


EARTH IS OUR HOME



A hand is holding a rectangular piece of brown cardboard sign. The sign has text printed on it in two colors: green and orange. The background is a blurred crowd of people, with a blue flag visible on the left side. The lighting is bright, suggesting an outdoor setting.

**WHAT DO YOU
THINK IS
"THE BIGGEST
PROBLEM
HUMANITY HAS
EVER FACED"?**

The United Nations replies with Climate Crisis...





We have put Climate Crisis on our latest Sustainability Report as a phenomenon whose effects on our planet and ecosystem we are seeing more and more of each day. We have listened to the children of our employees whom we see as our sustainability stakeholders as we contemplate the future of our planet.



Children shared their worries about their future with us during our workshop conducted in collaboration with the Kokopelli Şehirde initiative. With the messages they wrote on banners, they are calling on all of us for awareness.





**"Earth is not the legacy of our ancestors,
but a loan from our children."**

We hope you enjoy reading our 2018 Sustainability Report shaped in the hands of our future as we share the vision of a better future all together.

#EarthIsOurHome

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ABOUT THE REPORT

At Borusan Group, we present the economic, social and environmental impacts resulting from our services and activities and our approach to managing them to all our stakeholders through our Sustainability Report.

Scope of Our Report

This marks our ninth Sustainability Report which we have been publishing since 2009. The Report includes the sustainability efforts of Borusan Group across its Turkish operations in steel, distributorship, logistics and energy sectors between 01.01.2018 - 31.12.2018.

Performance data presented in the Report in line with material issues represent 82% of Borusan Group's total revenue: Turkish operations of Borusan Mannesmann, Borçelik, Borusan Automotive Group, Supsan, Borusan Lojistik, Borusan EnBW Enerji and Borusan CAT. Kerim Çelik brand's operational data is consolidated and presented as part of Borçelik. Unless stated otherwise, performance data of other Borusan Group companies are not included in this Report.

EY Turkey Climate Change and Sustainability Services team provided consultancy services during report development and the data presented here have not been subject to independent verification.

Principles of Our Report

This report has been prepared in accordance with the GRI Standards "Core" option. The indicators included in the scope are listed in detail in the GRI Content Index in the last section of this Report.

While identifying our strategic material sustainability issues, in addition to the principles of GRI Standards, stakeholder engagement, context of sustainability and completeness, we have taken on board the UN Global Compact Principles we signed in 2003 and the UN 2030 Sustainable Development Goals.

We plan on publishing our next report in the second half of 2021, which will reflect our sustainability performance and impact in 2019. Previous Borusan Group Sustainability Reports are available on our corporate website.

Value-Added Business Approach



Happy Borusan Employees



Contributions to the Society



MESSAGE FROM THE CHAIRMAN OF THE BOARD AND THE GROUP CEO

Dear Stakeholders,
We started our sustainability journey by saying “#EarthIsOurHome”. We are pleased and proud to have shared our sustainability performance with our esteemed stakeholders on an annual basis through our sustainability reports in line with GRI Reporting Framework since 2009.



We continue our activities in 10 countries on 3 continents and with over 11,000 employees, pursuing a transparent and accountable management approach focused on growing humanely and inclusively while respecting the environment and seeking social utility. In 2018, despite the difficulties and the exchange rate fluctuations in the second half of the year, our total assets reached USD 4.6 billion from all business lines and our operating profit reached USD 352 million.

While investing in the sustainable growth and operational progress of our companies, we realized investments in line with the Sustainable Development Goals.

We invested around USD 10 million in R&D activities in 2018, focusing on innovation, digitalization and R&D issues.

In 2019, we plan to increase our total R&D investment to USD 14 million by adding 85 new projects to our portfolio.

In order to leave a livable world to future generations and develop eco-friendly, productivity-enhancing solutions, we have invested a total of TRY 7,96 million within our Group companies.

In our interaction with our employees, which we regard as our most valuable capital; we adopt a management approach that listens to them, respects their rights, encourages their development, compensates their efforts, continues to increase employee satisfaction, provide employee development through trainings and keep the ‘Happy Borusan Employee’ culture alive.

We continuously improve our occupational health and safety performance in line with our priority to create safer and healthier workplaces for our employees, customers and suppliers within our zero occupational accident target. Accordingly, we carry out our activities that provide added value to our society primarily in the fields of education, culture-art and gender equality.

We strive to pay our gratitude to our country by implementing sustainable social responsibility projects. In 2018, the Borusan Kocabiyik Foundation provided approximately USD 12 million to our social responsibility projects.

We maintain our relations with our customers, in a regular, transparent and trust-based manner. We provide quality, high value-added and reliable products to our customers. While selecting our suppliers, which we regard as a crucial part of our value chain, we follow the service quality standards offered by Borusan Group. In order to increase the efficiency and added value of our procurement processes, we prioritize local supply sources.

In 2019, we will plan our sustainability strategy by following trends that are inclusive, environmentally sensitive, development-oriented and will increase our competitiveness by upholding our innovation, efficiency and value creation perception in all our activity fields as we did in 2018. We will continue to provide added value to our country by working hard and producing more, we will present our reports to our esteemed stakeholders whilst and carrying Borusan to a better future.

I would like to thank our stakeholders for their enduring support, strength and contributions to our sustainability journey and hope our ninth Sustainability Report, reflecting our sustainability performance, will be a pleasant read.

Ahmet Kocabiyik
Chairman of the Board and the Group CEO
Borusan Holding

BORUSAN GROUP

At Borusan, we are able to achieve sustainable growth owing to our strong corporate business culture.

Borusan Holding is the central management of Borusan Group. While establishing Borusan Group's strategic road map; the Group supports the systematic and rigorous conduct of these efforts as an intermediary between the companies and the shareholder expectations. We assume responsibility in increasing the value created to shareholders and other stakeholders through providing strategic leadership to Group companies and adopting a structure to guide, support and control. Borusan Holding ensures the execution of critical responsibilities such as deploying “innovative competition” across the organization and throughout its value chain, managing and strengthening relations with partners and other stakeholders, efficient use of resources, and defining sustainability strategy.

The Holding Steering Committee, which is a top-level executive platform that consists of Deputy Members who are affiliated with the Company General Managers, aims to determine the strategies, control execution and determine how the operational companies will be supported.

Besides Turkey where the Holding headquarters are located, our Companies operate in 10 countries: Turkish Republic of Northern Cyprus, USA, Germany, Azerbaijan, Georgia, the Netherlands, Italy, Kazakhstan, Kyrgyzstan and Russia.

BORUSAN AT A GLANCE

STEEL GROUP

Pipe

Borusan Mannesmann Boru Yatırım Holding
Borusan Mannesmann*
Borusan Mannesmann Pipe US
BM Vobarno
İstikbal Ticaret

Flat Steel

Borçelik*

LOGISTICS GROUP

Borusan Lojistik*

DISTRIBUTORSHIP GROUP

Machinery and Power Systems

Borusan Cat*
Benim Filom
Borusan Makina Kazakistan

Automotive

Borusan Otomotiv*
Borusan Oto*
Borusan Otomotiv Premium

Supsan*

Borusan Manheim

ENERGY GROUP

Borusan EnBW Enerji*

* Companies that are included in the scope of this report



VALUE-ADDED BUSINESS APPROACH

We conduct all our operations at Borusan Holding according to the transparency, fairness, responsibility and accountability principles of corporate governance. We communicate effectively and transparently with all our stakeholders, and take stakeholder expectations in consideration while defining priorities.

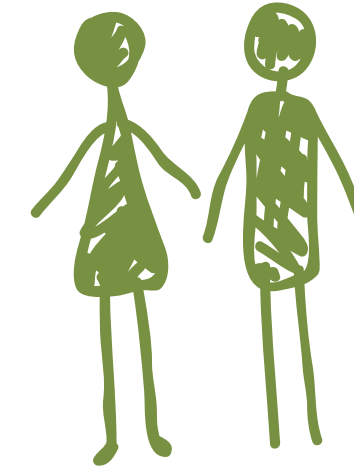
We manage the long-term strategies of Borusan Holding Group Companies with a five-year outlook based on four main aspects: profit growth, strategic market positioning, new products & services and business excellence.

We aim to foster sustainable added value through every step we take in light of our vision for 2024: “A Borusan that grows, achieves high profits, dominates markets with its innovative companies, and promotes the best talent in a successful and responsible enterprise”.

Strategy and Corporate Governance

Borusan Group companies are under the central governance of Borusan Holding and Borusan Yatırım, which is a portfolio company affiliated with the main companies through minority shares, based on effective communication and control mechanisms.

Borusan Holding Board of Directors, the executive decision-maker for the Borusan Group, undertakes the general responsibility of Group operations towards shareholders and stakeholders, and determines goals and strategies accordingly. The Board consists of 5 executive and non-executive members, none of whom is independent.



BORUSAN HOLDING BOARD OF DIRECTORS STRUCTURE

Female Member Ratio	Ratio of Members Older than 50
40%	100%

The Holding Steering Committee consists of Deputy Members that the Company General Managers are affiliated with and acts as a top management platform for the Group. The Committee is responsible for determining the strategies of Group companies and controlling the operations.

Borusan Mannesmann, Borusan Group’s publicly traded company, has three committees that support the Board of Directors in decision-making and target execution: Audit Committee, Early Detection of Risk Committee and the Corporate Governance Committee. Corporate Governance Committee also performs the tasks of nomination and compensation committees.



Borusan Group's relationship with its stakeholders is based on a business ethics approach comprised of honesty, transparency and accountability.

Business Ethics and Compliance

Accordingly, all our employees assume the responsibility of complying with the Handbook for Borusan Employees: Business Principles, Business Ethics and Human Resources Practices that is published on our corporate website and was prepared by the Borusan Group Ethics Committee to address human rights, environment and public-facing operations.

As part of this responsibility, the Borusan Group Ethics Rules Consultation and Information Line, which is accessible 24/7, provides information on compliance with ethical rules. Borusan Holding's Audit Directorate conducts examination and investigation of the notifications submitted through this line.

The execution of ethics rules defined in the "Handbook for Borusan Employees: Business Principles, Business Ethics and Human Resources Practices" that should be applied in all operations are managed by the Borusan Holding Ethics Board throughout the Group.

The Ethics Board determines the ethical principles to be complied with in all domestic and foreign operations of the Group, as well as ensuring compliance and evaluating non-compliant cases.

Borusan Holding, Borusan Yatırım and Borusan Mannesmann are among the founding members of the Ethics and Reputation Society (TEID), which was established to increase awareness of business ethics in Turkey.

All subcontractors and suppliers to Borusan Group companies comply with business ethics rules. Accordingly, Borusan Group Supplier Working Conditions Protocol is put up for subcontractors and suppliers to sign and the Group doesn't work with clients and suppliers that violate the law or disregard business ethics. Detailed information is provided in the Sustainable Supply Chain Management section of our report.

Risk Management

The Internal Audit Department audits the processes of Group companies, identifies areas of risk and presents corresponding improvement recommendations.

Along with social aspects such as ethics, employee rights, occupational health and safety (OHS), these audits also include environmental aspects.

41% of audits conducted by the Holding Internal Audit Department on Group companies covered social and environmental aspects.

Within Borusan Mannesmann's organizational structure, the role of the Early Detection of Risk Committee is to identify risks in advance and determine action plans to mitigate these risks, as well as to manage risks effectively. The Committee is responsible for the management of credit risk, operational risks, market risk, liquidity risk, strategic risks and reputation risks.

In addition to managing Borusan Holding's overall operational risks, Holding's risk management also includes insurable risks of Borusan Group companies that are managed by project-based activities. These risks are managed on a secure, effective and high quality common platform according to the changing and evolving business dynamics, using goal-oriented risk analysis and methods that prioritize content creation and cost optimization.

Possible damages that may occur in Borusan Group companies' facilities are determined and managed by risk engineering applications consisting of the following stages: Risk Assessment/Scorecard, Recommendations, Implementation, and Recommendation Follow-up.

Borusan Holding conducts risk management and internal control activities in its Financial Control, Internal Audit, Financing and Investor Relations, and Corporate Risk Management Departments covering all Borusan Group companies

Corruption and Combatting Anti-Competitive Behavior

Avoiding conflicts of interest, managing relations with stakeholders in a professional manner and preventing illegal behavior are among the values that make up the corporate culture of Borusan Group.

Relations with all stakeholders are clearly defined in the Handbook for Borusan Employees: Business Principles, Business Ethics and Human Resources Practices and methods of communication with stakeholders are conducted within this framework. Accordingly, the Company looks out for risks related to corruption and to prevent behavior such as giving/receiving gifts and entertainment, donations and aid payments, public tenders and conflict of interest, which are determined via risk management. The Group companies carefully avoid unethical behavior such as bribery, corruption, abuse of office while supporting international efforts to eliminate such crimes and conducting their operations in accordance with competition law and ethical rules. In 2018, 68% of all operations were evaluated in terms of corruption risks.

Trainings are provided to all new white-collar hires at Group companies regarding ethics and associated corruption risks.

In 2018, 53% of 78 new employees who planned to take online trainings have successfully completed their trainings.



Borusan does not hold any political opinion and does not provide support of any kind (financial or in kind; direct or indirect) to institutions or persons as a principle, be it in Turkey or any other country it operates in. The Group transparently communicates with public authorities and acts in accordance with fair competition laws. Borusan maintains the same ethical, transparent and fair competition in its relations with its competitors and avoids any anti-competitive behavior. It takes a strong stand against all kinds of actions that may be classified as monopolization or trustification.

In Borusan Group companies, policies and procedures are developed to prevent anti-competitive behavior and employees are provided with online trainings while site audits and examinations are conducted.

During the reporting period, there were no incidents of anti-competitive behavior, monopolization or trustification, and no lawsuits were filed against the Group.

Developments regarding ongoing lawsuits are shared with the public through special condition disclosures when necessary.



THE WORLD
IS NOT SINGLE
USE



Aslihan Balmumcu
9 years old

Sustainability Management

At Borusan Group, we adopt an inclusive and sustainable future approach in the decisions we make, strategies we determine and targets we set. Mindful of our responsibility to the environment and future generations, we carry out our activities with the aim of creating added value for all our stakeholders.

We manage our economic sustainability performance through practices led by Borusan Holding CEO and General Managers of Group companies; social sustainability performance by Borusan Holding Human Resources, Corporate Communications and OHS Group; and environmental sustainability performance by Environmental Management Units of the companies. We conduct our corporate social responsibility activities in cooperation with Holding Corporate Communications and Borusan Kocabiyik Foundation. Borusan Holding Chairman of the Board and the Group CEO is also responsible for the performance management of Group companies covering economic, social and environmental aspects of sustainability.

