



**2023 SUSTAINABILITY REPORT  
EXECUTIVE SUMMARY**

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# INTRODUCTION

## ABOUT THE REPORT



### Borusan Boru is pleased to present its 4th report to its stakeholders.

Since 2020, Borusan Boru has been publishing sustainability reports aimed at contributing to transparent communication with its stakeholders.

The 2023 sustainability report is Borusan Boru's second report that includes information on its global activities.

Borusan Boru, which has witnessed the development of Turkish industry and evolved from a local company into a global manufacturer, took a significant step in 2023 by introducing its new brand identity. In line with this, the company began operating under the Borusan Boru brand in Türkiye and the Borusan Pipe brand internationally.

Under the guidance of its agile teams and with the contributions of all its employees, Borusan Boru has been working for over three years to determine the positive impact it creates in the field of sustainability, consistently generating value focused on sustainable development across its areas of operation.

The company's goal is to contribute to the sustainability awareness of all our stakeholders through the annually published reports.

### Report Period and Scope

This report covers the period from January 1, 2023, to December 31, 2023, and includes Borusan Boru's operations in Türkiye, as well as its activities in Vobarno, Italy, and Baytown, USA. It also encompasses the operations of Berg EUROPIPE Holding Corp, which joined Borusan Boru in 2023, in Panama Mobile and Panama City.

### Reporting Standards

The report has been prepared in accordance with the principles of the United Nations Global Compact (UNGC), which Borusan Boru joined as a signatory in 2022, and in compliance with GRI Standards.

The GRI Content Index is presented in the Annexes of the report.

Borusan Boru's activities, conducted within the context of its materiality topics, have been aligned with the relevant targets of the United Nations Sustainable Development Goals (SDGs) to identify the company's contributions and global impacts.

During preparing the report, the Türkiye Sustainability Reporting Standards, published on December 29, 2023, and the EU Corporate Sustainability Reporting Directive (CSRD), which will be gradually implemented due to the presence of international subsidiaries, were also taken into consideration. Content lists demonstrating compliance with TSRS and CSRD are included in the Appendices section of the report.

### References

In the report, the terms "company," "organization," and "institution" refer to Borusan Birleşik Boru Fabrikaları Sanayi ve Ticaret A.Ş., registered as Borusan Boru ("BBB"), while the term "Holding" refers to Borusan Holding.

### Audit Approach

The water data presented in the report has been audited by QSI, while the climate data has been audited by Bureau Veritas. Audit statements are provided on pages 145-147 of the report. No external audit has been conducted for other indicators.

### Contact

Borusan Boru values and appreciates the feedback from its stakeholders.

- For feedback and any inquiries regarding Borusan Boru's activities, please contact: [bbsurdurulebilirlik@borusan.com](mailto:bbsurdurulebilirlik@borusan.com), [bb.investor@borusan.com](mailto:bb.investor@borusan.com)
- For feedback and inquiries related to Borusan Holding, please contact: [kileti@borusan.com](mailto:kileti@borusan.com)



### Report Details

The report was created in collaboration with Sachi Consulting.

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

## LETTER FROM THE CHIEF EXECUTIVE OFFICER

**With the strength we draw from our achievements, we continue our efforts tirelessly to leave a livable world for future generations.**



**In 2023, with a continued focus on financial discipline, Borusan Pipe achieved the strongest financial results in its history while continuing to invest in sustainable, profitable revenue growth.**

Sustainability lies at the core of our business processes, with this perspective adopted at every stage of our operations. As a pioneering institution in sustainability within our sector, we conduct studies across a broad spectrum—from initiatives to reduce our carbon footprint to advancements in occupational health and safety (OHS).

Alongside the products and services we provide, we stand out with our commitment to leaving a more livable world for future generations. We continue our efforts with the responsibility of preserving and advancing existing values.

Starting with our step of being the first company in our sector to publish a sustainability report, we have achieved valuable accomplishments across various areas, from initiatives to reduce our carbon footprint to advancements in occupational health and safety.

With the strength we draw from these achievements, we continue our efforts tirelessly to leave a livable world for future generations.

Borusan Boru aligns its efforts with Borusan Holding's sustainability values, which focus on climate, people, and innovation.

Our sustainability journey, which we began in 2020, reached a guiding level of maturity in our industry by the end of 2023, thanks to the contributions of 95 team members across seven thematic groups. Another significant step in this journey was the inclusion of our factories in Italy and the USA in our thematic sustainability groups in 2023, thereby expanding the impact of our sustainability movement across all our locations.

I am pleased and proud to share the results we have achieved transparently with our stakeholders.

In 2023, alongside financial leadership, we continued to focus on utilizing our resources in the most efficient way, maintaining our position as a leading steel pipe manufacturer in the Turkish market, seizing opportunities in export markets, and evaluating investment and acquisition possibilities in areas with growth potential in international markets.

Undoubtedly, we could not have achieved these significant successes without our dedicated workforce-capable, proactive individuals who internalize Borusan Boru's goals as their own personal objectives.

In 2023, global economic uncertainty continued to grow, pushing us to regularly assess risks and opportunities and identify new strategies across all our companies. At Borusan Boru, we view every adverse development as a potential new opportunity to add value on a global scale. We integrate all external factors into our strategy, continually enhancing our way of doing business to support sustainable development goals. At Borusan Pipe, we view every adverse development as a potential new opportunity to add value on a global scale. We integrate

### A MORE LIVABLE WORLD

**We are committed to leaving a more livable world for future generations.**

## LETTER FROM THE CHIEF EXECUTIVE OFFICER



all external factors into our strategy, continually enhancing our way of doing business to support sustainable development goals.

One of our greatest achievements in sustainability in 2023 was achieving a 13% reduction in our greenhouse gas emissions, verified according to ISO 14064:2018 standards, compared to our base year of 2021, as we did in 2022.

Additionally, through our water conservation projects, we achieved a 32% reduction in water consumption.

In 2023, sales from new product and service groups accounted for 16% of consolidated gross profit and 10% of sales tonnage, representing first-quality products.

In November 2015, with the belief that gender equality must be embraced and internalized at both corporate and individual levels, the Borusan Equals Social Equality Platform was established. In 2023, we continued our people-centered efforts with the agile Sustainable Talent Management team, following the approach of our Borusan Equals team.

As one of the leading companies in the Turkish steel pipe market, we were honored once again in 2023 with the “International Safety Award” from the British Safety Council, recognizing our processes and commitment to advancing standards in occupational safety.

In the 66<sup>th</sup> program organized by the British Safety Council, one of the world’s most respected institutions in occupational health and safety, we received the award in the “Merit” category.

According to the employee satisfaction survey results, our employee satisfaction rate reached 79% in 2023

Since the early 2000s, with facilities established in Italy, the USA, and most recently Romania, we have continued to expand our presence and increase our impact in the

industry. Our acquisition of Berg Pipe in 2023 has further strengthened our position. As one of the largest Turkish industrial investors in the USA, we are broadening our operations through significant steps from local to global within our sustainable growth strategy. As with all our processes, we continue our sustainability journey with an inclusive approach, bringing our sustainability efforts to a global stage.

As one of the largest Turkish industrial investors in the USA, we are broadening our operations through significant steps from local to global within our sustainable growth strategy. As with all our processes, we continue our sustainability journey with an inclusive approach, bringing our sustainability efforts to a global stage.

**As we mark the 100<sup>th</sup> anniversary of our Republic, we look toward the coming centuries with hope.**

This year, the Borusan Group celebrates its 80th anniversary. While 80 years may seem like a long time, we say, “We’re just getting started,” and we strive to grow through our climate, people, and innovation strategy. On this occasion, I would like to thank all our stakeholders who have supported us throughout this journey.

In the scope of Turkiye Sustainability Reporting Standards and covering our activities across all regions, I am pleased to present the details of our 2023 sustainability performance to our valued stakeholders and the public.

