



**KAMUYU AYDINLATMA PLATFORMU**

**BORUSAN BİRLEŞİK BORU FABRİKALARI SANAYİ VE  
TİCARET A.Ş.  
Sustainability Compliance Report  
2023 - Annual Notification**

**Summary**

2023 Sustainability Principles Compliance Report

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		
<b>Sustainability Compliance Report</b>						
<b>A. GENERAL PRINCIPLES</b>						
<b>A1. Strategy, Policy and Goals</b>						
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				Borusan Boru collaborates with Borusan Holding to conduct environmental, social, and corporate governance (ESG) studies and performs risk and opportunity analysis with an integrated approach	2022 Sustainability Report Page 21
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				Borusan Boru manages its management systems with an integrated perspective. Relevant policies can also be accessed on the company's website.	Borusan Boru website, Sustainability section <a href="https://www.borusanboru.com/Sustainability">https://www.borusanboru.com/Sustainability</a>
A1.2. The short and long-term targets set within the scope of ESG policies have been disclosed to the public.	X				As part of ESG policies, objectives have been established in the areas of Climate, Human, and Innovation values. Details are indicated in the Sustainability Report.	2022 Sustainability Report Page 32/33
<b>A2. Implementation/Monitoring</b>						
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 ESG policies have been addressed by the Borusan Holding Board of Directors and distributed to the companies. At Borusan Boru, the work on ESG issues is carried out under the sponsorship of the General Manager. The sustainability responsibilities and structure are indicated in the sustainability report.	2022 Sustainability Report Page 20
					The Holding Sustainability Board, covering Borusan Holding and group	

<p>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.</p>	X			<p>companies, convenes at least four times a year, tracking developments in sustainability with an integrated perspective, taking necessary decisions, and implementing them. Additionally, at Borusan Boru, the responsible committee meets monthly to evaluate efforts made towards achieving goals.</p>	2022 Sustainability Report Page 20
<p>A2.2. In line with the ESG targets, the implementation and action plans have been formed and disclosed to the public.</p>	X			<p>The material issues and the action plans prepared in this context are detailed in the Sustainability Report.</p>	2022 Sustainability Report Page 22
<p>A2.3. The Key ESG Performance Indicators (KPI) and the level of reaching these indicators have been disclosed to the public on yearly basis.</p>	X			<p>The necessary critical performance indicators for Borusan Boru to achieve its zero waste, zero emission goal have been comprehensively evaluated in the Sustainability Report.</p>	2022 Sustainability Report Page 32/33
<p>A2.4. The activities for improving the sustainability performance of the business processes or products and services have been disclosed to the public.</p>	X			<p>In order to improve sustainability performance in business processes and products, a 'Sustainable Product and Innovation' team has been established. The team's efforts are discussed in the report. Additionally, LCA and EPD studies have been conducted to reveal the environmental impacts of the products.</p>	2022 Sustainability Report Page 62/66
<b>A3. Reporting</b>					
<p>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.</p>	X				2022 Annual Report Page 20-21
<p>A3.2. The information about activities which are related to the United Nations (UN) 2030 Sustainable Development Goals have been disclosed to the public.</p>	X			<p>The relationship between activities and Sustainable Development Goals (SDGs) is explained in the Sustainability Report.</p>	2022 Sustainability Report Page 25/28
<p>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.</p>			X	<p>There are no legal proceedings regarding ESG issues.</p>	
<b>A4. Verification</b>					

<p>A4.1. The Company's Key ESG Performance metrics have been verified by an independent third party and publicly disclosed.</p>	X			<p>Corporate Water Footprint (ISO 14046) and Corporate Carbon Footprint (ISO 14064) verifications have been conducted. There is no audit mechanism in place for other data.</p>	<p>2022 Sustainability Report Page 46</p>
<b>B. ENVIRONMENTAL PRINCIPLES</b>					
<p>B1. The policies and practices, action plans, environmental management systems (known by the ISO 14001 standard) and programs have been disclosed.</p>	X			<p>All of Borusan Boru's facilities in Turkey hold ISO 14001:2015 Certification.</p>	<p>2022 Sustainability Report Page 78</p>
<p>B2. The environmental reports prepared to provide information on environmental management have been disclosed to the public which is including the scope, reporting period, reporting date and limitations about the reporting conditions.</p>	X			<p>The sustainability reports include the headings mentioned in this item.</p>	<p>2022 Sustainability Report Page 3</p>
<p>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).</p>		X		<p>The Critical Performance Indicators are linked to the performance of process owners.</p>	<p>The Critical Performance Indicators are progressing in line with the process management determined by Borusan Group. The Borusan Holding Integrated Report "Performance and Career Management".</p>
<p>B5. How the prioritised environmental issues have been integrated into business objectives and strategies has been disclosed.</p>	X			<p>The material issues are regularly updated.</p>	<p>2022 Sustainability Report Page 24</p>
<p>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.</p>	X				<p>2022 Sustainability Report Page 68</p>
<p>B8. Whether the Company have been involved to environmental related organizations and non-governmental organizations' policy making processes and collaborations with these organizations has been disclosed.</p>	X			<p>In 2022, the 'Become a Partner with the Green' Project, conducted jointly by the Confederation of Turkish Employers' Associations (TISK) and the Tohum Foundation, was implemented. In 2023, at the Istanbul Chamber of Industry (ISO) Green Transformation Awards, the Environmental Sustainability Management award was received.</p>	<p>2022 Sustainability Report Page 61</p>
<p>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.</p>	X			<p>Scope 1, Scope 2, and Scope 3 emissions have been verified through third-party certification according to the 14064-1:2018 standard.</p>	<p>2022 Sustainability Report Page 38</p>
<p>B10. Details of the standard, protocol, methodology, and baseline year used to collect and calculate data has been disclosed.</p>	X			<p>Scope 1, Scope 2, and Scope 3 emissions have been verified through third-party certification according to the 14064-1:2018 standard.</p>	<p>2022 Sustainability Report Page 38</p>