Sustainability Management at Borusan

ECONOMIC

Holding Steering Board
General Managers of Group Companies

SOCIAL

Borusan Kocabiyik Foundation
Holding / Corporate Communications
Holding / Human Resources
Occupational Health and Safety Group

ENVIRONMENTAL

Environmental Management Units of
Group Companies



Sustainability Journey



2006

Signed the United Nations (UN) Global Compact

2008

Published our first Sustainability Report

2009

Signed Turkey Quality Association's "Management is Women's Right" Manifesto

2010

One of the first three Turkish companies to sign UN 2°C Challenge Communique

2011

Signed the Manifesto for Energy Efficiency in Buildings by the World Business Council of Sustainable Development

2012

Signed Manifesto for Ethics in Business

2013

Signed the UN Women's Empowerment Principles

2014

First Turkish company to join the UN Women's Empowerment Principles Leadership Group

2015

Established Equal Borusan Platform

2016

Received the 1st Place Award from League of American Communication Professionals with our Sustainability Report

2017

Received Turkish Public Relations Association's (TÜHİD) Golden Compass UNDP Special Award with our Sustainability Report

2018

Harmanlık Wind Power Plant in Bursa, commissioned by Borusan EnBW Enerji in 2015, was recognized with an award in the Wind category at the 2018 Energy Awards of the 24th ICCI Environment and Energy Exhibition.

Material Sustainability Issues

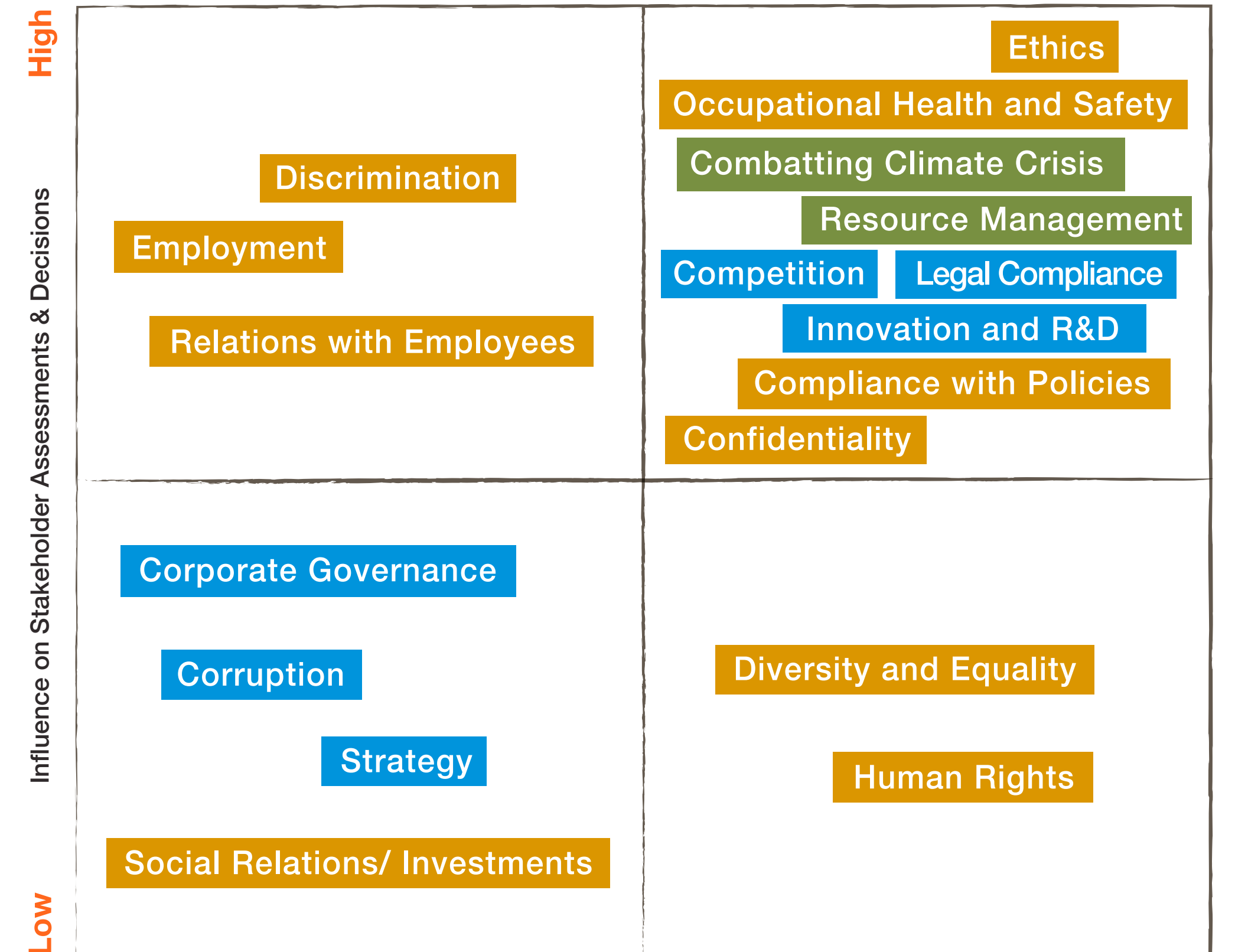
We serve a broad community due to the nature of the four main sectors we operate in. In order to understand the values of our stakeholders and respond to their expectations, we include all our stakeholder groups in the process of identifying and prioritizing our main sustainability topics.



This year, we re-evaluated the material issues set last year in line with the United Nations Sustainable Development Goals. We updated our 2018 material sustainability issues by taking into account the GRI principles, global trends in our operational sectors, emerging risks and opportunities resulting from our operations and developments in regions where we operate. In addition to Borusan Group Top Management, we presented the identified issues to our prioritized stakeholder groups including our employees, Group companies and customers, suppliers and non-governmental organizations through two separate online surveys. In line with the responses to these surveys, we gathered feedback on material issues identified by Borusan Group companies and other stakeholders. Based on the survey results and recent global risks and trends, we created the Borusan Holding Materiality Matrix.

In our Report we provide detailed information with performance data of our Group companies in line with our material issues.

Borusan Holding Materiality Matrix



Low Significance of Borusan's economic environmental and social impacts High

■ Social ■ Economic ■ Environmental



Communication with Stakeholders

We consider every person, organization and community who is impacted by our operations and has an impact on executing our operations as well as achieving our goals as a stakeholder.

We adopt an active and transparent communication approach while interacting with our stakeholders. Accordingly, classifying our stakeholders and determining the communication method and frequency according to this classification are among the most important factors in conveying our sustainability approach to our entire value chain.

During the sustainability strategy workshop, held in 2017 with representatives of our Group companies, we identified the key stakeholders of our companies and prepared stakeholder maps. As a result of these efforts, we determined that the key stakeholders identified at the workshop among the Group companies and the ones identified by Holding Corporate Communication were compatible. Our methods of communication with these key stakeholders are given in the following table.

Stakeholder Communication Platforms

We communicate with our stakeholders on sustainability issues through our sustainability reports and corporate website. In addition, we utilize a wide range of platforms for our interactions with different stakeholder groups on specific topics, including various events, evaluation meetings, published bulletins, social media channels, internal and external reports and information portals.

Borusan Employees

- Periodic – CEO and GM memorandums (Special day celebrations, informative content on important issues)
- Annual – Borusan Day
- Annual – Internal and External Reports
- Continuous – Social Responsibility Platforms and Clubs
- Continuous – Social Media, Corporate Websites and Borusan Applications
- Continuous – Trainings, Employee Loyalty and Customer Surveys
- Continuous – Internal and External Meetings, Assessments and Announcements
- Continuous – Ethics Principles and Ethics Line

Group Companies

- Annual – Internal and External Reports
- Continuous – Internal and External Meetings, Assessments and Announcements
- Continuous – Ethics Principles
- Continuous – Social Media, Corporate Websites and Borusan Applications

Suppliers

- Annual – Internal and External Reports
- Continuous – Internal and External Meetings, Assessments and Announcements
- Continuous – Social Media, Corporate Websites and Borusan Applications

Media

- Annual – Internal and External Reports
- Continuous – Internal and External Meetings, Assessments and Announcements
- Continuous – Social Media, Corporate Websites and Borusan Applications

Customers

- Annual – Internal and External Reports
- Continuous – Trainings, Employee Loyalty and Customer Surveys
- Continuous – Internal and External Meetings, Assessments and Announcements
- Continuous – Social Media, Corporate Websites and Borusan Applications
- Continuous – Ethics Principles

Business Partners

- Annual – Internal and External Reports
- Continuous – Internal and External Meetings, Assessments and Announcements
- Continuous – Ethics Principles
- Continuous – Social Media, Corporate Websites and Borusan Applications

Project Based

- Project based – Projects
- Continuous – Internal and External Meetings, Assessments and Announcements
- Continuous – Social Media, Corporate Websites and Borusan Applications

Students and Academicians

- Continuous – Career Days
- Continuous – Trainings, Employee Loyalty and Customer Surveys
- Continuous – Social Media, Corporate Websites and Borusan Applications

Financial Institutions

- Annual – Internal and External Reports
- Continuous – Social Media, Corporate Websites and Borusan Applications

Public Institutions and Local Administrations

- Annual – Internal and External Reports
- Continuous – Internal and External Meetings, Assessments and Announcements
- Continuous – Social Media, Corporate Websites and Borusan Applications
- Project Based – Projects
- Instant / Periodic – Audits

Non-governmental Organizations (NGOs) and Employee Associations

- Annual – Internal and External Reports
- Continuous – Internal and External Meetings, Assessments and Announcements
- Project Based – Projects
- Continuous – Social Media, Corporate Websites and Borusan Applications
- Continuous – Memberships
- Continuous – Donations and Sponsorships

Other Stakeholders

- Annual – Internal and External Reports
- Continuous – Internal and External Meetings, Assessments and Announcements
- Continuous – Social Media, Corporate Websites and Borusan Applications

Inclusive Economic Performance

We began our journey as a small establishment founded in the first years of the Turkish Republic and have striven to continually sustain corporate development through our leadership in the following sectors: Steel, distributorship, logistics and energy. We endeavour to continuously create value for the Turkish economy and help the sustainable growth of our country by employing 11 thousand people.

In 2018, we maintained our sustainable growth in line with the economic, technological and social developments and by capturing rising trends, maintaining our strong position in the markets and showing a consistent increase in our revenue.

At Borusan Group, we reached a sales volume of USD **4.8 million** by increasing our revenue by **2%** in 2018 while having an EBITDA of USD **352 million**.

We continue to contribute to the economic and social development of Turkey with the strength we get from our roots and Group companies that are pioneers in their respective fields. We continue to grow and globalize by expanding our international market through our operations and exports involving 10 countries. Our overseas sales increased by 22% in 2018 compared to the previous year, accounting for 35% of our consolidated revenue.

We sustained our success through new investments as a result of customers and tenders we added to our portfolio in 2018. In 2018, we realized new investments amounting to USD 104 million. We were successful in balance sheet management as we managed our assets which reached USD 4.6 billion without accounting for the foreign exchange losses even in the face of severe fluctuations in the second half of the year. Working capital was USD 1,571 billion.

In 2018, our Group continued to focus on innovation, digitalization and R&D to achieve the transformation set in line with its strategic goals. We invested approximately USD 10 million into research and development activities in 2018 in order to develop technologies that will lead to innovative, high value-adding and competitive products and processes.



Our Investments

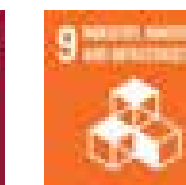


Borçelik

Slitting Line Number 3 (CSL3) Investment Bursa

‘Slitting Line Number 3 (CSL3) Investment’ project carried out by Borçelik aimed to reduce outsourcing costs and expand the range and capabilities of Borçelik products. Currently, efforts to increase existing line capabilities have resulted in reduction of outsourcing costs.

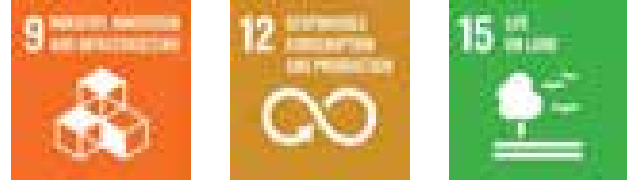
With the installed line, 18.4 kiloton production was realized between July and December 2018. Addition of a new location to the Company creates employment opportunities while the environmental impact was reduced in proportion to the medium-range logistics activities carried out mainly with subcontractors located in Bursa.



Borusan Lojistik

Waste Reception Facility Project for Ships Gemlik Port Facilities

The waste reception facility was established at the Borusan Lojistik Gemlik Port Facilities in October 2018 to perform waste reception from ships in accordance with the legislative requirements. The Lean 6 Sigma project, realized with an investment of USD 304,600, aims to generate revenue by withdrawing bilge and sludge wastes from ships.



Consolidated Warehouse Project Tepeören Tuzla İstanbul

The project was implemented in two phases in June and October 2018 and aimed to reduce warehouse costs. Through an investment of USD 5.3 million, the project resulted in reduction of warehouse expenses via space savings with an economies of scale design approach.





**THERE IS NO
PLANET B**



Mehmet Ozan Demir
10 years old

Responsible Environmental Approach

Borusan Group companies are leaders in their respective sectors who implement environmental practices that reduce the use of natural resources and energy, prevent waste generation and minimize carbon footprint. We aim to develop environmentally-friendly solutions and services which are initiated in line with our approach to combat climate crisis via effective resource management.

According to the environmental sustainability strategy embraced at the Holding level, we have adopted proactive practices across the Group companies to reduce the environmental impacts of operations.

In order to increase environmental awareness among our Group companies and the entire value chain, we support projects and trainings aimed at raising the awareness of all our stakeholders, especially our employees, and the society on environmental issues.

In 2018, we provided 1,151 hours of environmental training to a total of 900 employees in our Group companies.

We undertake various projects and make investments in order to have the society benefit from the culture of environmental awareness at the Borusan Group.

We lay down the strong foundations for a sustainable future for our country with our environmental investments amounting to TRY 7.96 million in 2018.



Combating the Climate Crisis

We are aware that one of the most significant risks of our age, the global climate crisis, and its impacts will affect our entire value chain unless managed well. We operate the corporate risk management process effectively in order to prevent the climate crisis from affecting our operations' continuity. With the motivation that these risks will turn into opportunities if they are well-managed, we make investments and implement projects to improve our performance.

Conscious of the impacts of the climate crisis and carbon footprint, we run our operations with the aim to minimize our impact both on the environment and the climate.

In line with our approach to combat the climate crisis, we develop innovative solutions for efficient use of energy and greenhouse gas emissions reduction in our Group companies.



Emission Management

We are aware of the detrimental environmental impact of carbon emissions, being one of the main causes of the climate crisis. In order to leave a habitable world for future generations, we are taking action to reduce emissions from our operations. We implement energy and emission management projects in our Group companies and aim to consistently reduce our carbon footprint.

The base year for the calculations of Scope 1 and Scope 2 greenhouse gas emissions of our Group companies is determined as 2015. The calculations were based on the operational control data consolidation approach. The emissions are calculated based on the methodology set out in the Greenhouse Gas Protocol and the following references have been used as sources of emissions factors: IPCC Guidelines for 2006 National Greenhouse Gas Inventories, Global Warming Potentials at the IPCC 2nd Assessment Report (100-year) and 2015 IEA-Turkey Statistics (Tier 2 Country-specific Emission Factors). Greenhouse gases included in the calculation are CO₂, CH₄ and N₂O.