Zafer Atabey

CEO

**With the addition of Italy and the USA in 2023, our sustainability movement has gained momentum across all our locations.**

### SUSTAINABILITY MOVEMENT

## HIGHLIGHTS AT BORUSAN PIPE\*

- **11** Production Facilities Across **3** Continents
- Over **2,500** Employees
- Net Profit: **194.1 million USD**
- Local Player in Global Markets
- Total Sales Volume: **1.1 million tons**
- Market Value: **2.8 billion USD**
- Exports to Over **80** Countries
- Consolidated Sales Revenue: **1.7 billion USD**

- As of November 23, 2023, the company's name has been registered as **Borusan Birleşik Boru Fabrikaları San. ve Tic. A.Ş.** (Borusan Boru).
- Borusan Group has acquired a **23%** share in the capital of BMB Holding A.Ş. from Salzgitter Mannesmann GmbH.
- The establishment of the **Factory Innovation Network** brand by Borusan Boru to lead innovation efforts.

- Borusan Boru's acquisition of 100% of Berg Pipe, one of the highest quality and capacity producers of large-diameter line pipes in the U.S., through a transaction valued at **162 million USD**, including LSAW facilities in Florida (established in 1979) and HSAW facilities in Alabama (established in 2007).
- Borusan Boru's investment of **15 million euros** to establish a service center in Romania\*
- "Borusan Boru becoming the first company in the steel pipe industry to receive the Certification of "Women in the Workplace Equality"



















- Borusan Boru Yatırım Holding A.Ş. increased its shareholding to **100%**, establishing the brand's new identity as Borusan Boru.
- The **50 million USD** investment in the SRM Line in Baytown, USA, has continued.\*

### QUALITY AND INNOVATIVE PRODUCTS

Borusan Boru, with the goal of excellence in production, is committed to delivering quality and innovative products across its **11 facilities** located on **3 continents**.

\* Data are as of the end of 2023.

# HIGHLIGHTS OF 2023

Our Inputs	The Value We Create	Our Outputs	SDG
 <p><b>Our Inputs</b></p>	<p>With its strong financial structure and corporate infrastructure, it is a leading company in the pipe sector. Financial value for stakeholders Contribution to the global economy</p>	<p>1.7 billion USD Net profit: 194 million USD</p>	
 <p><b>Human Capital</b></p>	<p>Safe working environment Creating an inclusive and equal workplace for everyone with the Borusan Eşittir Platform Becoming the preferred workplace</p>	<p>56,358 hours of training 47% reduction in accident frequency rate International occupational safety award</p>	 
 <p><b>Natural Capital</b></p>	<p>Contribution to Borusan Group's net zero goal Circularity in pipe production Reducing water footprint through water and waste management Protecting ecosystems and biodiversity</p>	<p>13 % reduction in Scope 1 + Scope 2 values</p>	  
 <p><b>Intellectual Capital</b></p>	<p>Sustainable products Support for young entrepreneurs Strong innovation and R&amp;D activities</p>	<p>16% of gross profitability comes from product and service groups 2 sustainable products</p>	 
 <p><b>Social Capital</b></p>	<p>Developing projects with social impact Collaboration with stakeholders Volunteer efforts Sustainable benefits for the community</p>	<p>Inspiring breakfasts Orientation plans Feedback mechanisms</p>	 
 <p><b>Manufactured Capital</b></p>	<p>With the most established pipe manufacturing facility, a leading production plant in Türkiye and the world.</p>	<p>2 million tons production capacity</p>	 

[Click here](#) to access the manifesto prepared to illuminate Borusan Boru on its journey of responsibility to inspire.





# GOVERNANCE

*Every social and global issue of our day is  
a business opportunity in disguise.  
Peter Drucker*

## SUSTAINABILITY ORGANIZATION

In 2024, sustainability initiatives were also launched at the factories located in Italy and the USA.



### AN INCLUSIVE GOVERNANCE MODEL

The Sustainability Thematic Groups, comprising ninety-five members and 7 agile teams, exemplify an inclusive governance model through their initiatives.

The Sustainability Thematic Groups, consisting of ninety-five members and 7 agile teams, hold weekly meetings to identify current needs, risks, and opportunities. They regularly share their findings with the Borusan Pipe Sustainability Committee, demonstrating an inclusive governance model.

In 2024, sustainability initiatives are planned to be launched at the factories in Italy and the USA, with the aim of extending the process to all Borusan Pipe locations.

Agile teams hold weekly meetings to identify the needs and obstacles in their work and take the necessary actions. At the end of each month, the Borusan Pipe Sustainability Leader provides updates on the progress

of their sustainability journey through presentations to the Borusan Holding Sustainability Committee

The year-end overall assessment was shared with employees as part of the 2022 Sustainability Report

Year-end sustainability meetings, attended by sustainability team leaders and the Executive Committee, provide an opportunity for a comprehensive evaluation of the year's performance. During these meetings, the goals and budget for the upcoming year are reviewed and assessed.

During quarterly Board of Directors meetings, presentations on sustainability goals are delivered, providing updates on the progress of the goals as well as sharing periodic risks and opportunities.

## SUSTAINABILITY ORGANIZATION



At Borusan Pipe, the oversight of risks and opportunities related to sustainability is managed by the Sustainability Executive Board, led by the CEO.

### The responsibilities of the CEO include:

1. Representing the company as a sponsor on sustainability matters and acting as the Chair of the Sustainability Steering Committee.
2. Engaging with senior management to integrate sustainability into strategic decisions.
3. Sponsoring the guidance and implementation of sustainability initiatives across the company.

4. Communicating progress with stakeholders, including key executives.

5. As the CEO, focusing on short-term (0-1 year), medium-term (1-3 years), and long-term (3-7 years) company objectives and liaising with the Early Detection of Risk Committee.

6. Approving, rejecting, or proposing changes to the budget for sustainability-based investments.

However, investment decisions fall under the authority of the Board of Directors.

Monthly sustainability board meetings, led by the CEO, bring together representatives of the leaders of agile groups on a regular basis.

The committee works in alignment with Borusan Holding to approve the company's sustainability goals, including those related to climate change. The Board of Directors makes investment decisions on projects proposed by all agile groups.

The CEO collaborates with the Chief Sustainability Officer (CSO) in fulfilling sustainability-related responsibilities.

Drawing on extensive industrial experience and sectoral expertise, the CEO of Borusan Pipe manages the company's strategy regarding risk and opportunity processes together with the Executive Committee members. Reporting directly to the CEO, the risk manager supports the identification and updating of risk and opportunity processes within the scope of sustainability.

At Borusan Pipe, the risk management and internal control functions are under the responsibility and supervision of company management. The management prepares financial statements in accordance with International Financial Reporting Standards (IFRS) and submits them monthly to the Board of Directors, along with defined critical performance indicators and relevant explanations.

The process risks specific to Borusan Pipe are also regularly reported to the Board of Directors. Sustainability-related risk and opportunity processes, including their financial dimensions, are regularly shared with both the Executive Committee and the Board of Directors.

The risk management and internal control team is highly skilled and competent in connecting risk management with sustainability, working with a multidisciplinary approach.

**The climate action budget for 2023, approved by the Board of Directors, amounts to approximately 2.25 million USD.** In addition to this budget, there are separate sustainability budget items approved by the Executive Board under the scope of sustainability and environmental initiatives.

**For the 2023 budget, an annual emissions reduction target of approximately 8,961 tons of CO<sub>2</sub> has been set.** Details of the emissions management process can be found in the Climate section of the report.

# SUSTAINABILITY ORGANIZATION



**The Assistant General Manager for Sustainability at Borusan Pipe is a member of the Executive Board within the Holding. The responsibilities of the Assistant General Manager for Sustainability (CSO) include:**

1. Ensuring the involvement of the CEO and other Board Members in the formulation of the sustainability strategy.
2. Evaluating sustainability awareness activities, considering the participation of the Holding.
3. Managing interaction activities with internal and external stakeholders, including sustainability initiatives, and making interaction-related decisions.

4. Attending Holding Sustainability meetings and leading monthly Agile team meetings.

5. Ensuring the inclusion of key topics such as decarbonization and climate change in mitigation strategies.

6. Taking responsibility for the integration of performance metrics into the remuneration policy and monitoring the company's progress toward its targets.

You can see the connection between Sustainability Performance Indicators and the Remuneration Policy within Borusan Pipe in the table below.