B11. The increase or decrease in Company's environmental indicators as of the reporting year has been comparatively disclosed with previous years.	X				The comparison of goals with previous years and the current year is reported.	2022 Sustainability Report Page 32/33
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					2022 Sustainability Report Page 32/33
B13. A strategy to combat the climate crisis has been created and the planned actions have been publicly disclosed.	X					2022 Sustainability Report Page 34/46
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					2022 Sustainability Report Page 44/45
B14. The actions to reduce greenhouse gas emissions of third parties (suppliers, subcontractors, dealers, etc.) have been carried out and disclosed.	X					2022 Sustainability Report Page 38
B15. The environmental benefits/gains and cost savings of initiatives/projects that aims reducing environmental impacts have been disclosed.	X					2022 Sustainability Report Page 69
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					2022 Sustainability Report Page 38
B17. The information related to production of electricity, heat, steam and cooling as of the reporting year has been disclosed.	X					2022 Sustainability Report Page 37
B18. The studies related to increase the use of renewable energy and transition to zero/low carbon electricity have been conducted and disclosed.	X					2022 Sustainability Report Page 36
B19. The renewable energy production and usage data has been publicly disclosed.	X				Agreements have been made to source energy from renewable energy sources. Following the preliminary work in 2022, as per the agreement reached, energy has been supplied from renewable energy plants as of the beginning of 2023. The electricity obtained for production sites in 2023 has been certified with IREC certificates.	2022 Sustainability Report Page 36
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					2022 Sustainability Report Page 32
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					2022 Sustainability Report Appendices
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	Due to the incomplete legislative processes regarding carbon pricing systems in Turkey, there is no carbon pricing system in which Borusan Boru participates. Additionally, the Company is not subject to national MRV regulations.	
B23. The information related to accumulated or purchased carbon credits within the reporting period has been disclosed.				X	Due to the incomplete legal regulatory processes regarding carbon pricing systems in Turkey, Borusan Boru is not involved in any	No carbon credits were purchased during the 2022 reporting period.

				carbon pricing system.	
B24. If carbon pricing is applied within the Company, the details have been disclosed.			X	Due to the incomplete legal regulatory processes regarding carbon pricing systems in Turkey, Borusan Boru is not involved in any carbon pricing system.	No carbon pricing was applied during the 2022 reporting period.
B25. The platforms where the Company discloses its environmental information have been disclosed.	X			Borusan Boru made a pioneering move in its sector by responding to the CDP Climate and Water initiatives.	2022 Sustainability Report Page 36
<b>C. SOCIAL PRINCIPLES</b>					
<b>C1. Human Rights and Employee Rights</b>					
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 officials that responsible for the implementation of it have been determined and disclosed.	X				2022 Sustainability Report Page 60
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				2022 Sustainability Report Page 55/56
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				2022 Sustainability Report Page 55/56
C1.4. The developments regarding preventive and corrective practices against discrimination, inequality, human rights violations, forced and child labor have been disclosed.	X				2022 Sustainability Report Page 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				2022 Sustainability Report Page 51/53
C1.5. The mechanism for employee complaints and resolution of disputes have been established and related solution processes have been determined.	X				2022 Sustainability Report Page 51
C1.5. The activities carried out within the reporting period which related to ensure employee satisfaction have been disclosed.	X				2022 Sustainability Report Page 51/52
C1.6. The occupational health and safety policies have been established and disclosed.	X				2022 Sustainability Report Page 48/50
C1.6. The measures taken for protecting health, preventing occupational accidents and related statistics have been disclosed.	X				2022 Sustainability Report Appendices
C1.7. The personal data protection and data security policies have been established and disclosed.	X				<a href="https://borusanboru.com/processing-of-personal-data">https://borusanboru.com/processing-of-personal-data</a>
C1.8. The ethics policy have been established and disclosed.	X				2022 Sustainability Report Page 13
C1.9. The studies related to social investment, social responsibility, finansal inclusivity and access to finance have been explained.	X				2022 Sustainability Report Page 10-11
C1.10. The informative meetings and training programs related to ESG policies and practices have been organized for employees.	X				2022 Sustainability Report Appendices
<b>C2. Stakeholders, International Standards and Initiatives</b>					
C2.1. The customer satisfaction policy regarding the management and resolution of customer complaints has been prepared and disclosed.	X			Borusan Boru has ISO 10002 certification in all its facilities in Turkey.	2022 Sustainability Report Page 72
C2.2. The information about the communication with stakeholders (which stakeholder, subject and frequency) have been disclosed.	X				2022 Sustainability Report Page 72

C2.3. The international reporting standards that adopted in reporting have been explained.	X					2022 Sustainability Report Page 3
C2.4. The principles adopted regarding sustainability, the signatory or member international organizations, committees and principles have been disclosed.	X					2022 Sustainability Report Page 76
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		Current status analyses are being conducted for the BIST Sustainability Index.	
<b>D. CORPORATE GOVERNANCE PRINCIPLES</b>						
D1. The opinions of stakeholders have been sought in the determination of measures and strategies related to sustainability field.	X					2022 Sustainability Report Page 67/73
D2. The social responsibility projects, awareness activities and trainings have been carried out to raise awareness about sustainability and its importance.	X					2022 Sustainability Report Page 61