On account of our renewable energy investments which play an important role in reducing climate crisis-related risks,

708 thousand tons CO₂e emissions were prevented in 2018.

On the other hand, in line with our increasing operational volume and revenue, our Scope 1 emissions increased by 6% and Scope 2 emissions by 1% compared to 2017.

Direct and Indirect CO₂e Emissions

	2016	2017	2018
Direct Emissions (Scope 1) (t CO ₂ e)	133,669	137,612	146,351
Energy Indirect Emissions (Scope 2) (t CO ₂)	150,263	147,677	148,586

Reducing Natural Gas Consumption at Borçelik

About the Project:

The project was implemented in order to eliminate low efficiency due to the old technology of the HNX gas production process. For the production of HNX gas with a more suitable infrastructure, the Company aimed to reduce its natural gas consumption by 20% and emissions by 262 tons CO₂/year.

Our benefits:

Natural gas consumption was reduced by 29%, exceeding the targeted performance. Driver installation to the air fan motor resulted in a 12% reduction in electricity consumption, facilitating the deactivation of one cooler and resulting in USD 69,000 savings. Consequently, 390 tons/year of CO₂ emissions were avoided in 2018.



Effective Management of Resources

At Borusan, we believe in the importance of the effective and efficient use of resources and strive to fulfill our duties in this regard. We develop projects for the efficient use of existing resources such as water and energy.

In 2018, we avoided 178.71 kg CO₂e of emissions by supplying our 396 MWh electricity demand from renewable sources in Borusan Lojistik Tuzla warehouse. As a result of these efforts, we received the International Renewable Energy Certificate (IREC) developed by RECS International, which independently verifies the source of the generated electricity.

In 2018, we reduced our natural gas consumption by 2,501,609 m³ throughout the Borusan Group and achieved a 4% reduction compared to 2017.

Energy Management

We are aware that the negative impact of energy use on the environment can be reduced by using renewable and clean energy. Accordingly, our Energy Group Company Borusan EnBW Enerji provides strong support to Turkey's process of environmental development with its all-renewable 495 MW installed capacity as of the 2018 year end.

At Borusan, we monitor our energy consumption from non-renewable sources in all Group companies and we develop solutions to keep this consumption to a minimum.

As a result of our increasing operations and growth in our business volume in 2018, total electricity consumption of Borusan Group increased by 0.7% compared to 2017, and consequently we continued to take actions to reduce electricity consumption at the Group level.



Direct Energy Use from Non-Renewable Resources

	2016	2017	2018
Gasoline (GJ)	14,409.25	12,773.05	5,991.51
Diesel Oil (GJ)	253,307.36	257,354.83	299,854.37
Natural Gas (GJ)	2,095,900.98*	2,140,819.19*	2,054,468.58

Indirect Energy Use from Non-Renewable Resources

	2016	2017	2018
Electricity (GJ)	1,129,660	1,134,104	1,141,802

* 2016 and 2017 natural gas data were revised as a result of retrospective reliable data collection.

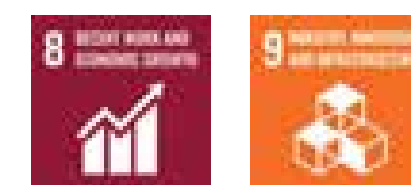
Efficient Engine Installation at Borçelik

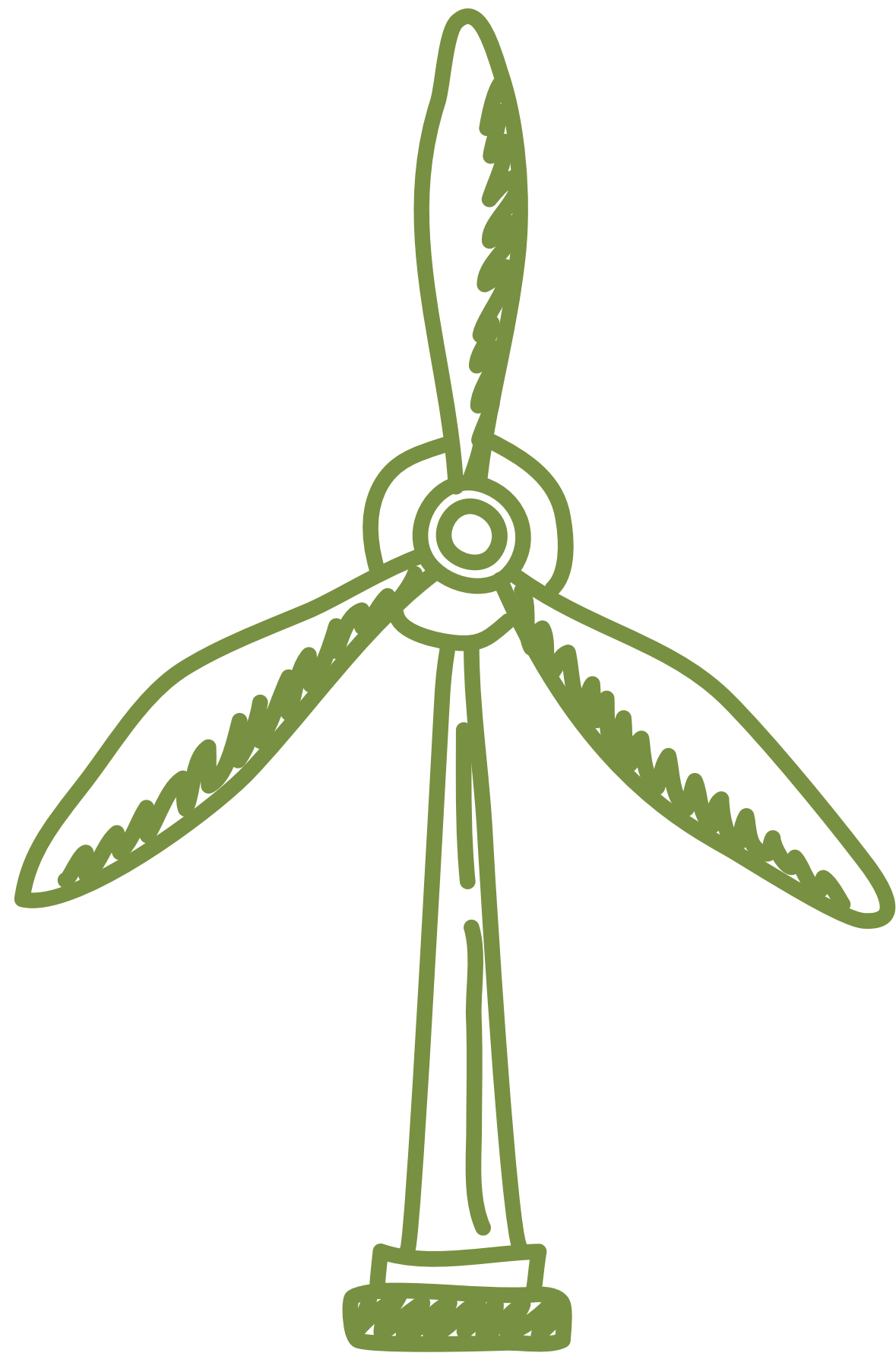
About the Project:

Existing engines were replaced with efficient ones through the project that was carried out due to considerably reduced efficiency of over-repaired engines. Improving plant operations and obtaining economic benefit were the reasons for replacing the engine.

Our Benefits:

The average payback period of the project was determined to be 1.5 years considering the economic gain obtained from energy savings as a result of renewing fans and pumps that work an average of 8,000 hours per year. Engine maintenance time and costs were reduced. In addition, around 20-30% VAP (Efficiency-enhancing Project) Incentive was received as a part of the project.

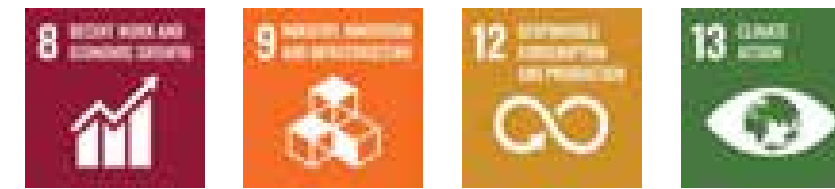




Energy Efficiency at Borçelik

About the Project:

The aim of the project, which was implemented with the idea of achieving efficiency through energy savings, was to increase compressor efficiency and total air production efficiency. A new compressor investment was made and a dew-point structure was installed in dryers.



Our Benefits:

The project resulted in annual savings of USD 120,000 and was included in the list of projects supported by the Ministry of Energy as a part of VAP Incentive (Efficiency-enhancing Project). A decrease in energy consumption through the project contributed to the achievement of our sustainability goals as it resulted in carbon emissions reductions.

Steam Savings at Borusan Mannesmann

About the Project:

An air purging-lantern system was installed in the galvanized coating system using pressurized air instead of steam, which was carried out to reduce emissions and prevent excess energy use.



Our Benefits:

Steam consumption was reduced by 60%.

Electricity Consumption Reduction at Borusan Mannesmann

About the Project:

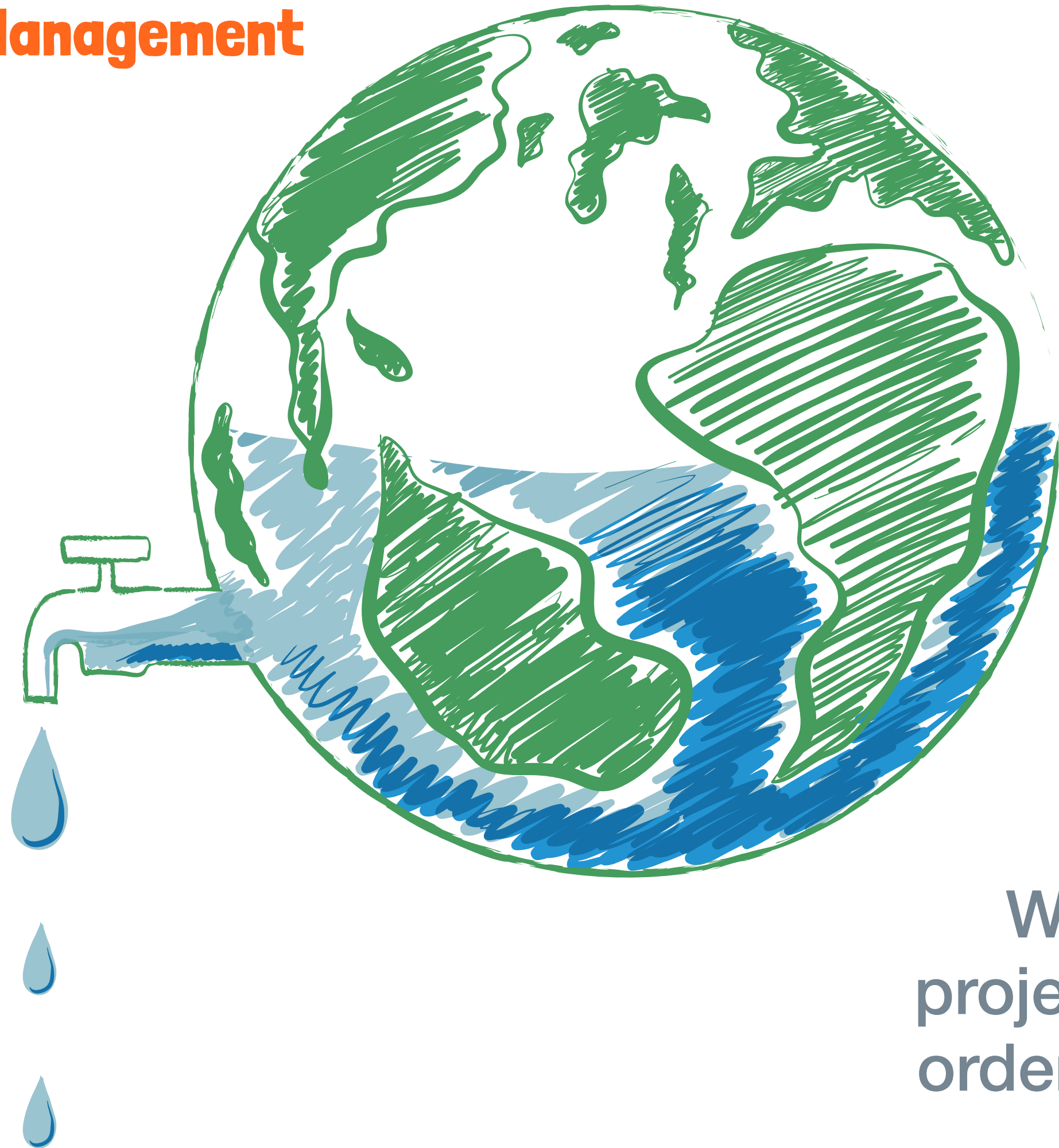
The project was implemented to reduce energy consumption and increase quality. The old compressor, which worked continuously in the washing-cutting process, was replaced with the inverter compressor that works when needed. In addition, halogen light bulbs used for lighting in production area were replaced with efficient LED bulbs.



Our Benefits:

As a result of the improvements, electricity consumption per ton of product reduced by 9%, despite a 7.82% production increase compared to the previous year.

Water Management

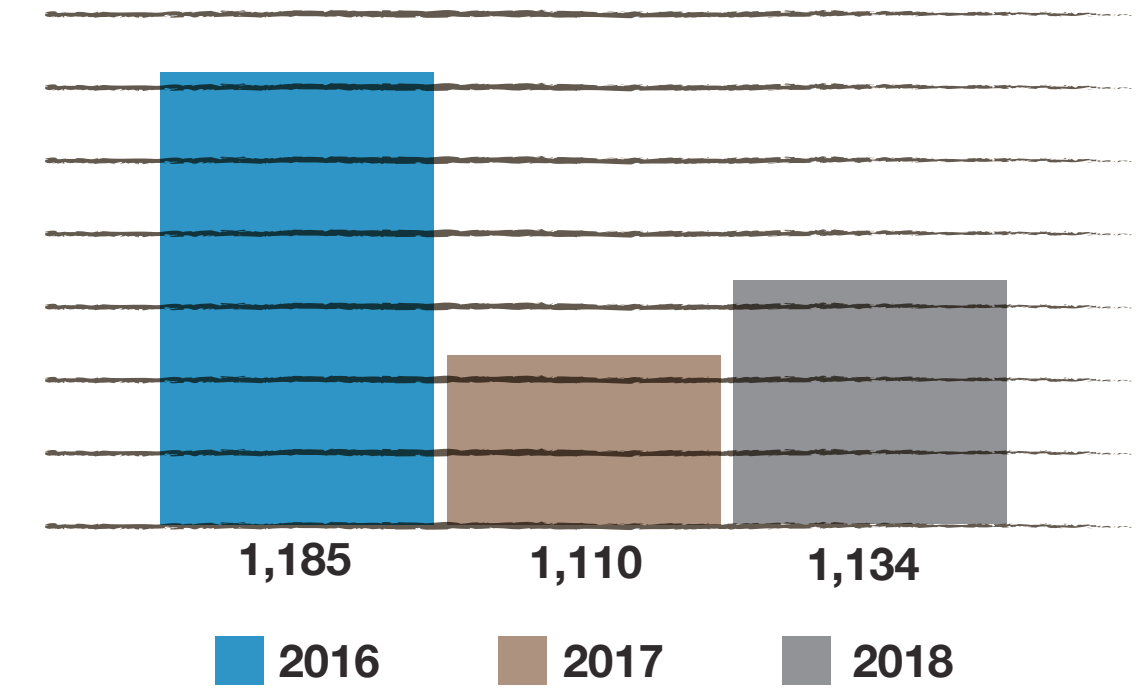


While aiming to be a sustainable organization, we pay utmost attention to use water, as an indispensable resource in our life and operations, in the most efficient manner as part of our responsibility to all our stakeholders. As water is an indispensable raw material in Borusan's production operations, it has a very important role in both the production processes and the hygienic needs of our employees. Therefore, we execute our water management with the utmost care and conduct our activities in compliance with all relevant legal requirements.