2023 Company Target	GM	AGM S2-3	AGM S4	AGM Finance&FTO	AGM HR&Sus.	AGM Digital Tec&New Product	Factory Director	Directors&Managers	Technical Teams	Others	Note
Sustainability	5	5	5	5	15	5	10	5	0	0	Sustainability Leaders will receive 10%, and Sustainability Team Members will receive 5%.

Each sustainability agile team member within Borusan Pipe is subject to the bonus system based on their responsibilities.

At Borusan Pipe, all operational sustainability processes are managed by the Global Sustainability Manager. The Global Sustainability Manager periodically reports progress to both the Holding and Borusan Pipe Sustainability Executive Boards.

Under the Borusan Pipe Sustainability Academy, all agile group members receive a minimum of 40 hours of sustainability training. Efforts are undertaken to enhance

the competencies of agile group members, and initiatives have been launched to advance the academy's activities on a global scale.

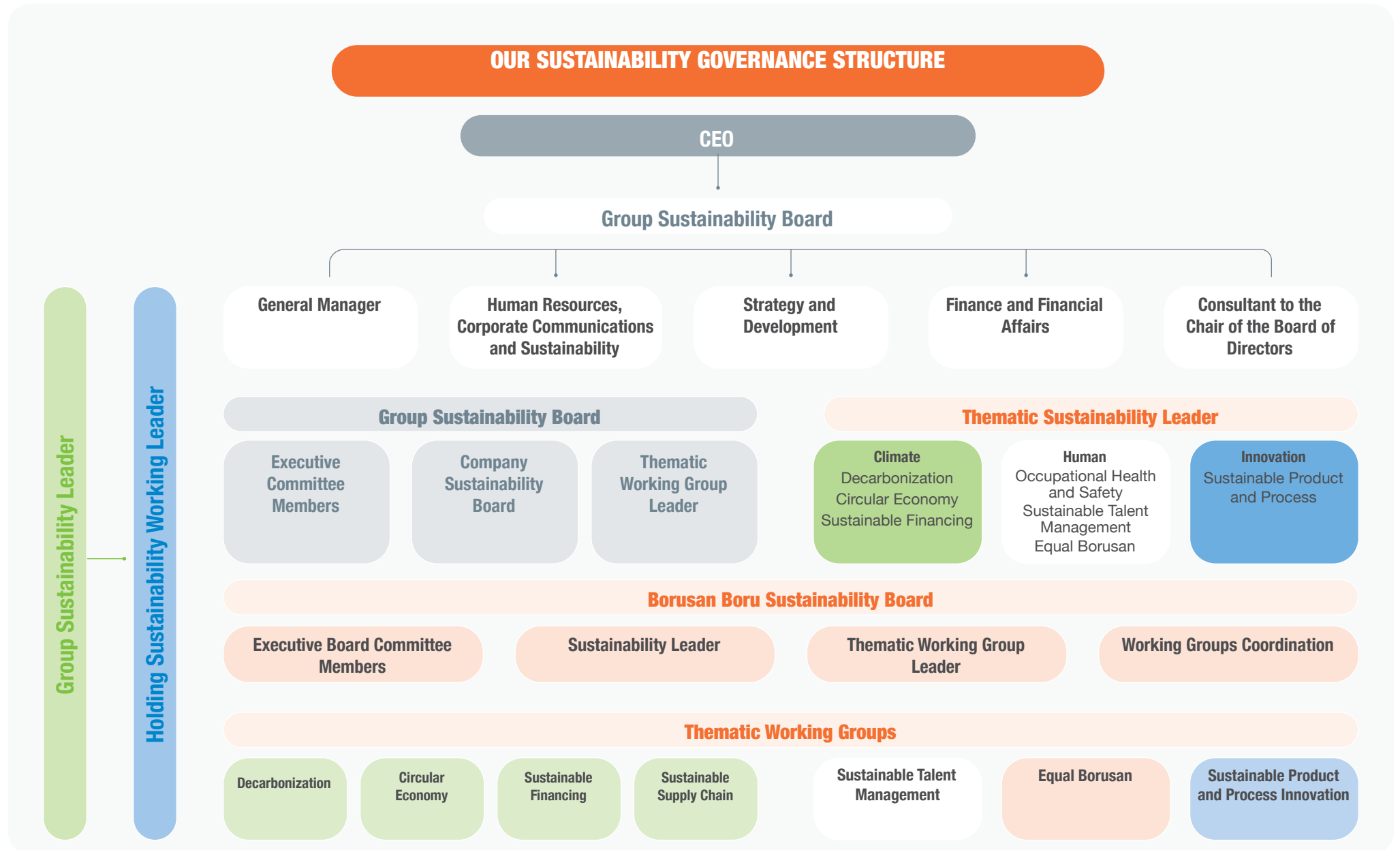
Members of the Sustainability Executive Board also monitor global developments in sustainability. They lead the identification of sustainability-related risks and opportunities, as well as ensure that these are addressed and tracked by the responsible parties during the development of compliance policies.

The Sustainability Executive Board, under the leadership of the CSO, conducts competency tracking.

Competencies are monitored within the scope of sustainability-related risks and opportunities, and areas for improvement are identified. Regular communication on sustainability is carried out under the leadership of the Sustainability Manager, with the knowledge and approval of the Executive Board. Regular sustainability communication is crucial for keeping both internal and external stakeholders informed.

When making decisions related to sustainability, the Executive Board consults with the Holding when necessary.

# SUSTAINABILITY ORGANIZATION



## SUSTAINABILITY ORGANIZATION



In addition to the Early Detection of Risk Committee, internal control systems, internal audit activities, and investor relations efforts are regularly reported to external stakeholders through the annual report.

Closely monitoring global developments, the company has made its corporate risk management policies effective and systematic. A corporate risk management process has been established to identify factors that could impact the company's operations, manage these factors in line with its risk appetite, and implement necessary measures.

The Internal Control Unit was restructured in 2021 to support the company's strategic initiatives by proactively identifying and managing risks and opportunities. Within this scope, foreseeable risk and opportunity projects are carried out throughout the year with the participation of various departments. The risks identified through these projects are prioritized, and risk owners work on mitigating the impacts of these risks.

The entire governance structure related to sustainability is documented and preserved within the framework of management systems. The Sustainability Department provides orientation training to new employees as part of their integration into the company culture.

### EFFECTIVE AND SYSTEMATIC

The Company, closely monitoring global developments, has made its corporate risk management policies effective and systematic.

**Zafer Atabey**



I am proud to be part of Borusan because, inspired by its founding values, it is a people-centered organization with a sustainability-driven vision, leaving a lasting and inspiring legacy for future generations.

**STRATEGY**



## STRATEGY

**Borusan Pipe's goal is to develop an inclusive strategy in the global market within the context of sustainability and to align all operations to the same level of impact.**



### LOCAL PLAYER IN GLOBAL MARKETS

**In 2023, Borusan Pipe has made developments that reinforce its strategy of becoming a local player in global markets.**

The European Green Deal, which aims for the EU to become a carbon-neutral continent by 2050, is a roadmap and new economic growth strategy that includes strategies and legislative proposals to achieve this goal.

The targets for carbon emission reduction will impact exports to the European Union through various channels. These include the implementation of carbon taxes, eco-labeling, and new standards for circular business models. Borusan Pipe is aware that once it completes the compliance process in this area, its competitive strength in the market will not be affected, and it will not face additional costs.

**Borusan Pipe closed 2023 with developments that reinforced its strategy of becoming a local player in global markets, recording record financial results.**

The company's goal is to develop an inclusive strategy for the global market in the context of sustainability and to align all operations to the same level of impact.



## STRATEGY



During 2023, strategies for commercial excellence, operational excellence, sustainability, and product innovation were developed, and social responsibility projects for the community were carried out for a contemporary Türkiye. The mandatory process within the scope of TSRS was strategically managed, and the processes were transparently shared with stakeholders.

### Factors that differentiate Borusan Pipe from its competitors in its areas of activity

With a qualified and dynamic workforce continuously developing through ongoing training in new manufacturing techniques, and a strong management team focused on aligning its strategies with global quality standards, Borusan Pipe has become a leader in the industry for trust and quality, in addition to its value-added products and services, with a focus on customer satisfaction.

