training and information sessions covering environmental, ethical and social topics.	Sustainability Report page 46-49, 61-69