Our report includes operations in Turkey, which has an increasing risk potential in terms of water resources due to the impact of the climate crisis. Aware of this issue,

We implement various efficiency projects in line with local policies in order to reduce water consumption and use water efficiently in our Group companies.

Total Water Withdrawal (Megaliter)



Total Water Withdrawal

The observed change in water withdrawal amount between 2016 and 2017 resulted due to revisions regarding more reliable data collection. Detailed data are presented in the performance tables.

We realize innovative solutions for the treatment and re-use of process water in our production facilities, and choose the most appropriate disposal methods to prevent negative impacts on the ecosystem and environmental health before discharging.

In 2018, our water withdrawal increased due to growing operations. In order to address and limit the increase, we implemented projects to reduce water withdrawal at our Group companies during the reporting period.

We achieved water efficiency of up to 17% in the project we carried out on the surface cleaning line at Borçelik, while we decreased water consumption used in chemical-switching on the galvanized lines of Borusan Mannesmann in Gemlik. In addition, we executed a project to eliminate the insufficiency of wastewater treatment in Borusan CAT.

Water Consumption Reduction at Borçelik

About the Project:

The project was carried out to address the 16% increase in the demineralized water consumption. It aimed to reduce the water consumption by 14% and to reduce costs arising from insufficient demineralized water use, without compromising quality.



Our Benefits:

The targeted water consumption reduction of 14% was exceeded, reaching 17%. The project reduced water consumption, as well as the amount of demineralized water produced as waste.

Reduction of Water Consumption at Borusan Mannesmann

About the Project:

Using the environmentally-friendly zinc-free passivation chemical, 90% reduction in water consumption was targeted while meeting desired quality standards while decreasing wastewater amounts.



Our Benefits:

The amount of water used as a part of the project was reduced from 30 tons/day to 200 kg/day and the target was considerably exceeded. Meanwhile, non-corrosive chemicals were used and wastewater generation was also reduced.

Wastewater Treatment Plant Modernization at Borusan CAT

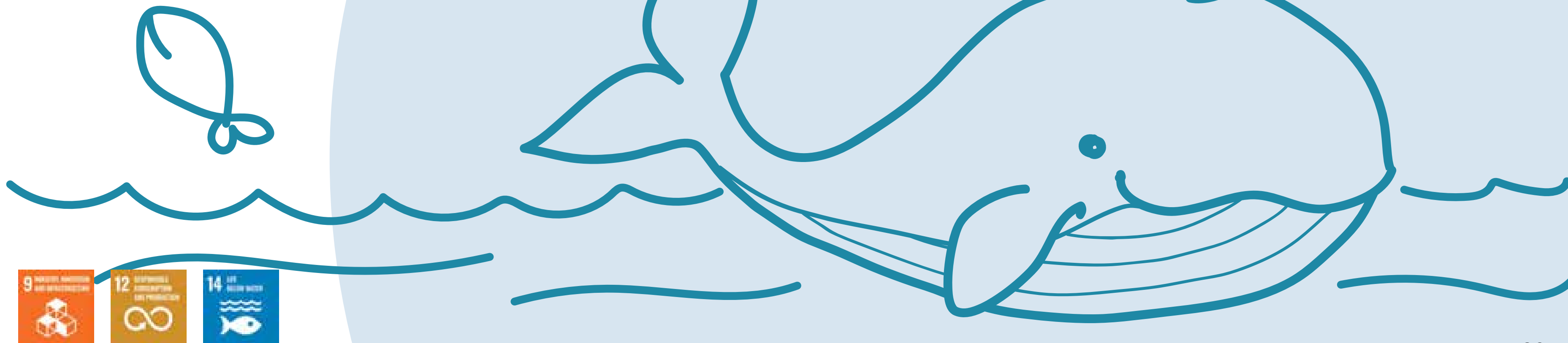
About the Project:

The project was implemented to eliminate inefficiency due to the insufficient waste water treatment capacity. For the Ankara location, the project aimed to treat and dispose of industrial wastewater in compliance with Ankara Water and Sewage Administration (ASKİ) discharge limits. Wastewater originated from washing vehicles that would come in for servicing, repairing parts and surface cleaning. For the Gebze location, the project aimed to discharge treated wastewater in compliance with Gebze Organized Industrial Zone (GOSB) discharge limits.

In line with these targets, wastewater treatment plant automation system was installed in Ankara to modernize it in a way to never exceed the ASKI discharge limits which would cause damage to the environment. Accordingly, environmental awareness of the employees was also increased.

Our Benefits:

Sewage truck expenses and potential fines from the Ministry of Environment and Urbanization for exceeding wastewater discharge limits were avoided.



Waste Management

At Borusan, we believe effective waste management plays a key role in protecting natural resources and achieving Sustainable Development Goals.

We constantly review our production processes that have a potential to cause adverse impacts on the environment and develop new projects to eliminate waste while collecting and treating our waste in compliance with the regulations to persistently reduce our impact on the life on land. In line with our responsible and sustainable consumption approach, we use natural resources efficiently as well as carrying out projects aimed at reducing the amount of waste resulting from our operations.

Total Waste

By Type	2016	2017	2018
Hazardous Waste (Ton)	632,890	797,288	866,089
Non-Hazardous Waste (Ton)	379,726	463,585	477,616
Total Waste	1,012,616	1,260,873	1,343,705
By Disposal Method	2016	2017	2018
Energy Recovery (Ton)	313	21,432	558,009
Recycling (Ton)	947,656	1,064,191	735,021
Landfill (Ton)	995	797	1,044
Incineration (Ton)	10,223	5,586	6,515
Other Disposal Methods (Ton)	53,428	168,866	43,116
Total Disposed Waste	1,012,616	1,260,873	1,343,705



Waste Reduction Project at Borusan Mannesmann

About the Project:

The project was initiated with the aim of reducing energy consumption and waste generation while ensuring occupational safety. 60% reduction in steam consumption and 65.7% reduction in waste generation were targeted compared to the previous year. Accordingly, an air purging-lantern system was installed in the galvanized coating system that uses pressurized air instead of steam.

Our Benefits:

65.7% reduction in zinc wastes was achieved through deploying environmentally-friendly production.



Eliminating Paper Consumption at Supsan

About the Project:

The project was implemented due to the extension of quality control process during acceptance and increase of related paper waste, and it aims to eliminate the time loss and prevent process inefficiency. At the same time, efforts were initiated to fully digitalize the acceptance process to prevent paper waste. The project aimed to accelerate the acceptance quality control periods by 75% and the approval period by 90%.

Our Benefits:

As a result of these efforts, annual savings of USD 5,000 was achieved. At the same time, targets to accelerate the GKK processes were accomplished and 90% improvement was realized while eliminating paper consumption. Archiving workload was reduced and employee motivation was increased.



Waste Recycling Project at Borusan Mannesmann

About the Project:

The project was implemented in order to reuse the powder epoxy paints produced as a result of the SP exterior coating process and to send the generated waste to recovery instead of disposal while reducing waste-related costs. As a result of research carried out to ensure the transition to a new technology, 155.5 tons of waste was sent to the recycling company free of charge in order to be used in paint coloring processes.

Our Benefits:

Cost of disposal eliminated through waste recovery as a result of waste generation reduction.



Occupational Health and Safety

At all Borusan Group companies, providing a safer and healthier work environment for employees, clients and suppliers is a priority. We continuously conduct risk analyses, performance measurements, trainings, practices and infrastructure improvements in accordance with our “zero occupational accidents” target.

We ensure that the current situation on the field is reported by relevant employees and we carry out trainings in line with the identified preventative solutions. In 2018, we provided 119,345 hours of occupational health and safety trainings to 8,306 people, including subcontractor employees.

At all Borusan Group companies, we have Occupational Health and Safety (OHS) Committees that represent the workforce. The OHS Committees act as an internal communication mechanism where group employees can convey their suggestions, complaints and expectations regarding health and safety. Suggestions from committees are one of the main enablers for the constant development of OHS performance. OHS Committees act as an internal communication mechanism where group employees can convey their suggestions, complaints and expectations regarding health and safety. Suggestions made by the Committees are one of the main enablers for the constant development of the Group’s OHS performance.

In 2015, we established the “Borusan OHS Group” in order to develop an OHS culture among Group companies and provide a platform where companies share their experiences and learn from each other. The Group has advanced its activities in 2018.

As a reflection of our Group culture, we conduct our operations with great care in line with the utmost importance given to OHS management, which is one of our material sustainability issues. As a key indicator of this approach, OHS Committees established in all Group companies and employee representatives hold a bimonthly meeting with the responsibility of ensuring the follow-up of OHS activities for all operations. At each meeting, the decisions made at the previous meeting and their execution are presented to the Board by the President or the Secretary of the Board before pursuing the meeting agenda

In 2018, we continued our OHS efforts with a total of 133 OHS committees, 103 representatives and 500 members.

Our Occupational Health and Safety Applications

The main requirement for the development and protection of an OHS culture is to ensure the participation of employees. It is important for employees to see first-hand application of these practices in the field as well as the execution of OHS campaigns, trainings and events in workplaces. It is possible to achieve continuity and positive change in OHS culture when employees can actually see that they are a part of this change. Accordingly, we continued to initiate projects regarding occupational health and safety throughout our companies during the reporting period.



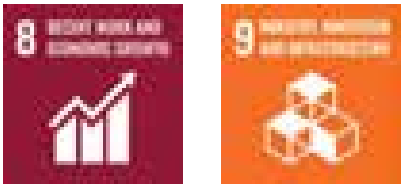


Borusan Mannesmann

Project Name:
Internal Rough Edge Removal Robot

Goal:
Accumulation of burrs in various places need to be cleaned to prevent disturbance of system operation. During cleaning of burrs accumulated on the line, employees may lose balance and fall; ergonomic risk factors may occur during cleaning of trapped burrs; and in cases where manual intervention is required, jamming and crushing accidents may occur. In order to prevent these kinds of occupational accidents and ensure the system to function properly, we have implemented our Internal Burr Removal Robot project.

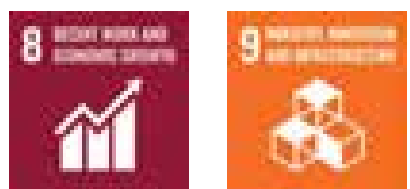
Added Value
- As a result of the cost reduction in the scrap pipes due to the number and duration of pauses and lost days due to occupational accidents, we realized annual savings of USD 84,100.
- Owing to this project, we have prevented 52 lost days in 2018.



Project Name:
Automatic Chamfering Line

Goal:
Occupational accidents may occur such as striking of pipes and jamming and cutting of limbs of workers who manually interfere with the pipes during chamfering, as well as incision accidents due to contact with the rotating equipment. Automatic chamfering operations prevent these risks and ensure the same quality chamfering of each pipe with minimized production losses.

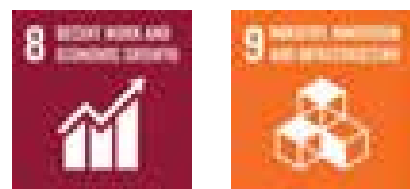
Added Value
- As a result of reducing lost days arising from occupational accidents as well as the decreasing labor costs, automated system has increased productivity by 15%, which corresponded to USD 152,414 savings in 2018.
- The project prevented 63 lost days in a year.



Project Name:
OHS Enhancements on the Polyethylene Line

Goal:
Work to be done on the polyethylene line requires physical strength. Therefore, it may pose ergonomic risks for employees. There is also a risk of jamming-crushing between the pipes or platform, as well as incision accidents. We have implemented this project in order to eliminate the need for physical labor and prevent situations that may cause occupational accidents and diseases.

Added Value
- As a result of reducing lost days arising from occupational accidents and decreasing labor costs, we saved USD 24,360 in 2018.
- The project prevented 106 lost days in a year.



Borusan Mannesmann

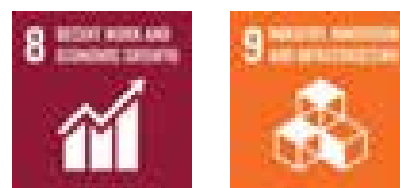
Project Name:
Automatic Marking System

Goal:

As the marking process is carried out by workers using manual spray guns on the trolleys, there are risks such as the jamming of the limbs, exposure to emitted chemical vapors, injury due to contact with high pressure, and the risk of fire due to the flammable nature of chemicals. The marking process started to be carried out automatically to prevent the workers from being trapped or crushed, as well as stopping the spreading of chemical emissions and reducing the fire load.

Added Value

- As a result of reducing the cost of labor and line pauses, we saved a total of USD 160,059 in 2018.
- We made a positive contribution to the morale, motivation and concentration of employees by providing a healthy and safe workplace via these improvements.



Supsan

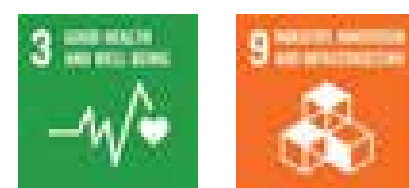
Project Name:
Reducing Noise of Ficep Counter

Goal:

Noise in the workplace increased due to the severe sound of the Ficep counter. In order to improve workplace conditions and reduce the noise, the counter layout was revised.

Added Value

- Improvements have reduced the noise from 90.1 DBA before the project to 84.1 DBA with a 7% reduction.





Esra Çetin
4 years old

Quality, R&D and Innovation

We aim to assign high-performance and high-potential human resources to the highest priority jobs by using decision-making mechanisms based on concrete data, and thus continuously improve business processes and measure their impact. Striving to use management discipline and methodologies in sync with the world's leading companies, we prioritize the use of Lean 6 Sigma philosophy and methodology in our improvement and development projects.

Our Group companies perceive product quality as the superior features of the product as well as the accompanying assistance. Therefore, we have determined our primary goal as to realize the most efficient and cost-effective production by continuously improving the production and following services as well as providing quality products. Accordingly, we continue to add to our quality certificates every year.

We pursue our investments on R&D, innovation and digitalization at our Group companies while disseminating the lean philosophy.

At our R&D centers, we improve our products and processes and create competitive advantage in our sectors of operation.