The company has structured its R&D philosophy around conducting research and product development activities in all markets to create new products that meet the needs of its customers and the market. It collaborates with raw material suppliers with the goal of excellence in product and process design.

The strategic locations of Borusan Pipe's facilities have provided the company with a competitive advantage in the face of increasing global competition dynamics in recent years.

With a focus on sustainable and profitable revenue growth, Borusan Pipe made investments aimed at expanding internationally in 2023. The company has implemented strategic decisions to restructure its production facilities in Türkiye in line with changing global and sectoral dynamics.

In light of its strategy for innovative products and new business models, Borusan Pipe continues to make investments aimed at maintaining its strong position in existing markets, while also focusing on penetrating niche and new markets.

Borusan Pipe has developed its value creation strategies with a focus on climate, people, and innovation.

The company offers processes and products that create value for all its internal and external stakeholders.

With the responsibility that comes from its strong position in the industry, the company also plays a leading role in tracking and implementing innovative approaches. In line with the 2030 targets set across the Group, Borusan Pipe aims to achieve zero waste and carbon neutrality, while also contributing to the preservation of the ecological balance.

## A PIONEER OF TRUST AND QUALITY

In addition to its value-added products and services, Borusan Pipe has become a leader in trust and quality in the industry, with a strong focus on customer satisfaction.

# STRATEGY



Borusan Pipe's sustainability strategy is based on four main axes:

- Commercial Excellence
- Operational Excellence
- Sustainability
- Innovation in New Products

Digital technologies and human resources management have been identified as supportive areas in implementing the sustainability strategy. Borusan Pipe, aligning with the Group's approach, has adopted the mission of providing solutions that add value to the business processes of its internal and external stakeholders with a focus on i<sup>3</sup>.

Borusan Pipe voluntarily participates in the "Climate Change" and "Water Security" programs under CDP (Carbon Disclosure Project), one of the world's leading platforms for combating climate change.

Borusan Pipe regularly monitors sustainability developments to identify sustainability-related risks and opportunities that are reasonably expected to impact its future financial viability.

Company officials participate in regular updates at the Group level, working to convert risks into opportunities and ensure financial viability.

In line with its strategic focus areas, Borusan Pipe has established processes to convert all risks into opportunities. Through actions taken under its focus on competition and transformation, the company will strengthen its financial position and maintain its competitive edge.



## i<sup>3</sup> FOCUS

**Aligning with the Group's approach, Borusan Pipe has adopted the mission of providing solutions that add value to the business processes of its internal and external stakeholders with a focus on i<sup>3</sup>.**

# STRATEGY

## GREEN TRANSFORMATION STRATEGIC APPROACH

Within the scope of green transformation, the electric arc furnace is adopted as an alternative method in iron and steel production. Unlike the conventional production method, the electric arc furnace uses cold metal instead of hot metal for the filling process.

### Our Actions Within the Scope of Decarbonization Processes

- Borusan Pipe develops strategies for every stage of its operations to minimize its negative impact on the environment and follows environmentally friendly policies for a clean environment and a healthy future.
- The company works in compliance with all national and international legal regulations to recycle waste in the production stage, minimize the use of natural resources, and provide a healthy environment for future generations.
- Borusan Pipe is taking steps to adopt eco-friendly, energy-efficient, and low-carbon methods by following alternative technologies and green system investments, such as electric arc furnaces, in the steel industry.
- Some raw materials in the industry are produced in electric arc furnaces. Although Borusan Pipe does not produce raw materials, it prioritizes suppliers using this method and considers it in the supplier selection process. In this context, a certain proportion of steel raw material sourced from electric arc furnaces is used.
- Borusan Pipe has applied for the Future Inspiration Awards in the climate category, with projects in Decarbonization and Energy Management. You can access the projects via the link below.
  - [Energy Efficiency in SRM Induction Furnaces](#)
  - [Preventing Internal Scale Pipe Production with the Online Monitoring System](#)
  - [Supplying Cooling Towers with Recycled Wastewater](#)
  - [Spiral Factory Internal Market Logistics Project](#)

# STRATEGY

## Borusan Pipe Strategic Focus Areas

### COMPETITIVE ADVANTAGES

- A qualified workforce with a vision for quick action, flexibility, and turning crises into opportunities.
- A strong and leading brand perception
- High customer satisfaction through a maximum customer and solution-focused approach
- A preferred manufacturer by suppliers due to value-added products, continuous growth, and a reliable partner approach
- A wide product range continuously supported by new investments.
- A leading manufacturer in Europe for cold-drawn pipes and in the US for welded steel pipes
- A balanced portfolio approach with a presence in geographies and segments operating with different dynamics.

### TRANSFORMATION FOCUS AREAS

- Cultural transformation focused on Environmental, Social, and Governance (ESG)
- Compliance efforts related to the Carbon Border Adjustment Mechanism (CBAM)
- Digitalization in processes
- Operational efficiency
- Profitability-focused sustainable growth in business lines and geographical areas
- The most efficient integration of acquisitions and investments in new geographies
- Creating added value with smart pipes that enable customer and product communication.
- Targeting new markets with hydrogen, carbon capture, and energy storage products

### STRATEGIC ACTIONS

- **Infrastructure and Project:** Growth in the North American market through the acquisition of Berg Pipe in the USA
- **Industry and Construction:** Increasing the portfolio weight of new products through SRM investment in the USA.
- **Automotive:** Penetration in Tier 1 - Tier 2 customer segments in Europe through investment in a processing center in Romania
- **Energy:** Continuing profitable revenue growth by focusing on automation and robotic investments in existing lines
- Continuously evaluating efficiency-focused acquisition and merger options

# RISK AND OPPORTUNITY MANAGEMENT



## RISK AND OPPORTUNITY MANAGEMENT

**Borusan Pipe tracks developments related to material issues with a risk-focused approach and incorporates them into its agenda.**



### INTERNAL CONTROL LEADERS

**Since 2022, Borusan Group has been developing an integrated approach to risk management, and Borusan Pipe's internal control leaders are also supporting this process.**

Since its establishment by Borusan Group in 2021, the Internal Control functions have been operating effectively. Borusan Pipe has integrated the internal control function into every process related to sustainability.

Since 2022, Borusan Group has been developing an integrated approach to risk management, with Borusan Pipe's internal control leaders supporting this process.

With the support of the internal control structure established within the framework of risk management by Borusan Holding, current risk and opportunity assessments are being made. Process risk analyses, workshops, one-on-one meetings, and control self-assessments are conducted for prominent risky areas, and action plans are prepared.

The internal control leader also has a guiding role in managing risks and opportunities. Since the definition of the role, internal control has developed expertise in general concepts such as corporate risk management, auditing, fraud awareness, financial literacy, strategic management, business development, growth management, business analysis, project management, innovation, and sustainability.

Borusan Holding has secured insurance policies, including those for Borusan Pipe, to ensure coverage against potential damages arising from risk management.

## RISK AND OPPORTUNITY MANAGEMENT



Under cyber risk and crime insurance policies, one of the world's most significant economic risks, potential third-party damages, material losses, data recovery expenses, revenue losses due to business interruption, and financial damages caused by cybercrimes are covered. Borusan Holding also manages technology-related risks in detail. The security of the information systems that store, process, and publish Borusan Pipe's data is ensured at the highest level.

With the awareness that all operational risks are dynamic processes, risks are regularly updated and developed.

Operating in international markets, Borusan Pipe takes into account international developments and the changing and evolving stakeholder expectations while developing its sustainability strategy.

At the end of 2023, under the Türkiye Sustainability Reporting Standards announced by the Public Oversight Authority and in accordance with the EU Corporate Sustainability Reporting Directive (CSRD), companies are expected to disclose not only information about their business models but also the sustainability risks and opportunities. They are also expected to support all their policies and strategies with risk and opportunity studies.

Starting in 2023, Borusan Pipe has initiated focused efforts covering the end-to-end value chain, supporting its strategy, risks, opportunities, and the performance indicators of all these processes.

