DUTIES AND RESPONSIBILITIES OF THE AUDIT COMMITTEE

I. PURPOSE AND SCOPE

The purpose of this document is to regulate the duties and responsibilities of the Audit Committee established by the Board of Directors of Borusan Birleşik Boru Fabrikaları Sanayi ve Ticaret A.Ş. (“Company”). Among the duties of the Committee are to monitor and audit the Company’s compliance with the audit principles stipulated in the capital markets legislation and the principles set forth in this document, to carry out improvement and development activities for this purpose, and to provide recommendations to the Board of Directors.

II. LEGAL BASIS

This document has been developed and prepared on the basis of the regulations, provisions, and principles stipulated in the Capital Markets Legislation, the Communiqué on Corporate Governance Principles of the Capital Markets Board, and the provisions of the Turkish Commercial Code.

III. ORGANIZATION

Establishment

Following the election of new members of the Board of Directors at the ordinary general assembly meeting, the Committee shall be established and authorized by the Board of Directors. The former members of the Committee shall continue to perform their duties until new members are appointed. The term of duty and service of the Committee depends on the term of office of the Board of Directors that appointed it. The Committee operates within its own scope of authority and provides recommendations to the Board of Directors, however, the responsibilities of the Committee do not eliminate the responsibilities of the Board of Directors under the Turkish Commercial Code.

The Committee is authorized to invite the Company’s employees, representatives of real or legal persons affiliated with the Company including its subsidiaries, and internal or external auditors and experts to its meetings to obtain their opinions and recommendations, and to procure external legal consultancy and professional advisory services when necessary and as needed.

Members

The Committee consists of at least two members. All Committee members are selected from among the Independent Members of the Board of Directors.

Meetings

The Committee convenes at least 4 times a year at the Company’s headquarters, at a previously agreed location, or via video conference. Committee meetings are organized and scheduled to the extent possible, in synchronization with Board of Directors meetings.

Reports summarizing and explaining the issues to be discussed at the Committee meeting are sent to Committee members at least 3 business days prior to the meeting. Management then prepares the content of these reports, and the Committee reviews the opinions of the auditor and management on the relevant matters. The scope of duties and decisions of the Committee are summarized by the Committee Chairman to all Board Members during the Board of Directors meeting in order to collect their opinions and comments. The decisions taken at the Committee meetings are documented in writing, sent to all Committee Members and Board Members after the meeting, and are regularly filed and preserved.

The action items decided in the previous meeting are also reviewed in the following Board of Directors meeting to monitor progress. The Committee may also present its observations and recommendations within its scope of responsibility, in a report submitted to the Board of Directors.

IV. DUTIES AND RESPONSIBILITIES

The duties of the Committee include evaluating the findings presented by the independent auditor to the Committee, significant issues and matters related to the Company’s accounting principles and practices, the practices within the framework of the accounting standards and accounting principles presented to the Company by the independent auditor, and alternative options for the public disclosure process, assessing their potential consequences, making recommendations and suggestions regarding implementation, and maintaining communication with Company management. The Committee’s duties also include examining and concluding complaints submitted to the Company regarding accounting, reporting, internal control systems, and the independent audit process, and determining the methods and criteria for evaluating notices and reports made by Company employees on accounting, reporting, internal control, and independent audit issues within the framework of confidentiality principles.

Within this working principle, the Audit Committee reviews and examines the results of the audits conducted by Borusan Holding’s internal audit department. These audits are carried out in accordance with the International Standards for the Professional Practice of Internal Auditing. In order to ensure that the report is prepared independently and submitted directly to the Board of Directors, the responsible auditors also attend the meeting.

The Committee evaluates the opinions of the auditors and management, and acts as an intermediary in taking decisions or, in the event of failure to reach a consensus on audit findings or necessary measures, decides to refer the matter to the Board of Directors. The Committee also reviews the action plans of the previous year and monitors and follows up on the progress made.

Once a year, an external audit firm (always selected from among the top 4 audit firms in accordance with Borusan principles) makes a presentation regarding the consolidated audit results of the Company and provides information and recommendations on critical issues, if any.

V. VALIDITY

This regulation, including any future amendments regarding the duties and responsibilities of the Committee, shall enter into force upon approval by the Board of Directors.