Borçelik

Project Name:
Parameter Determination and Process Development of Steel Families Trial Route

Goal:

The project was initiated to produce high-value-added automotive qualities at Borçelik, which were not being produced in our country. The project was implemented to fully comply with the strategy and profitability targets. The project aimed to implement revisions in various areas, from raw materials to production process routes. Accordingly, the Company started to work on high-carbon steel product families to be included in Borçelik production range.

Added Value

The project yielded savings of USD 861,669. Additionally, production of these qualities that had never been produced in our country before, resulted in resource efficiency as well as joint working areas with automotive customers.



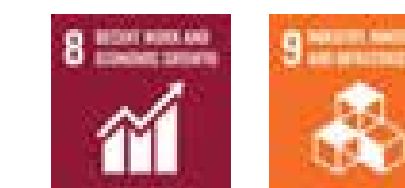
Project Name:
RCM Modeling

Goal:

As part of the Industry 4.0 transformation, the project was implemented with the goal of creating and modeling the digital twin of the line and increasing efficiency and efficacy. The ultimate goal was to shorten the total operating time as a result of rolling load and speed optimizations without roll reduction by modeling the rolling process. Roll load set point was determined and energy consumption estimations were made with the virtual model created by using the coil information.

Added Value

The project resulted in USD 24,646 savings. As a result of the increase in line productivity, tonnage output per unit time was increased, reducing unit costs and consumption.



Borusan Lojistik

Project Name:
Optimization of Domestic Road Transport (LTL and FTL) Processes

Goal:

The project was started as the old methods, such as manual planning and order planning got more labor- and time-intensive as a consequence of the operational expansion. More importantly, it would have a negative impact on productivity and cost, which the Company sought to prevent. The project aimed to increase the operational efficiency with the automation of manual processes and reduce the transportation costs via load/route optimization. Accordingly, a reduction of 2% in number of vehicles, 5% in total distance travelled, 95% in planning time and 5% in cost was targeted.

Added Value

Savings and efficiency increase were achieved in line with the reduction targets. Optimization resulted in the reduction of number of vehicles used in distribution and distance covered, hence enabling lower fuel consumption and reduced CO₂ emissions.



Project Name:
Electric Vehicle Platform Project

Goal:

The EUFAL (Electric Urban Freight and Logistics) Project was implemented to increase the electrification of the existing vehicle fleet in the logistics systems and optimize these systems for the efficient use of electric vehicles to contribute to the solution of these challenges. As part of the project, a change platform was established to work as a decision support system for institutions that want to use Electric Vehicles in their commercial vehicle fleets. Accordingly, the targets have been set for reducing fossil fuel consumption as well as reducing noise levels by using electric vehicles.

Added Value

Electric vehicle use contributes to the environment by reducing fossil fuel consumption and noise. Turkey is far below the European average on the integration of electric vehicles in freight transport systems as the number of institutions with experience in this area is very low (<5). Accordingly, the project, which is conducted in partnership with Turkey, will play an important role in the successful integration of electric vehicles in the logistics sector.



Project Name:
Advanced Fleet Analysis and Route Optimization Project Based on Location Data

Goal:

The project was implemented with the aim of combining different vehicle tracking systems used in Borusan Logistics in a single platform, using a common architecture and increasing our competitiveness with new capabilities. The project aimed to increase vehicle utilization efficiency, increase analysis, planning and reporting capability with big data, monitor vehicle location and status, shorten vehicle supply time and reduce costs through optimization.

Added Value

This optimization enabled cost reduction. Concurrently, the number of vehicles used in distribution and distance travelled were reduced, resulting in greenhouse gas emissions reduction due to less fuel consumption.





Supsan

Project Name:
Increasing Extrusion Press Efficiency

Goal:

The project was initiated with the aim of keeping pace with the Industrial 4.0 revolution digital production approach and minimizing human managed operations and operating costs. As part of the project, a robotic systems was installed, and 30% performance improvement, 30% capacity increase, occupational safety improvement, and increase in customer satisfaction and 10% loss prevention due to size differences were targeted.

Added Value

Increasing the efficiency of the press helped achieve the determined targets of the project with the improvements and changes that would meet the increased customer demand. The project was integrated with the forging method extrusion press robotic system, being one of the production processes in our R&D Center. OHS improvements were made by providing more efficient, ergonomic and safe operation for the press operator instead of working under difficult and risky conditions.



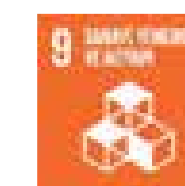
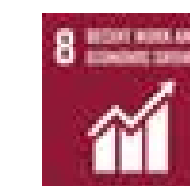
Project Name:
Product and Material Development of Valve Pair Specific to Passenger Vehicle Engines

Goal:

A significant portion of the valve cost consists of the raw material cost and no domestic suppliers were found, which triggered this project. By replacing more cost-effective and domestic steel materials that provide the same service performance of X45CrSi 9 3 steel, it was aimed to develop near- X45CrSi 9 3 performance and domestic material alternatives suitable for spare parts production. Accordingly, the project targeted a 10% reduction in raw material costs.

Added Value

With this project, annual savings of TRY 400,000 through the substitution of 300 tons of material is targeted. A national achievement in the form of domestic supply of raw materials replacing imports, as well as reductions in logistics costs and supply times are also targeted.



Quality and Integrated Management Systems

	Borusan ENBW Enerji	Borusan Lojistik	Borusan CAT	Borusan Mannesmann	Supsan	Borçelik	Borusan Automotive Group
ISO 9001 Quality Management System	Headquarters, Bandırma WPP, Balabanlı WPP, Koru WPP, Harmanlık WPP Mut WPP, Fuat WPP, Kartaldağı WPP, Kızılköy WPP, Yedigöller Aksu HPP	All Processes and All Facilities	Gebze Campus	Merkez, Gemlik, Halkalı, Bursa	İstanbul	Gemlik, Bursa, Manisa	Çatalca
ISO 14001 Environmental Management System	Headquarters, Bandırma WPP, Balabanlı WPP, Koru WPP, Harmanlık WPP Mut WPP, Fuat WPP, Kartaldağı WPP, Kızılköy WPP, Yedigöller Aksu HPP	All Processes and All Facilities	Gebze Campus	Merkez, Gemlik, Halkalı, Bursa	İstanbul	Gemlik, Bursa, Manisa	
OHSAS 18001 Occupational Health and Safety Management System	Headquarters, Bandırma WPP, Balabanlı WPP, Koru WPP, Harmanlık WPP Mut WPP, Fuat WPP, Kartaldağı WPP, Kızılköy WPP, Yedigöller Aksu HPP	All Processes and All Facilities	Gebze Campus	Merkez, Gemlik, Halkalı, Bursa	İstanbul	Gemlik, Bursa, Manisa	
ISO 27001 Information Security Management System	Headquarters, Bandırma WPP, Balabanlı WPP, Koru WPP, Harmanlık WPP Mut WPP, Fuat WPP, Kartaldağı WPP, Kızılköy WPP, Yedigöller Aksu HPP	All Processes and Facilities operating as Authorized Economic Operator (AEO)					
ISO 10002 Customer Satisfaction Management System		All Processes and All Facilities	Gebze Campus	Merkez, Gemlik, Halkalı, Bursa	İstanbul		
ISO 50001 Energy Management System		All Processes and All Facilities		Gemlik ERW+SP		Gemlik	
ISO 14064 Greenhouse Gas Accounting and Verification Management System		All Processes and All Facilities					
Green Port Certificate		Borusan Port					
ISO 17025 Competence of Testing and Calibration Laboratories				Gemlik SP			
ISO / TS 16949 Automotive Quality Management System				Merkez, Halkalı, Bursa			
API ISO 9001				Gemlik ERW+SP			
IATF 16949 Quality Management System Certificate					İstanbul	Gemlik, Bursa	
ISO / IEC 27001 Information Security Management System Certificate						Gemlik, Bursa	
SEDEX / SMETA 4- PILLAR Social Responsibility and Compliance Certificate				Gemlik, Bursa, Manisa		Gemlik, Bursa, Manisa	
LEED GOLD Certificate							Samandıra



HAPPY BORUSAN EMPLOYEES

We consider our human resource as a crucial capital and invariably prioritize the fundamental rights of our people, which include health, safety and welfare. Through our adopted decent work approach, we constantly have regard for employees and human rights in our operations, strive to prevent all kinds of discrimination and ensure equal opportunity.

We appreciate that the success of our Group can be primarily ensured through the personal development and success of our employees. Accordingly, we intend to keep our employees' motivation at the highest level by ensuring their continuous development. We measure employee loyalty and satisfaction on an annual basis to improve their work experience.

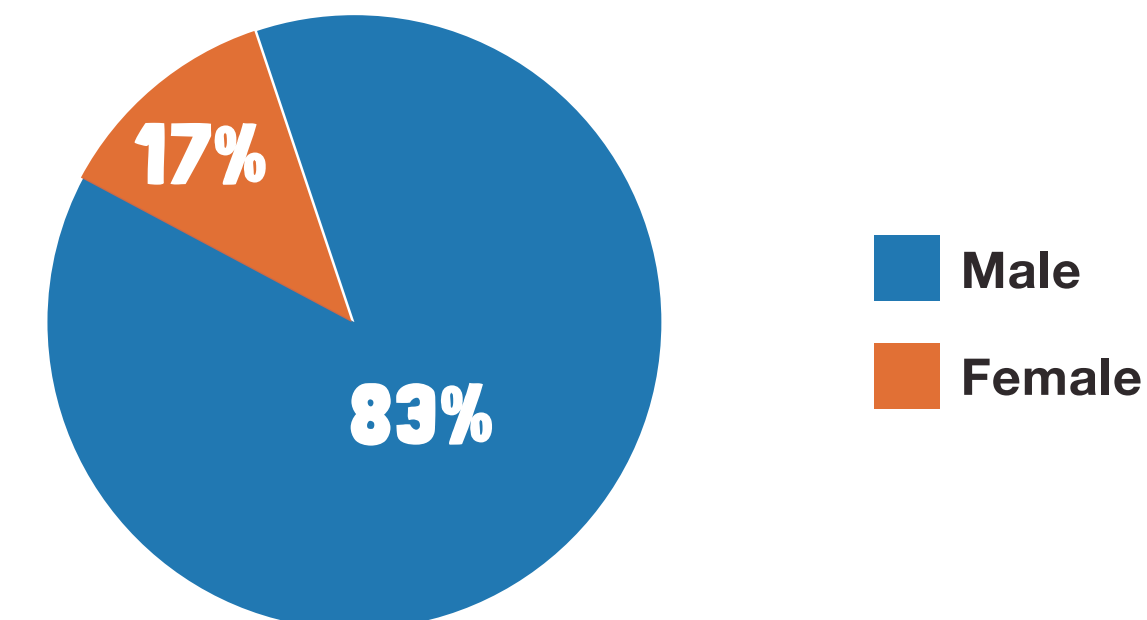
In line with our strategic goals, we aim to achieve new heights in success by strengthening our teams with the addition of talented employees with high potential. We support our employees' development through Borusan Academy.

In order to ensure that the employees with high potential and performance stay at Borusan for the long-term, we continue to develop projects in our Group companies in addition to the practices we initiated at the Holding level.

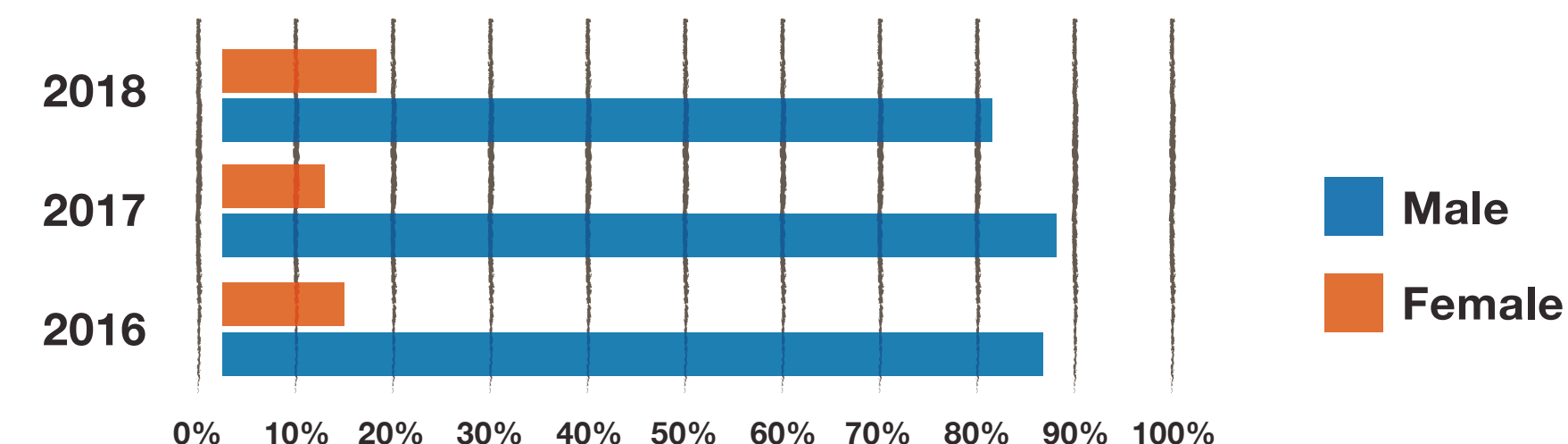


Employment and Diversity

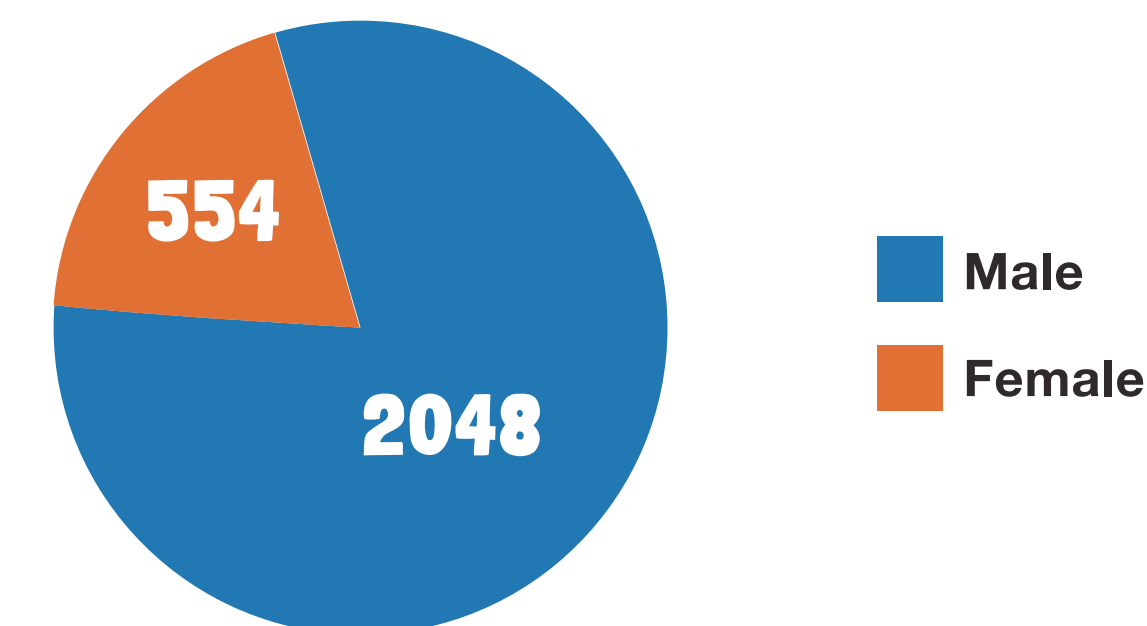
Employee Ratio By Gender in 2018



Senior Management Employee Ratio By Gender



Number of New Hires By Gender in 2018



*Data presented in this section cover Turkish operations of Borusan Holding and its Group Companies.