As part of the Business Plastics Initiative, Borusan Holding is one of thirty-four companies that publicly shared its commitments to create a circular economy for plastics in Türkiye and reduce plastic usage, doing so with transparency for the first time. Borusan Pipe continues to progress in its sustainability approach while adhering to these commitments.

### Risks and Opportunities within the Scope of Sustainability

The Turkish steel pipe industry, with an average annual production of 4.8 million tons, ranks fourth in the world and first in Europe. ([www.cebid.org.tr](http://www.cebid.org.tr))

In the Turkish welded steel pipe industry, approximately 60% of annual production is used in the domestic market, while the steel pipe sector exports to more than 140 countries. In 2022, Türkiye exported 2.1 million tons worth 2.3 billion USD, accounting for 10.5% of the global welded steel pipe exports, which reached 20 billion USD annually.



### FOCUSED EFFORTS

Focused efforts covering the end-to-end value chain have been initiated within the framework of supporting strategy, risks, opportunities, and all these processes with performance indicators.

## RISK AND OPPORTUNITY MANAGEMENT



In the first nine months of 2023, Türkiye's steel pipe sector exports decreased by 13.3% compared to the previous year, totaling 1,407,000 tons. Romania, Morocco, the United Kingdom, and Iraq emerged as the main export markets. The protectionist measures of the EU and the US, China's focus on domestic consumption, the EU's implementation of the Carbon Border Adjustment Mechanism (CBAM) in the context of climate change mitigation, countries' embargo practices, and supply issues are the key agenda items for Turkish steel producers.

On June 11, 2021, the German Federal Parliament approved the German Supply Chain Due Diligence Act, which affects not only German companies but also their suppliers in foreign countries. The law, which came into effect on January 1, 2023, primarily focuses on preventing human rights and environmental law violations. The law imposes direct obligations on German companies and also impacts domestic and foreign companies involved in the supply chains of obligated German organizations.

**Borusan Pipe closely follows global developments in supplier management and takes actions to address potential risks by collaborating with its suppliers.**

Operating in international markets, Borusan Pipe considers international developments as well as the changing and evolving expectations of stakeholders while developing its sustainability strategy.

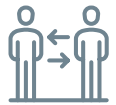
***In 2022, Borusan Pipe presented its first global Sustainability Report to its stakeholders, which included its operations in Italy and the USA.***

Risk approaches shared with sustainability bring companies together under an integrated perspective. Every non-financial indicator is reflected as a financial counterpart on companies' balance sheets in the increasingly globalized world.

Managing climate-related risks and financials is becoming increasingly important.

The risk agenda is constantly evolving, not only with biodiversity and climate but also with geopolitical tensions. Therefore, a proactive risk management process has become crucial for all companies.

With its leadership mission and impact area extending from local to global, Borusan Pipe thoroughly evaluates the risk environment for organizations of all sizes in the short, medium, and long term. While assessing the risk environment, feedback from legal and sustainability consultants, group studies, and national and international developments are regularly reviewed.



### IMPORTANCE OF STAKEHOLDER EXPECTATIONS

**When developing its sustainability strategy, Borusan Pipe takes into account international developments as well as the changing and evolving expectations of stakeholders.**



## RISK AND OPPORTUNITY MANAGEMENT




### PROACTIVE APPROACH

**Borusan Pipe's resilience is enhanced through proactive risk assessment, planning, and action steps.**

Borusan Pipe also adopts the approach of the International Sustainability Standards Board (ISSB), which is the foundation of TSRS. Additionally, the TSRS 2 Sector-Specific Implementation Guide has been established as a reference for the company. The Guide in **Volume 9-Iron and Steel Producers serves as a roadmap for the company.**

The company tracks developments related to materiality issues with a risk-focused approach and incorporates them into its agenda. Climate change is assessed in terms of both physical and transition risks in relation to Borusan Pipe's operations and investments.

Physical risks, such as extreme weather events and natural disasters, are observed as potential threats to the company's infrastructure, supply chains, and operations. In response to these threats, proactive risk assessment, planning, and action steps are taken to enhance Borusan Pipe's resilience.

Sustainability executive board meetings, held regularly, discuss the risks and opportunities implemented within the framework of sustainability and climate change.

The Sustainability Leader regularly participates in the Group Sustainability Board meetings, incorporating sustainability risks into management processes with a holistic approach.

The company monitors its sustainability performance in line with its goals, regularly reviewing risks and opportunities by following global and regulatory trends. These risks and opportunities are also used to contribute to Borusan Pipe's sustainability performance and to manage challenges along the way to achieving its goals.

# RISK AND OPPORTUNITY MANAGEMENT

## Governance of Identified Risks and Opportunities within the Scope of Sustainability

### BORUSAN PIPE RISK AND OPPORTUNITY MANAGEMENT TABLE

The Board of Directors is the highest governance body responsible for ensuring the presence of appropriate skills and competencies to monitor sustainability and climate-related risks and opportunities, as well as to oversee these risks and opportunities.

Sustainability-related risks and opportunities are on the agenda of the Sustainability Committee. In 2023, the following topics were discussed during the Committee meetings:

- Topics discussed under sustainability, risks, and opportunities:
- Risks expected globally for Borusan Pipe under the CBAM and the measures to be taken.

- Potential reporting and tax impacts from the Carbon Border Adjustment Mechanism (CBAM)
- Planned initiatives regarding suppliers.
- TSRS requirements
- Budget required for decarbonization projects.
- Digital Transformation and Procurement Processes

Every three months, the Board of Directors receives updates on international and national developments, as well as updates on risk and opportunity processes.

# RISK AND OPPORTUNITY MANAGEMENT

Borusan Pipe has defined its key sustainability-related risks and opportunities based on their position in the value chain, type (physical/transition), timing, and impact size as follows:

## Position of Risks in the Value Chain

### Upstream

- Procurement and transportation of raw materials to production facilities and materials
- Customer usage, storage, sales activities, waste management
- Operations
- Production processes

### Downstream

Customer usage, storage, sales activities, waste management

## Timeframes Related to Risk

### Timeframes Related to Risk

Short	1-3 year
Medium	3-10 year
Long	10-30 year

## RISK AND OPPORTUNITY MANAGEMENT



The Sustainability Board of Directors is responsible for all risk and opportunity processes, and each manager within the company has an integrated perspective on sustainability and is able to view all process risks through a sustainability lens.

With the contribution of legal advisors, a risk study specific to Borusan Pipe is also prepared, along with a global report under the scope of the Carbon Border Adjustment Mechanism (CBAM).

According to the report, “CBAM; with its carbon regulations on the EU’s import processes, has a significant impact on global trade. This mechanism has become an important focal point, especially for companies like Borusan Pipe engaged in international trade.”

To calculate the CBAM cost, the formula “Emissions to be charged x Carbon price per ton” is used.

Scenario calculations have been made based on a potential carbon price of 150 Euros, in line with the EU Emissions Trading System (ETS) average of 75 Euros and the likelihood of a price increase in the future.

In this context, the source of the raw materials is also crucial in terms of financial risk. Under CBAM, the identification of the usage areas of raw materials sourced from different countries, potential risks and opportunities arising from high emissions related to raw materials

and products, possible financial obligations, and the potential inadequacy of decarbonization measures taken in the countries supplying raw materials as perceived by the EU, as well as the inability to reach agreements on equivalency between international agreements, ETS, or carbon pricing mechanisms, are key issues closely monitored by Borusan Pipe.

Borusan Pipe continues to follow developments under the Carbon Border Adjustment Mechanism (CBAM).

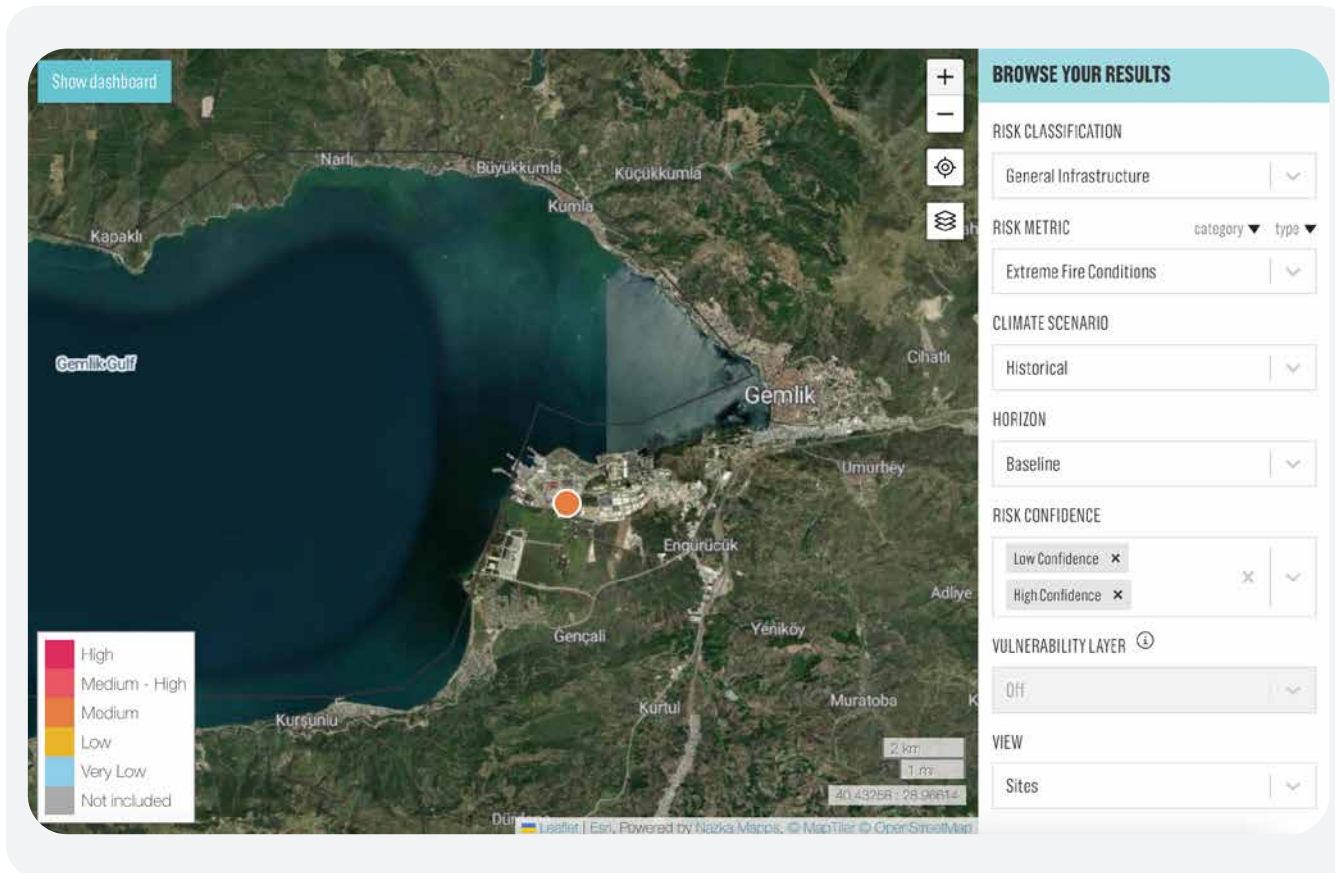
Embedded emissions refer to the greenhouse gas emissions from natural gas and electricity used in Borusan Pipe’s production sites, as well as the greenhouse gas emissions from the raw materials used in the production of pipes.

According to greenhouse gas emission calculations conducted since 2019, approximately 95% of the greenhouse gas emissions from pipe production (under the scope of CBAM) come from raw material sources. Therefore, the risks and opportunities Borusan Pipe may face under CBAM will be largely related to raw materials. However, in addition to energy efficiency efforts, investments in transitioning to low or zero-emission energy sources represent an opportunity for Borusan Pipe to reduce the costs arising from CBAM and meet customer expectations on the path to green transformation.

### EMISSION RELATED RISKS

**Approximately 95% of the greenhouse gas emissions generated for pipe production (greenhouse gas emissions under the scope 3) are sourced from raw materials.**

# RISK AND OPPORTUNITY MANAGEMENT



Borusan Pipe has worked with an international consultancy firm to assess and identify physical risks, evaluating physical risks across various scenarios for all its locations.



In the physical risk assessment, IPCC scenarios for short, medium, and long-term periods were used, focusing on climate change impacts such as comprehensive flooding, heat stress, and condensation in the regions where the facilities are located.

This study will also serve as a guide for Borusan Pipe's long-term investment decisions.

A risk and opportunity table for key sustainability topics, prepared by the Internal Control Department, is presented below.

Both the efforts within Borusan Holding and the regular work of the Borusan Pipe Sustainability and Internal Control teams continue to refine and detail the risk and opportunity studies within the scope of sustainability.

## STAKEHOLDER ENGAGEMENT AND MATERIALITY

Borusan Pipe regularly evaluates the **expectations of its stakeholders within the value chain.**



### IMPORTANCE OF STAKEHOLDER FEEDBACK

Borusan Pipe aims to manage each stage of its value chain with an ESG (Environmental, Social, and Governance) perspective, while also valuing the feedback of its stakeholders in all business processes.

Borusan Pipe regularly evaluates the expectations of its stakeholders within the value chain.

In the fourth quarter of 2023, a new materiality assessment was initiated by Borusan Holding to identify the material issues focused on sustainability.

Borusan Pipe continues to develop innovative products and services that align with the expectations and demands of its stakeholders. Recognizing every individual, organization, and community affected by its activities and involved in achieving its goals as stakeholders, Borusan Pipe includes them in the process of determining focus areas. The company aims to manage each stage of its value chain with an

environmental, social, and governance perspective, while also valuing its stakeholders' opinions in all business processes.

As part of the materiality assessment conducted by Borusan Holding and specifically in the context of Borusan Pipe's operations, an analysis was carried out to determine the sustainability materiality issues, evaluating impacts within the framework of climate, people, and innovation.

Borusan Pipe, through the work carried out by its sustainability team, contributed to identifying key focus areas. As a result of both group work and internal workshops, the material topics for Borusan Pipe were determined.

## STAKEHOLDER ENGAGEMENT AND MATERIALITY



Following surveys and workshops with Holding representatives, the impacts of the topics on Borusan Pipe, as well as Borusan Pipe's impact on sustainability issues, were identified.

### The Stakeholder Engagement and Materiality Assessment is designed in three steps:

- Determining the list of sustainability topics to be presented to stakeholders for scoring and feedback, conducting a sector analysis, and holding discussions with the Borusan Holding Project Team.
- Selecting specific stakeholders from various groups that can provide the most relevant and effective feedback (defining the scope) and sharing the topics via an online survey on SurveyMonkey with the sampled stakeholders.
- Analyzing the stakeholder responses and creating a materiality matrix.

A total of seventeen material key topics have been determined for Borusan Pipe. These topics are:

1. Combating Climate Change and Adaptation
2. Corporate Governance, Compliance, and Monitoring
3. Technology and Digital Transformation
4. Developing Sustainable Business Models
5. Protection of Nature and Biodiversity

6. Circularity and Waste Management
7. Water Management
8. Occupational Health and Safety
9. Human-Centered Corporate Culture
10. Sustainable Supply Chain Management
11. Customer Satisfaction Management and Service Quality
12. Talent Management and Development
13. Creating Social Value
14. Sustainable Economic Performance
15. Supporting Entrepreneurship and Developing Partnerships
16. Employee Rights
17. Information Security and Protection of Customer Privacy

As a result of the survey and the strategic meetings held afterward, Borusan Pipe's impact-focused material topic study was defined. Following this, a workshop was conducted to establish the perspective within the scope of double materiality.

## 17 MATERIAL TOPICS

Through materiality analysis, seventeen key material topics specific to Borusan Pipe have been identified.