Beyza Dalsız
7 years old

Trust Based Relations with Employees

We adopt a systematic corporate governance approach in our interaction with our most valuable asset, our employees, which makes them feel they are recognized, heard, rewarded and content to be receiving what they deserve.

Human Rights

At Borusan, we support an approach of respecting human rights by providing a decent work environment which is contemporary and encourage participation among employees.

It is one of our corporate priorities to provide a healthy, safe and fair work environment to our employees, being our most valuable capital. We do not have a human rights policy within the Holding, but Group-wide we adopt a human-rights-based just business approach as well as Human Resources Vision and Policies in some of our Group companies. In all Borusan companies, we carry out human resources processes such as recruitment, promotion, employee development, career planning and working conditions by taking the utmost care for human rights. Concurrently, we act in accordance with the United Nations Global Compact Human Rights Principles as a signatory party.

With the vision of “a future better than today” we have adopted Group-wide, we implement practices that increase employee satisfaction and loyalty. Some of these practices are:

- Borusan Academy Training and Development Programs
- Competence Assessment System
- Performance Management Practices
- Career Planning
- Individual Pension Plan
- Employee Satisfaction Survey
- Recommendation Systems
- Effective Internal Communication
- Social Clubs
- Online Social Platforms
- Borusan Arts Events



Elimination of Discrimination and Equal Opportunity

At Borusan, we offer our employees equal opportunities that cover the entire human resources processes regardless of ethnicity, gender, color, race, nation, economic condition and religious belief. We guide our employees to use their personal rights appropriately and fully in compliance with laws and regulations.

Under our Code of Business Ethics and company policies, there is no forced or compulsory labor or child labor in any of our Group companies. At Borusan, we act in accordance with all local, national and international regulations and legislation on child labor. We do not cooperate with any subcontractors or suppliers that deploy child labor.

Borusan employees and our key stakeholders such as suppliers are responsible for combatting discrimination. In case of any potential discrimination, the matter can be reported directly to the Ethics Committee via e-mail or telephone. Furthermore, through an open door policy, Borusan employees and all stakeholders can directly contact Borusan management in the case of violation of the Code of Ethics. Potential violations may also be anonymously reported by Borusan employees. Borusan adopts an approach of non-retaliation to employees who report misconduct.

In 2018, our expert teams conducted meticulous investigations on complaints that were communicated to the Ethics Board to have discriminatory nature. The Ethics Board is responsible for handling violations by the employees subject to complaints and determining the resultant appropriate disciplinary actions.

To date, there have been no violations at the Group companies about the freedom of association and collective bargaining, and we don't have any operations that carry a significant risk in this regard. As of the end of 2018, 84% of our factory employees are covered by collective bargaining agreements.

In 2018, the female employee ratio across the entire Borusan Group was 16.9%. The ratio of female executives increased from 11% in 2017 to 17% in 2018.

At Borusan Group, we believe that social and individual welfare resides in gender equality. Human resources policies based on equal gender and opportunity form the basis of our human resources practices. We are working to raise awareness of our stakeholders and society on this matter.



BORUSAN EŞİTİR

AÇEV
ANNE ÇOCUK EĞİTİM VAKFI

We established the Equal Borusan Platform, open to everyone for social equality as a non-hierarchical platform, supported by Company management. Since November 2015, the Platform has been active in all Group companies to achieve concrete results from a broad perspective from human resources policy to communication and awareness. The purpose of this Platform is to build a happy and successful future where social roles and perceptions do not impede equality and diversity.

Among the Platform priorities are; working to maintain full support of management levels; developing company and HR policies; ensuring the application of national and international initiatives and principles; aiming to change discriminatory statements and actions as well as aiming to prevent them from occurring in the first place.

At Borusan, we aim to raise awareness of more than 10,000 Borusan staff and their families through gender equality trainings organized in cooperation with the Mother Child Education Foundation (AÇEV) to prevent gender inequalities.



Employee Rights

All our white-collar employees are covered by private health insurance that includes both inpatient and outpatient treatment. In addition to providing annual check-up and life insurance with respect to level of tenure in management, we also offer an Individual Pension Plan with company contribution and a retirement plan for executives of over 35 years of age with more than three-year seniority. Accordingly, on top of the deduction from the salaries of employees, we provide Company contribution to their plans. Employees who complete 5 years at the Borusan Group can redeem their savings.

We provide special discounts for employees with children aged 0-6 year-old at selected nurseries and preschools for their education or development programs.

During 2017-2018, 100% of the 57 female employees exercised their right to use maternity leave, 73% returned to work afterwards and 70% worked at least for another 12 months after they returned from their maternity leave.

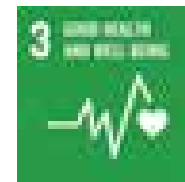
Parental Leave of Employees

	2016		2017		2018	
	Female	Male	Female	Male	Female	Male
Employees entitled to parental leave	75	456	71	273	57	311
Employees that used parental leave	75	145	71	273	57	311
Employees that returned to work after parental leave	70	145	54	273	42	311
Employees that returned to work after parental leave and worked at least 12 more months afterwards	67	144	51	268	40	299

Avita Employee Support Program

Borusan Holding is aware that corporate and individual achievements are possible with a happy work environment and a focus on employee welfare. Accordingly, we execute the Avita Employee Support Program at Borusan Holding and certain Group companies to improve employee welfare.

The program, which reaches about 2,743 employees, involves consultancy and information services to employees and their family members who live together, who can get 24/7 support on any topic they want to be informed further. It offers a wide range of services such as psychological and medical consultancy, financial and legal information, prevent back/waist/neck pains and office ergonomics, healthy nutrition, newborn care, social life.



AVITA
Göven · Destek · Performans

Borusan Logistics Wellness Project

The Wellness Project is the continuation of the Healthy Life Project which was initiated in 2017. It continues to provide employees with the knowledge and skills they can incorporate into their lives by enabling them to adopt a healthier lifestyle physically, mentally, emotionally and spiritually. As part of the project, 5 hub trainings and 3 workshops were held in 2018.



Supsan Sustainable Employee Loyalty

In July 2018, a focus study was organized at Supsan to increase employee loyalty. The study was carried out with three different groups as white and blue collar employees, managers and senior management teams, where the teams worked on communication, feedback, recognition/career and development management and working conditions. Regular meetings were held with employees from each group and reports were presented showing areas for improvement. Actions are currently implemented to achieve the improvements in related areas.



Borusan EnBW Enerji “Running Towards Tomorrow” Project

As Borusan EnBW Enerji is making progress to achieving its strategic goals, Running Towards Tomorrow Project, which was launched at the end of 2015, defines the working atmosphere jointly established by employees and executives in order to achieve a common goal.

In 2016, details of the working culture were determined with the participation of all company employees. The Company has transformed its corporate culture in a process managed by its employees through the following initiatives: 1- A Real Team, 2- The Energy of Sharing, 3- Transparent Communication, 4- Innovation that Inspires, 5- Awareness of Roles and Responsibilities, 6- The Power of Shared Wisdom, and 7- The Belief of Embracing.

First phase of the Running Towards Tomorrow Project was completed in 2017, and is enriched each year with new actions and the enhancement of existing actions via implementing different applications. In the second phase which was initiated in 2018, actions identified with the new leaders and employee initiative groups were established diversely and new actions were defined. Running Towards Tomorrow, a living cultural project, is taking firm steps towards creating an environment in which employees can implement the changes they desire to create in their culture of business conduct at any given time and any practice.



Borusan Mannesmann Success Through People

As part of this initiative, the “Gönlüm Var” Group has been established to better explain the philosophy of management with targets and performance evaluation systematics to the employees, and for them to adopt and embrace these in order to increase their performance and loyalty.

Gönlüm Var Group, established in April 2018 with 13 people, received training on the performance system, Success Through People Initiative, management with targets, SMART target setting and system usage. All targets of white-collar employees were shared with this group to assess if these are SMART. After reviewing targets of all employees, non-SMART targets, deficiencies in targets and improvement points were identified and shared with employees and managers to ensure all defined targets are SMART. During these activities, Group members shared their views on employee issues and communicated their feedback, information, comments and suggestions to the HR Team.





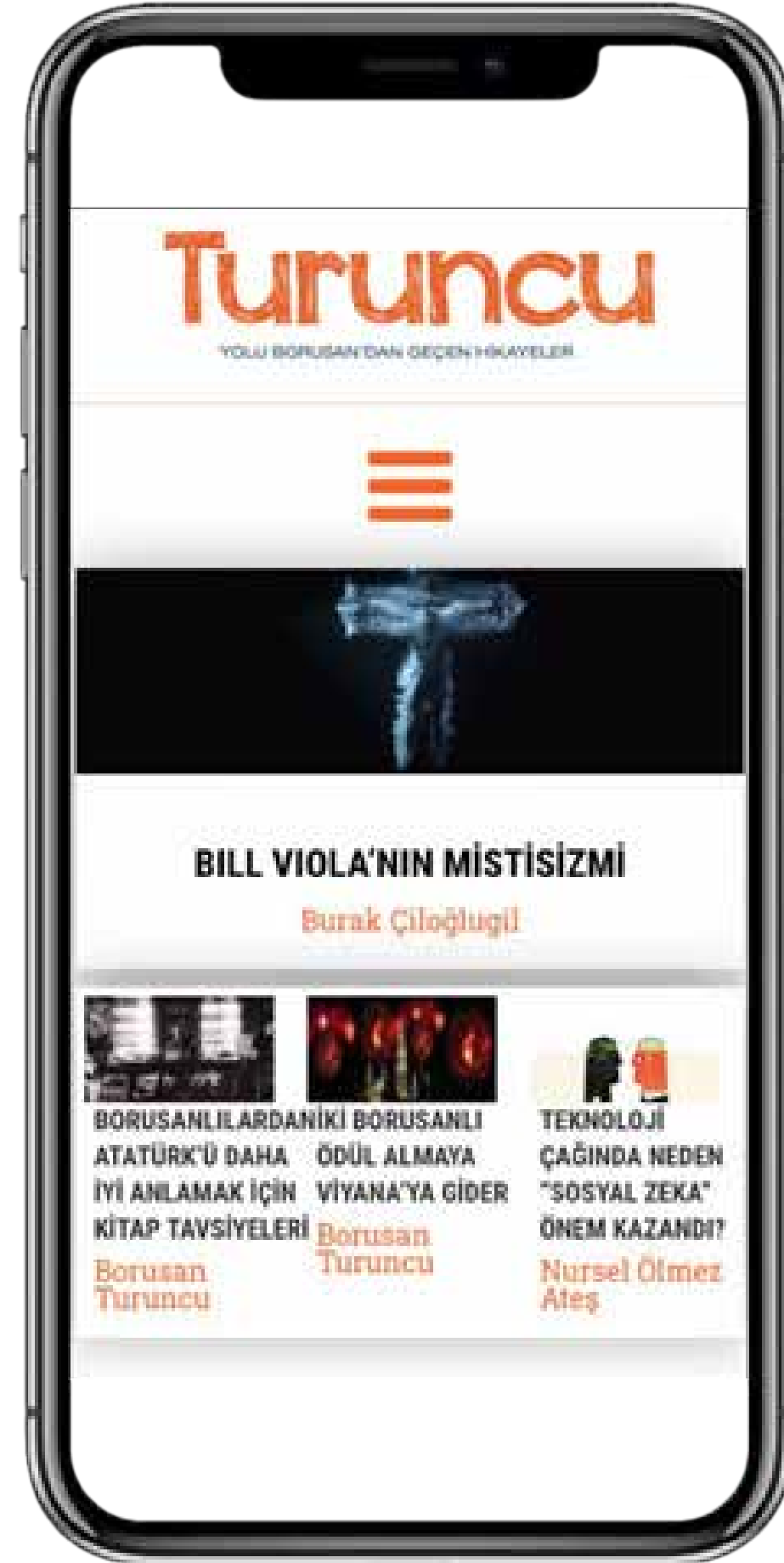
**LET'S WRITE A
HAPPILY EVER AFTER
FOR OUR WORLD**

İlker Salih Erdem
8 years old

Borusan Turuncu – Stories from Borusan

Borusan Turuncu is a platform where internal and external stakeholder interaction is fostered as Borusan employees and guest writers share ideas, thoughts and interests. The platform aims to introduce soulful, surprising, motivating, empowering, inspiring and thought-provoking stories that induce change, create meaning, and give perspective to its readers.

The scope of the Blog has expanded and diversified in time after starting off with topics such as equality, volunteering, innovation, digitalization, technology and science. Currently, a wide range of topics are being addressed, from books and music suggestions to travel and lifestyle articles, from business and personal development tips from Borusan experts to educational advice. 102 writers have contributed to the Platform and 89 articles were published during two years of Borusan Turuncu. The blog has reached more than 200,000 views.



BORUSAN
Turuncu

Employee Development

We are mindful of the paramount impact of our training and development activities in providing excellent experience for our employees who play an essential role in our corporate success, and to ensure that they stay at Borusan for long term. We carry out our activities towards this direction on various platforms affiliated with Borusan Academy. In line with our vision to make a difference through our employees with high competence, motivation and performance as well as our Human Resources Policy which encourages employee development, we are accelerating our human resources to be creative thinkers, result-oriented, systematic and open to development, while offering relevant occupational training and development.

Borusan Leadership Development Program (BOLD)

The BOLD Program aims to develop the Borusan Group Senior Management Team which plays a significant role in achieving targets and future success of Borusan Group while improving not only the business performance of leaders but also the organizational process.

Since 2011, the program had annual participants of more than 100 executives, where Group Coaching sessions take place in addition to the application of 360 degrees inventory, preparation and sharing of inventory reports and giving one-on-one feedback on results, coaching on action plans, and holding workshops and trainings. The progress / improvement is monitored through BOLD scores obtained from annual inventory results.



Internal Trainer Development Program

Internal Trainer Development Programs are organized at Borusan Group in order to maximize the outcome gained from employees with high potential, who are experts in their fields and have the knowledge and competence to meet desired organizational development needs. The program aims to create a learning culture by disseminating in-house occupational knowledge sharing, preserving institutional mindset, and effectively sharing lessons learned and examples of best practice.