## STAKEHOLDER ENGAGEMENT AND MATERIALITY

### Some Notes from the Impact-Focused Materiality Assessment

- Borusan Pipe plays a significant role in Borusan Holding's environmental, social, and governance (ESG)-focused economic growth objectives in the sectors and geographies where it operates. This survey was conducted as part of addressing sustainability through effective collaboration for the development of the production economy.
- Key topics such as **“Occupational Health and Safety,” “Water Management,”** and **“Sustainable Supply Chain Management,”** which are always crucial for an industrial/production facility, were identified as highly material elements that must be considered from the perspective of all stakeholders.
- The analysis showed that social issues, such as **“Employee Rights”** and **“Human-Centered Corporate Culture,”** are of high importance to stakeholders.
- The topic **“Developing Sustainable Business Models”** emerged as one of the key points highlighted by stakeholders, emphasizing that Borusan Pipe should continue to evolve and manage its activities in alignment with innovation and next-generation business models in the future.
- In alignment with the corporate strategy and considering both internal and

external stakeholder expectations, it was noted that many of the identified material topics will remain a focus for Borusan Pipe in the future. The results of the study indicate that the stakeholders' primary expectations are in line with Borusan Pipe's long-term strategy.

- To assess the impact of Borusan Pipe's current activities on the identified materiality topics from an **Environmental, Social, and Governance (ESG)** perspective, stakeholders were also asked an open-ended question.

Additionally, it has been noted that:

Although Borusan Pipe has made significant strides in environmental responsibility and sustainability, further development and improvement are needed (such as supporting recycling, EcoVadis initiatives, etc.).

There is a need for further progress in areas such as decarbonization and the active involvement of employees in sustainability efforts, especially in parallel with European companies' efforts to reduce product carbon footprints.

There is awareness of the importance of technology and digital transformation to meet customer expectations and remain competitive, but further development is needed in technological infrastructure and automation investments.

Progress needs to be made in creating social value, and this issue will become more prominent in the future.

Steps need to be taken in the employment of qualified personnel, and more emphasis should be placed on training.

There are gaps in the implementation of Occupational Health and Safety (OHS), and the issue needs to be addressed more frequently.

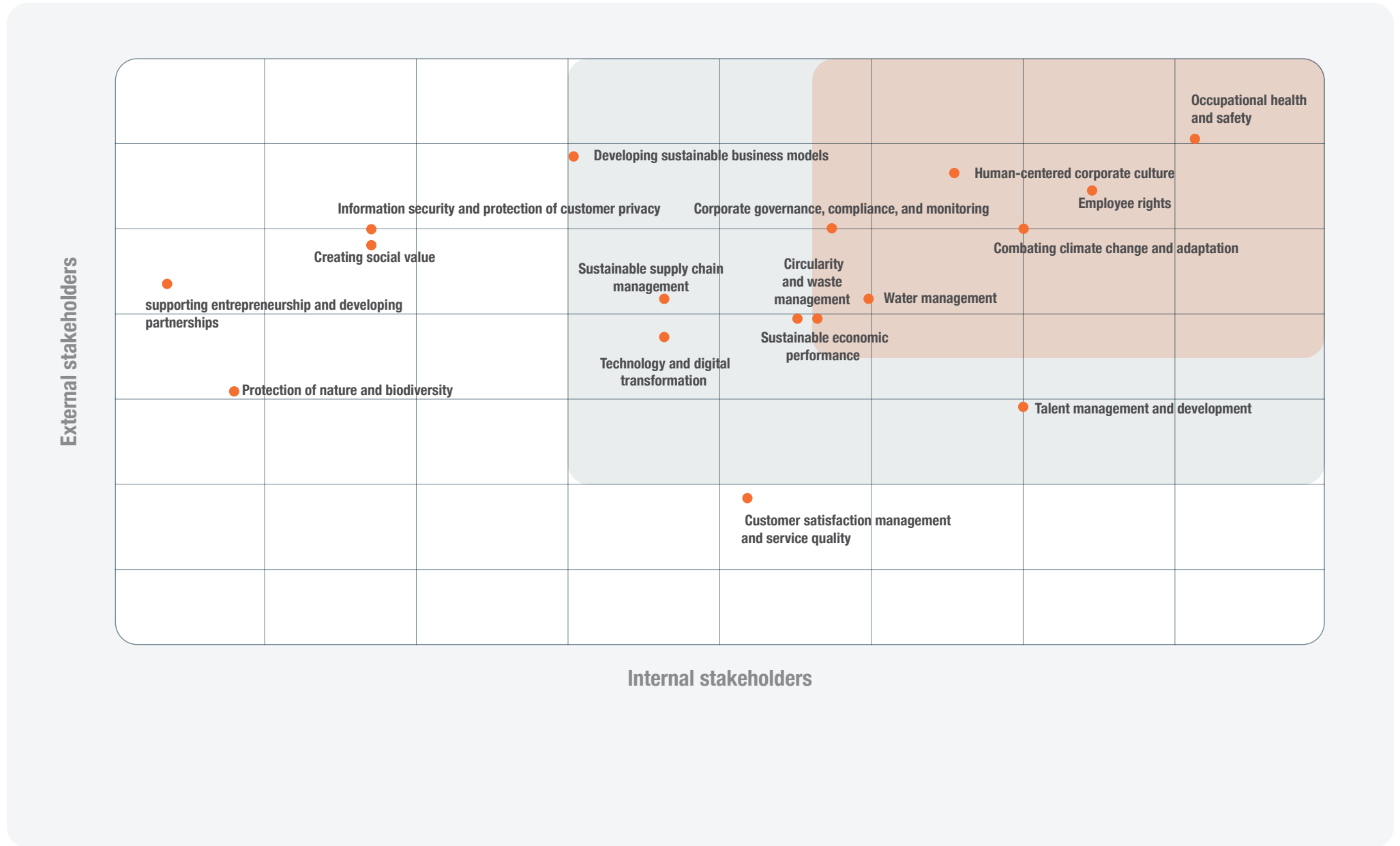
Sufficient efforts have been made to ensure legal compliance.

Developing products with less competition is believed to be beneficial for the company's future.





# IMPACT FOCUSED MATERIALITY



## IMPACT FOCUSED MATERIALITY

### Stakeholder Feedback

- As a result of successfully filtering all environmental pollutants, waste disposal will be ensured, and the company's negative impact will be reduced.
- With the zero-waste program, the company is an inspiring role model for the future. It should lead by example for other factories and create new projects in these areas.
- To maintain our presence in the European market and increase our competitiveness, active efforts in sustainability and environmental responsibility are essential. Today, customers prefer to work with companies that make efforts in these areas.
- Environmental waste management, employee relations from a social perspective (especially regarding equality and fairness), and governance transparency in the company's audit and committee structure should be prioritized.
- The use of water, chemicals, and electricity for heating and natural gas in the facilities have negative impacts in terms of emissions and require strict precautions.
- Borusan Pipe's environmental activities cannot go beyond externalities, and this will lead to failure in the company's alignment and efforts to combat climate change.
- Blue-collar employees' approach to sustainability issues remains passive.
- Public awareness campaigns are conducted through effective messages on social media to raise environmental awareness.
- Carbon emissions create a negative impact, while the introduction of new product varieties generates a positive impact.
- The market expects steps to be taken to reduce carbon footprints. Additionally, with the implementation of the Carbon Border Adjustment Mechanism (CBAM), steel pipe suppliers must do more than they have done so far.
- Borusan Pipe has the infrastructure to create a significant positive impact.