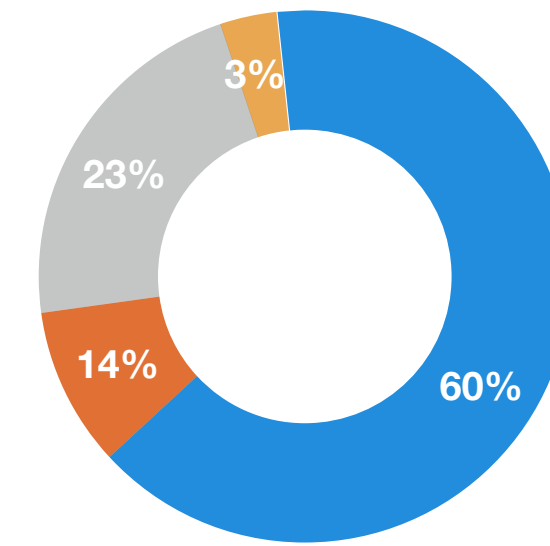


Training Hours by Gender

	2016		2017		2018	
	Female	Male	Female	Male	Female	Male
Total Training Time (hours)	20,935	107,621	16,504	114,319	11,043	92,891
Number of Employees Trained	785	4,495	764	4,628	837	5,794
Training Time per Employee (hours)	26.7	23.9	21.6	24.7	13.2	16.0

Training Hours by Employee Category

	2016			2017			2018		
	Blue collar	White collar	Contractor Employees	Blue collar	White collar	Contractor Employees	Blue collar	White collar	Contractor Employees
Total Training Time (hours)	47,208	54,866	26,483	62,769	46,551	21,039	46,261	28,223	17,827
Number of Employees Trained	1,628	2,143	1,511	1,725	1,942	1,675	1,798	2,611	1,899
Training Time per Employee (hours)	29.0	25.6	17.5	36.4	24.0	12.6	25.7	10.8	9.4



- Professional Development
- Personal Development
- Occupational Health and Safety
- Leadership



360° Competency Assessment

At Borusan, with the belief that success can be achieved primarily through personal development and success of our employees, we ensure that they have the means to progress while continuously monitoring their performance.

Accordingly, through the 360° Competency Assessment, we intend to objectively assess the traits that help employees fulfill and exceed the necessities of their duties, authority, responsibilities and targets, and to identify and develop improvement areas within a specific time period.

During the assessment process, which includes approximately 4,500 white-collar employees every year, employees are evaluated by various individuals such as their team, managers, peer stakeholders, and receive an objective feedback through a multi-dimensional evaluation of their performance.

Competency results are used as an effective feedback tool in employee training and development, performance evaluation and career management.



Performance Management Practices

Performance Management Process is implemented to measure employee performance throughout the year and prepare their development plans accordingly. These practice aims to increase the ratio of highly motivated and loyal employees, and improve individual and corporate performance.

This process lasted throughout 2018 and consisted of four periods, during which 89% of Borusan Group white-collar employees were given performance feedback. This ratio was increased by 9% compared to the previous year.



Career Management Process (Management Review/MR)

At Borusan Group, the MR process is implemented to differentiate potential and performance, create the internal “leader pool” of the company and provide career development opportunities for employees.

Career Management aims to foster career planning that will ensure the professional and personal development of Borusan Group employees in line with Group and company strategies. The process is intended for Borusan Group employees to determine the direction towards which they will advance in their careers by evaluating their contributions to the organization.

As a part of the program, each team leader conducts an evaluation to identify the high performing employees with potential. Accordingly, managers determine strengths and areas to be worked on for employees and review rotation opportunities by preparing their personal development plans.

While human resources teams provide consultancy to executives during employee evaluations, Senior Management of the company conducts the first assessment meeting, followed by the second MR meetings where participants include General Managers of each company and the Holding Executive Committee. Our employees’ career plans are evaluated at these meetings.





Borusan Academy Faculty and Specialization Programs

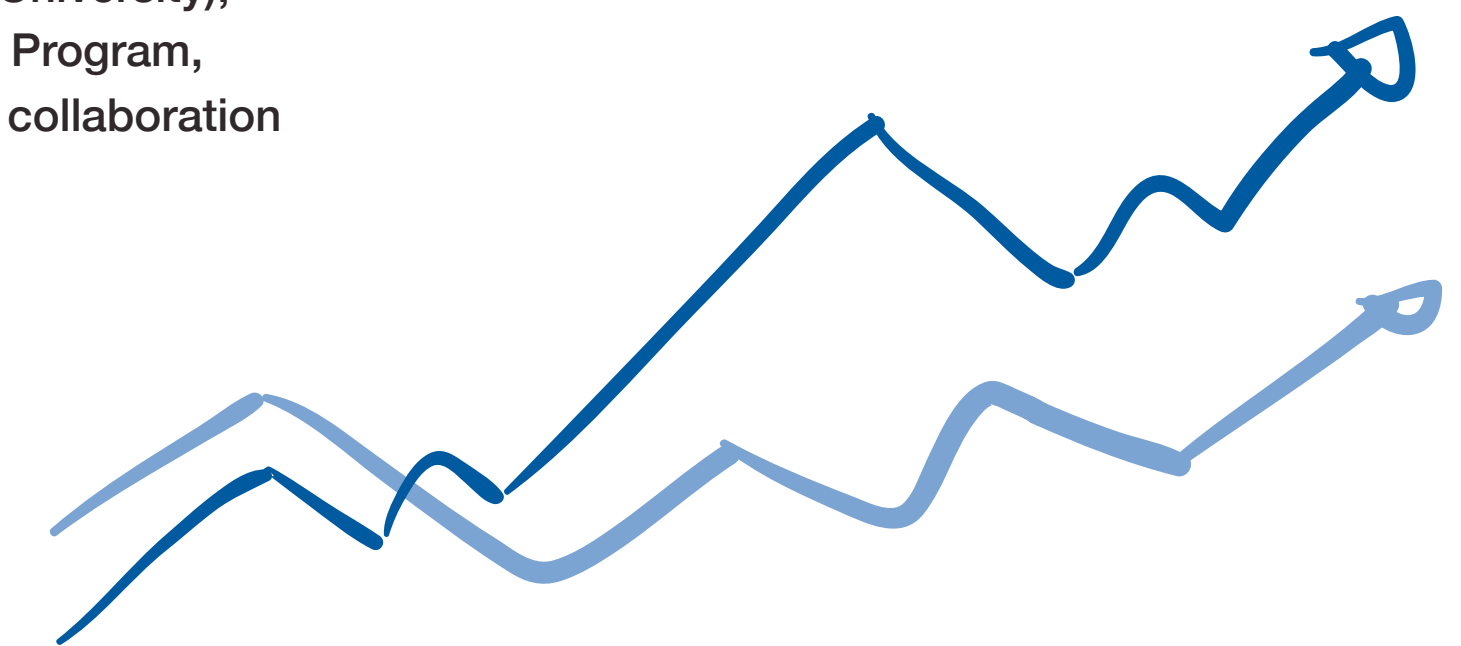
Borusan Academy prepares training and development programs which will make a difference in the business processes and personal development of employees. At Borusan Academy, employees can participate in all programs they need for their personal development as a part of their development plans. Leadership and Sales Faculty programs consist of certified training and development contents that are spread over a long period provided by expert instructors in cooperation with Sabancı University Executive Development Unit, and Financial Affairs Specialty Program by Boğaziçi University Lifelong Learning Center. The following units exist under the umbrella of Borusan Academy: Leadership Faculty (in collaboration with Sabancı University), Sales Faculty (in collaboration with Sabancı University), 6 Sigma Faculty, Purchasing Specialty Program, Financial Affairs Specialty Program (in collaboration with Boğaziçi University).



Feedback at Borusan–Puantum

The digital platform Puantum was designed to support the feedback culture in Borusan Group, which enables employees to give instant feedback at any given time and place, enabling open communication by showing that feedback can be given by all levels, not only from an executive to an employee.

In 2018, 3,706 employees actively used Puantum for providing feedback, while 24,167 items of feedback were collected from Borusan Group employees.





Our Employer Brand "Borusan Is Here"

"Borusan is Here" was launched to improve all processes and communications with a focus on employee experience, and to strengthen the perception of Borusan as an ideal employer in the eyes of potential talent. Process and system improvements in areas such as talent management, performance, training and development, social clubs and side benefits in 2017 continued in 2018.

The Borusan Atölye (Borusan Workshop) network meetings are organized with an external communication strategy created to attract potential talents.

In order to contribute to our employees' work and social lives, various activities and events are organized under the headings such as "Life is Here", "Career is Here", "Development is Here", "Wellness is Here". Activities include bowling, trekking, wood painting, dancing, diving and photography courses, excursions, volunteering projects and training programs.



Borusan Alpha

Borusan Alpha consists of two separate programs: Borusan Alpha Young Talent Program and Borusan Alpha Internship Program. We start working with young talent while their education continues in order to prepare them for professional life.

New graduates with high potential are included in a 18-month development program. Thanks to the Mentorship Program, Alphas who are at the beginning of their careers get to benefit from the experiences of Borusan's leaders and adapt to Borusan culture quickly.

The program aims to bring up future leaders by aiding the development and recruitment of individuals who are thought to be good candidates to be future executives in Borusan Group.



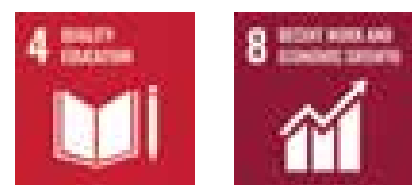
Borusan CAT School of Apprenticeship

The CAT School of Apprenticeship was launched over a three month period during 2018 in order to increase the qualified labor force within the Company and train new graduate technicians to rapidly develop technical know-how. The program aims to provide the necessary knowledge and skills to the newly-hired technicians before assigning them to operations. A total of 512 hours of training was provided as a part of the program, half of which was in-class and the other half as practical and application-oriented. The program is planned to be executed annually as its first class of 2018 was successfully completed by 20 people.



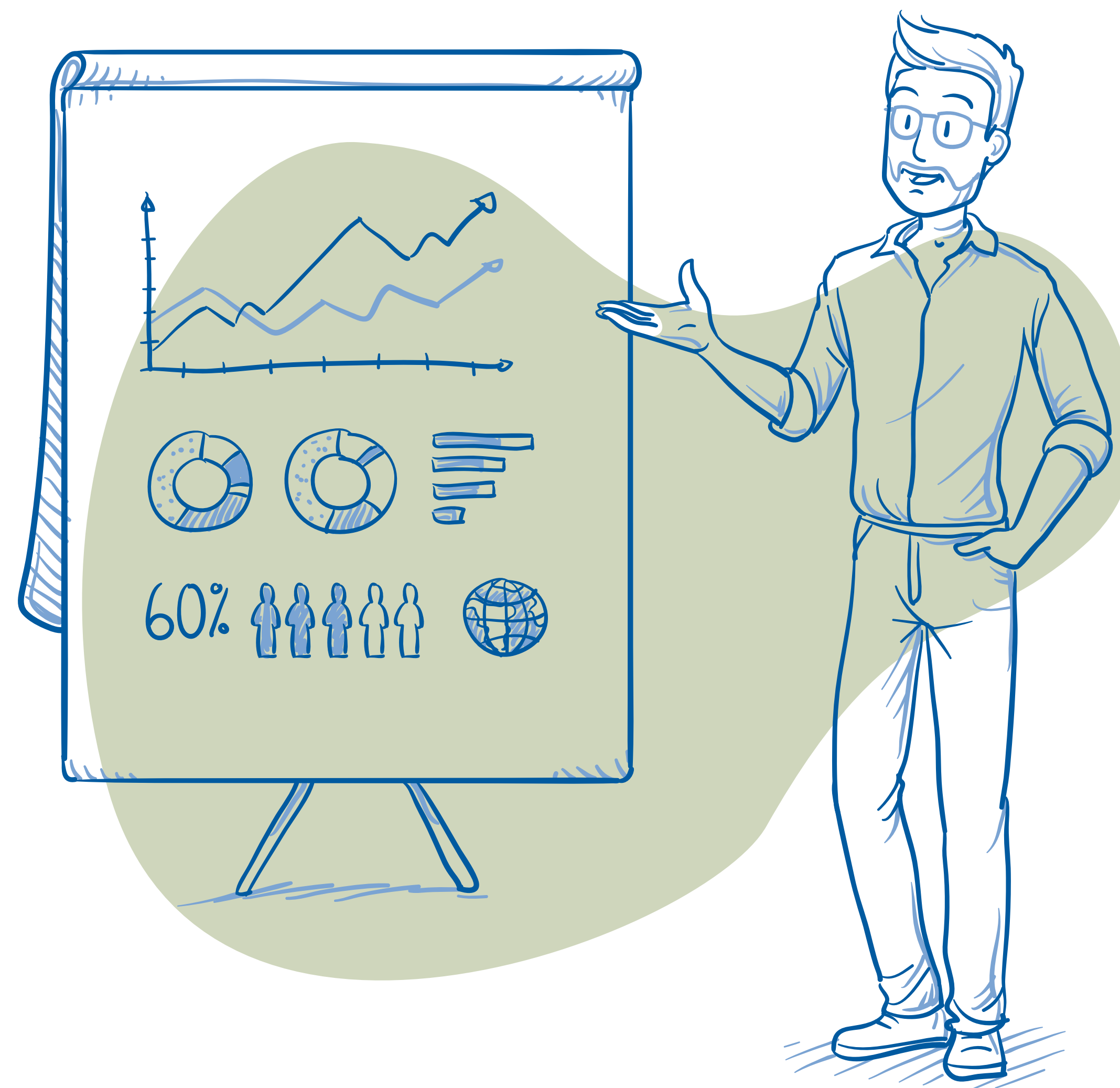
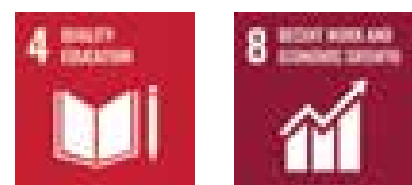
Talent Management in Borusan Mannesmann

As part of the Talent Management Program, the following are provided to ensure that employees with high performance and potential remain in Borusan for the long term: One-on-one meetings with senior management for selected employees, breakfast and dinner organizations with the General Manager, the opportunity to present to the Executive Board, attendance to senior management meetings, planning of training and development activities and participation in faculty programs.



Borusan Mannesmann TechStation Technical Academy

Trainings are organized as part of the TechStation Technical Academy to support the employees' professional, technical and personal development in order to enable them to work more effectively and efficiently while complying with legal requirements and developing an occupational safety culture. Employees were given 49.5 hours of training on average and 640 technical training certificates were issued by the Academy in 2018.





CONTRIBUTIONS TO THE SOCIETY

Our ambition is to actively support the welfare and development of our society every day with our social contributions. We take a leading role in the business world and **prioritize three key areas for developing our corporate social responsibility projects: education, culture and arts, and gender equality.**

The principles and values of the late Asım Kocabıyık, Borusan Founder and Honorary Chairman, play a major role in Borusan's identity as a “responsible company”. Kocabıyık’s motto of “give back to the society with social projects what the society gave you”, continues to be adopted by Borusan employees and passed on from one generation to the next.