## FINANCIAL MATERIALITY



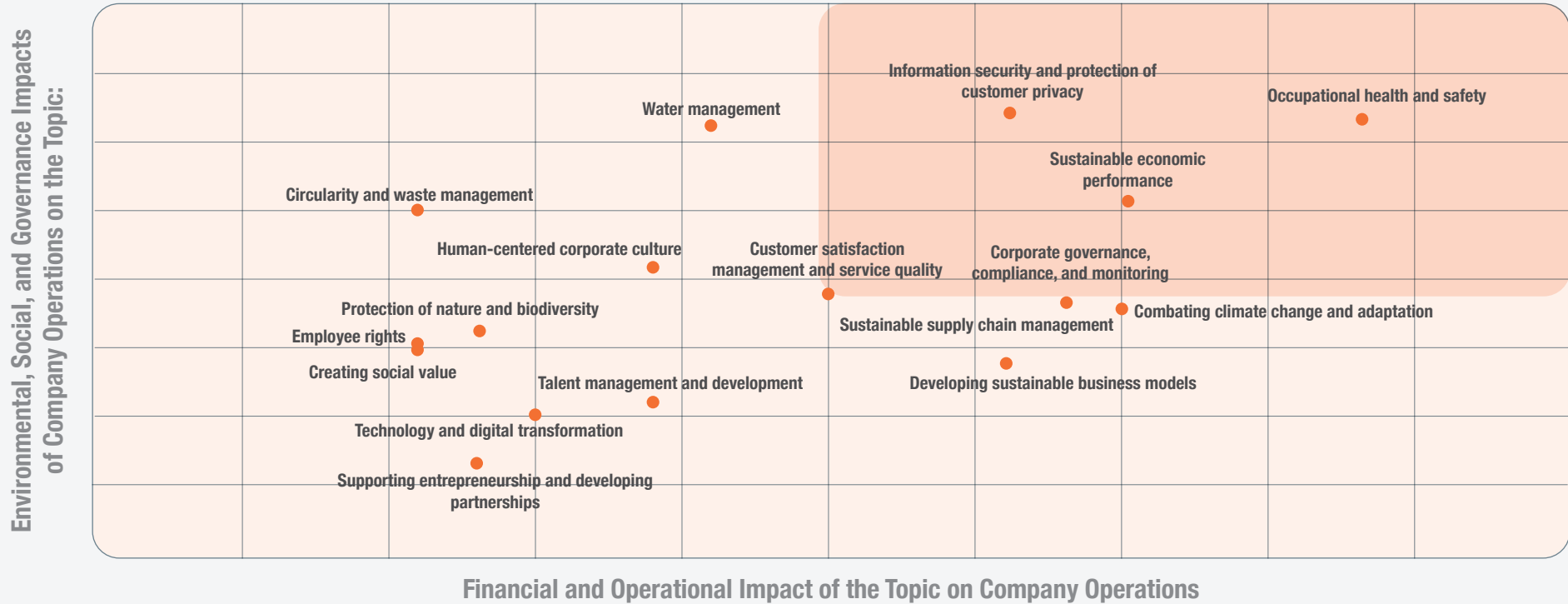
As part of the continuation of the impact-focused materiality study, Borusan Pipe has integrated the double materiality analysis approach into the materiality assessment, following the methodology proposed by the European Financial Reporting and Advisory Group (EFRAG). In this context, financial material topics that could potentially impact the company's strategy have been identified.





# FINANCIAL MATERIALITY

## “Double Materiality” Materiality Topics



### Very Highly Material Topics

- Occupational health and safety
- Sustainable economic performance
- Information security and protection of customer privacy
- Customer satisfaction and service quality

### Highly Material Topics

- Water management
- Human-centered corporate culture
- Corporate governance, compliance, and monitoring
- Combating climate change and adaptation
- Sustainable supply chain management
- Developing sustainable business models

- Talent management and development
- Technology and digital transformation
- Protection of nature and biodiversity
- Circularity and waste management
- Creating social value
- Supporting entrepreneurship and developing partnerships
- Employee rights



# OUR CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS

## OUR CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS

In all of its reports, Borusan Pipe evaluates its materiality topics in light of the **United Nations Sustainable Development Goals (SDGs)**, mobilizing all its resources in alignment with the United Nations' 2030 Agenda for Sustainable Development, with the aim of leaving a more livable world for future generations.

Very Highly Material Topics	SDG Impact	8 DECENT WORK AND ECONOMIC GROWTH	8 DECENT WORK AND ECONOMIC GROWTH	8 DECENT WORK AND ECONOMIC GROWTH	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	8 DECENT WORK AND ECONOMIC GROWTH	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	17 PARTNERSHIPS FOR THE GOALS	
Occupational Health and Safety	8.8. Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.								
Sustainable Economic Performance	8.3. Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity, and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.								
Information security and protection of customer privacy	12.a. Support developing countries to strengthen their scientific and technological capacities to move towards more sustainable patterns of consumption and production  8.5. By 2030, achieve full and productive employment and decent work for all people, including for young people and persons with disabilities, and equal pay for work of equal value.								
Customer Satisfaction and Service Quality	8.3. Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity, and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.  12.8. By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature.  17.17. Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.								



## OUR CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS

### Very Highly Material Topics

### SDG Impact

Combating Climate Change and Adaptation

12.4. By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.

6.3. By 2030, improve water quality by reducing pollution, eliminating dumping, and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater, and substantially increasing recycling and safe reuse globally.

13.3. improve education, awareness raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction, and early warning.



**Sustainable supply chain management**

12.a. support developing countries to strengthen their scientific and technological capacities to move towards more sustainable patterns of consumption and production



Borusan Pipe’s key stakeholders include Borusan employees, shareholders, group companies, suppliers, media, customers, business partners, local communities, students and academics, financial institutions, government and local authorities, NGOs, and professional associations.

You can find the stakeholder communication table in the annex section of our report.

# METRICS AND TARGETS



# METRICS AND TARGETS

## Climate

### Borusan Group 2030 Climate Targets

- Adapting to climate change and efficiently utilizing finite natural resources are among the greatest challenges our planet faces today. The Borusan Group is committed to making a lasting and positive impact on the future of our world through its responsible actions in this context.

### Decarbonization

- Carbon Neutrality
- Establishing emission measurement, monitoring, and reporting mechanisms in compliance with regulations and legislation.
- Developing emission reduction projects that require investment.

### Contribution to the Circular Economy

- Supply Chain Management Aligned with Sustainable Procurement Criteria
- Fifty percent reduction in water consumption and a 50% increase in water recovery
- 50% reduction in waste and 100% integration into recycling processes
- Eliminating single-use plastic and paper products.





## METRICS AND TARGETS

### BORUSAN PIPE SUSTAINABILITY TARGETS (2023 & 2030)

Focus Area	Sub-Target Definition	Target Definition	Unit	2021 Actual	2023 Target	2023 Actual	2024 Target	2030 Target	
<b>CLIMATE Decarbonization</b>	TOTAL (Scope 1 + Scope 2)	Emission	ton CO <sub>2</sub> e	67,489.61	60,329	58,528	54,598	43,943	
		Targeted Reduction	%	0	11	13	19	37	
	Emission Reduction	Direct (Scope 1)	Emission	ton CO <sub>2</sub> e	21,762	22,124	15,858	21,326	21,460
		Targeted Reduction	%	0	-2	27	2	5	
	Indirect (Scope 2)	Emission	ton CO <sub>2</sub> e	45,727.51	38,205	42,670	33,272	22,483	
		Targeted Reduction	%	0	16	7	27	52	
Project Development	Proposing emission reduction projects that require investment	#	6	5	22	5	5		
<b>CLIMATE Circular Economy</b>	Water	Reduction of water withdrawal	m <sup>3</sup>	452,313	5% reduction	306,712			
		Reduction of water withdrawal	%	0		32	15	50	
	Increasing the amount of recovered water	Amount of recycled water	%	0	5	17	15	50	
<b>INNOVATION</b>	Revenue generated from new business models		m\$ GP	0	TDB	9,8	TDB	20	



## METRICS AND TARGETS

Focus Area	Sub-Target Definition	Target Definition	Unit	2021 Actual	2023 Target	2023 Actual	2024 Target	2030 Target	
HUMAN OHS	Loss Prevention	Reduction in accident severity rate	Value	Accident Severity (loss of workforce per 1,000 hours)	0.37	0.33	0.42	0.27	0.14
		Reduction in accident frequency rate	Value	Accident Frequency (number of accidents per 1 million hours)	6.5	5.265	4.05	4.7385	2.51823318
PEOPLE Equal Borusan	Gender Equality	Percentage of Female Office Employees	%	26.1	30	33	31	36	
		Percentage of Female Employees in Plant	%	2.8	4	4.8	6	16	
		Percentage of Women Leaders (All Levels)	%	17.5	16	22.7	17	27	
PEOPLE Talent Management	Talent Retention	Future Leader Turnover Rate	%	6	10	3	10	5	
		Borusan Alpha Turnover Rate	%	2020 - 25%	---	0	50	20	
	Employee Engagement Score	%	72% Office 74% Field	80% Office- 70% Field	79% Office- 51% Field		85		

## CONTACT

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