Relations with Society

We share what we gain from society through our operations and pay attention to support every aspect of social development. In line with the importance of solving common social problems, we aim to lead the sectors we operate in as an exemplary business group by working in harmony with our natural and social environment.

Our companies manage their processes in different geographical locations without having a material negative impact on any of our stakeholders and local communities while respecting the freedom of individuals and human rights. Our practices run on human resource policies based on gender equality and equal opportunity. We continue our efforts to raise awareness on these issues across our stakeholders and society.

Corporate Social Responsibility Approach

We consider societal development and social welfare among crucial focal points with a significant role in inclusive sustainable development. Accordingly, we manage our social responsibility activities at Holding-level under the Borusan Kocabiyyik Foundation on education, culture-arts and gender equality areas.

In 2018, we continued our support for sustainable and long-term social development. We allocated approximately USD 12 million to corporate social responsibility projects carried out by the Borusan Kocabiyyik Foundation and executed by the Foundation Management.



Education

We established the Borusan Kocabiyik Foundation (BKF) in 1992 for sustainable and effective management of Borusan's social activities. Thus, a sustainable foundation was laid to manage social efforts under one roof.

We have allocated a budget of USD 12 million to the Borusan Kocabiyik Foundation, which provides support in areas where government resources are insufficient.

We believe that Turkey's sustainable development and future depend on modern, well-educated and inquisitive generations that are able to carry out research and access information. Therefore, education is the leading area of Borusan's social responsibility efforts.

Borusan Kocabiyik Foundation has built many schools: Borusan Otomotiv Zehra Nurhan Kocabiyik Primary School, Gemlik Borusan Primary School, Borusan Asım Kocabiyik Technical and Industrial Vocational High School, Kocaeli University Asım Kocabiyik Vocational College and Uludağ University



Asım Kocabiyik Vocational College. We still continue providing support to some of these schools and financing their needs. The Foundation has also provided major support to other projects, such as the restoration of Istanbul University's Faculty of Economics Library. The Foundation granted financial aid to 174 students in 2018, 30 of which were in classical music undergraduate programs, while 7 music students received continuous financial support. In 2018, BKF donated approximately 9,348 books to the libraries at 41 schools across the country.

Borusan Kocabiyik Foundation is also the coordination center of Ertuğ & Kocabiyik Publications. Ertuğ & Kocabiyik Publications, which is a joint project of architect and photographer Ahmet Ertuğ and Borusan Holding Chairman Ahmet Kocabiyik, prepare and publish books with a collection value that consist of mainly scientific texts and extraordinary photographs from the Ottoman, Byzantine, Roman and Hellenistic periods.



Culture and Arts

Conscious of the society's attempt in reaching to a contemporary civilization level, Borusan strives for popularizing polyphonic music and enhance interest in plastic arts.

Borusan Sanat (Borusan Art)

Borusan Sanat is home to Borusan Istanbul Philharmonic Orchestra (BIPO), the Borusan Quartet, Academy BIPO, the Borusan Children's Choir, Borusan Music House, and Borusan Klasik, an Internet-based classical music radio station. Borusan Istanbul Philharmonic Orchestra (BIPO) comprises some of Turkey's best classical musicians and has set its sights on becoming one of Europe's leading symphony orchestras. Led by its Artistic Director and Principal Conductor Sascha Goetzel, BIPO has established a cultural bridge between Europe and Turkey while expanding the popularity of classical music in our country through regular concerts in Istanbul and tours in Europe. More than 20 thousand people attended BIPO concerts in 2018.

Borusan Music House plays an important role in bringing Borusan Sanat to a wider audience and especially in addressing the youth with concerts featuring alternative names in contemporary, new and world music. Borusan Klasik (Borusan Classic), Turkey's only internet-based classical music radio station, plays a crucial role in Borusan's drive to support classical music and present it to a wider audience by its experienced radio program producers and guests.



Borusan Contemporary

Yusuf Ziya Paşa Mansion, the headquarters of Borusan Holding located in Istanbul's Rumelihisari neighborhood, was converted into Borusan Contemporary, a museum displaying contemporary works of art, on its 100th anniversary.

"Perili Köşk" is Borusan Holding's office on weekdays, and it hosts innovative exhibitions presented to art enthusiasts on weekends as Borusan Contemporary. Borusan Contemporary, with its exhibitions made up of different concepts and media, was visited by approximately 15 thousand art aficionados.



Muhammed Ali - Ahmet Kirlak
9 years old

Gender Equality

At Borusan, we support our female employees in our internal affairs in order to achieve gender equality, and implement policies that do not allow gender discrimination. We develop infrastructure and financial support to enable women to take an active role in business life.

In 2015, Borusan Holding was selected to the UN Women's Empowerment Principles Leadership Group as the first company from Turkey. This Leadership Group consists of academics, international non-governmental organizations, professional associations, women's organizations and representatives from the business world. Thanks to its efforts in these areas, Holding is an exemplary Company not only in Turkey, but also worldwide.

Similar to Turkey in general, the ratio of female employment in Borusan Group's technology and engineering departments, especially at executive and blue-collar levels, is lower. In line with Borusan's goal of increasing female employment, we established the "Equal Borusan - Social Equality Platform". As part of the Platform, we continue to develop human resource policies in order to increase the number of female employees in departments where this number is low, carry out communication campaigns to create a non-discriminating working culture and change the mentality accordingly.

According to Turkish Statistical Institute (TUIK) data, labor force participation rate of women aged 15 and over in 2018 was 38.3%, while it was 78.6% for men.

~~Business man~~ Business person

~~Man of his word~~ Trustworthy

~~Female engineer~~ Engineer

~~Mummy blogger~~ Blogger

~~Who wears the pants?~~ Who is in charge?

~~Chairman~~ Chairperson

Change your perspective
Change your language
If language changes the world changes
Do not forget

#LoveBeginswithLanguage

BORUSAN ESITIR

My Mom's Job Is My Future

In 2012, we identified “women empowerment” as one of our social responsibility focus areas and launched the “My Mom's Job is My Future” project to increase female employment in the industry.

Research shows that childcare is a crucial barrier for improving women employment in Turkey and worldwide. Based on this finding, in collaboration with the Ministry of Family and Social Policies, and the Ministry of Science, Industry and Technology, we started to establish “Borusan Joy Factories”, where nurseries and daycare centers are being built in 10 Organized Industrial Zones (OIZ) across 10 provinces in Turkey to provide childcare and pre-school education to children between age 0 and 6.

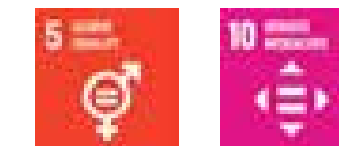
As part of the project, women are employed by businesses within the OIZ and children are provided with a modern education opportunity. Thus, we continue our image of being a pioneer in the sector by executing an exemplary project for the business world.

Around 400 women were employed through the project and 400 children were educated. Our project reached a total of 34,148,401 people through the printed press.



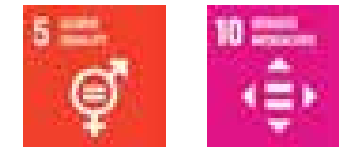
Supporting Women Entrepreneurship

At Borusan, we opened microfinance branches in order to offer new opportunities to women who want to establish their own businesses and try to reach economic independence through entrepreneurship. We provided TRY 512 thousand to female entrepreneurs in our branches in Afyonkarahisar and Gemlik to establish or develop their own businesses in different business areas ranging from bakery to hairdressing, cooking to handmade products. Since 2009, we have provided TRY 8 million 115 thousand in loan support to 3,500 women.



Call Out Sexism

We prepared a video on March 8, 2018, International Women's Day, to draw attention to the sexist words and approaches towards women in business, and the problems posed by the sexist culture. In addition to this video posted with the hashtags "Love Begins with Language" and "Call Out Sexism", the postcards circulated simultaneously also featured the 8 sexist archetypes such as "speech interrupter", "credit claimer", "holy mother", and "period assumer". This way, raised awareness about the sexist treatment women are faced with both implicitly and explicitly, no matter what field, role, or position they work in.



Love Begins with Language

In 2017, in cooperation with Kadir Has University Center for Gender and Women Studies, we prepared "the Guide to Avoid Discrimination Bearing Words and Behavior". The guidebook contains examples of discriminatory statements and behaviors that are common in daily business life. Along with gender-discriminatory phrases such as "like a man", "you're the man", "female manager", "woman's job" and "man's job", ageist language such as "dinosaur", "old school", "born yesterday", "Y generation" along with their neutral, non-discriminatory synonyms, were outlined. In all Borusan Group locations, sexist and discriminatory words were placed with strike-through on the meeting rooms, elevators, toilet doors and mirrors, dining halls and employees' desks. The project also included specially designed posters in offices and other Borusan working environments. In addition, a video titled "Love Begins with Language" featuring Borusan employees, was shot for Valentine's Day and published on the Borusan corporate website on February 14, 2017. The video received more than 17,000 likes on social media and 647,650 views. In Borusan Group, awareness activities were conducted for approximately 6,500 people. As a result, "Love Begins with Language" was adopted by Borusan employees as a movement, and continued in 2018.



Our Group companies, operating in various different sectors and locations, are implementing social responsibility projects in line with the material issues they have identified.

Now for Tomorrow with Borçelik

Borçelik set out to create loyalty programs and social responsibility projects for customers and with customers, in order to increase customer satisfaction and strengthen its image as a socially beneficial brand.

In line with the Sustainable Development Goal for Industry, Innovation and Infrastructure, students of the Vocational High School Coaches Program and Borçelik Maker Club got together to join the Maker Movement. They took on a responsibility to encourage children to be more creative, conduct research, produce collectively while giving them necessary skills, and instill the philosophy of a generation that produces while training them on coding, electronics, robotics and 3D design, algorithmic thinking and problem solving skills.

Borcelik Maker Club attended the Coding Festival in Bursa on May 12th – 13th, 2018, as the first coding festival held in Turkey. The Morse Code was taught as the foundation of coding to 150 children aged 7-12 at the festival by 9 Vocational High School Coaching Program students, Borçelik Maker Club members and Borçelik employees.



Learning from Nature with Borusan Lojistik

In order to raise awareness about nature and environmental protection, Learning from Nature Project was launched in cooperation with Çekül Foundation.

Workshops, aimed to bring students aged 6-12 into contact with nature, have them explore different species and develop a permanent awareness for inter-intra-species relations in nature. The project received special support from the trainers to ensure the participation of children at primary school level who are hyperactive or require special attention. These children were given responsibility within the group and completed the training successfully.

In today's world, the connection between children and nature is gradually weakening, and therefore this project is planned to continue via nature-oriented trainings with the contribution of our volunteers. The project will be ongoing in 2019 and 2020 for children from different age groups.



Supsan Meets Science Heroes

The First LEGO League project was planned in line with the increasing importance of coding and robotics, its impact on business processes and the need of education in this field for young generations. Under the following three categories; robot game, project and core values, a space-themed project was developed, a robot was designed, a program was coded, unique solutions were developed and theatrical presentations were made. Accordingly, the project aimed for children to love science and technology, be aware of their social responsibilities, develop themselves in teamwork and be conscious of the environment, nature and society.

8 children aged between 7 and 12 gained robotic and coding skills through this project. It was decided to start Lego Robot training at TEGV Ferit Aysan Training Park at the end of the tournament. At the same time, Supsan team was awarded the Aslan Koç Award in the tournament.

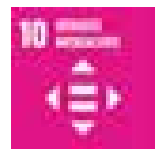




Emir Kantik
9 years old

Women's Employment Initiative at Borusan Mannesmann

In order to show that women can work and be successful in the metal sector and increase the women employment rate, high school graduate female candidates were given on-the-job training programs organized in cooperation with İşkur, while the social areas within the Borusan Mannesmann factories were made suitable for women. The initiative aims to increase the ratio of female employees to 10%. In line with this target, the female employee ratio increased from 3% in 2017 to 6% in 2018.



Smiling Faces, Colorful Schools and Love Houses from Borusan CAT

In 2018, orphans staying in Çayırova Sevgi homes were visited with the aim of supporting psychological and social development with the participation of 33 volunteers and 67 children. Future project plans include regular visits.

In order to ensure that every child is educated under the same conditions, the gym, library and design classes were renovated at schools in need and student needs such as boots, coats, stationery and various materials were met during the 2018 academic year. As a result, necessary retrofits of 6 schools were completed and 370 students were supported. The initiative is planned to take place in the coming years.



Gemlik Means Borusan

Various activities were held to support Gemlik, one of the most important production areas of Borusan, with social, cultural and education-oriented investments. As part of these activities, more than 5,000 people came together at an iftar dinner in Gemlik, and 3,000 people took part in the Children's Festival and the Olive Festival.

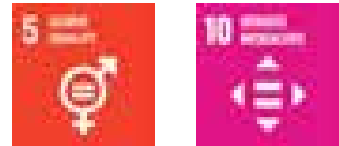




No Job Too Tough For Women at Borçelik!

Borçelik has initiated a project to promote female employment in the steel industry. This project was launched with the “No Job Too Tough for Women” slogan; and aims to contribute to the development of gender equality through empowering women by increasing access to the labor market, expanding the Borçelik candidate pool and enriching the internal corporate culture accordingly.

Along with technical trainings such as the overhead crane driving license certification program, 250-hour extensive trainings including personal development and mentor-mentee programs were provided to participating female candidates. At the end of the program, 26 women who completed their trainings were hired in various jobs.





Dua Kirlak
10 years old

Borusan Ocean Volunteers

Founded in 2008, the Borusan Ocean Volunteers Platform enables Borusan employees to direct their knowledge and skills through a volunteering approach and contribute to the society through social benefit projects.

The Platform specifies all of its projects on the basis of sustainability. The company's volunteering projects are developed by the Borusan Ocean Volunteers Platform in line with the demands and suggestions of Borusan employees submitted to the management. Group-wide projects are set on a group platform composed of the platform president and company leaders.

Borusan Ocean Volunteers Platform often collaborates with NGOs on projects, including blood donations, book donation campaigns, shore and sea cleaning, reading for the blind as well as mentoring programs. In 2018, 939 Borusan employees volunteered for 12,535 hours on 83 projects



In 2018, 939 Borusan employees volunteered for 12,535 hours on 83 projects in line with the United Nations 2030 Sustainable Development Goals.



Vocational High School Coaches

Vocational High School Coaching Program is a corporate social responsibility initiative led by the Private Sector Volunteers Association initiated for the volunteer coaches chosen among employees to serve for two years. The purpose of the program is to create lasting collaborations between companies and vocational high schools, allow relationships that begin with coaching practices to turn into opportunities like internship or employment for students, and support other investments that may be done in vocational high schools in the long term. The project was attended by 9 Borusan Group Companies in 2018 and 15 events were organized with the participation of 99 coaches and 500 students.



Free Animals Shelter

In collaboration with the Aegean Consensus Association, Ocean Volunteers ran a project in İzmir Buca Rehabilitation Center for Animals to raise awareness about adopting disabled animals.

30 people attended the event in 2018. 8 disabled cats were adopted by Supsan and Borçelik employees and 2 disabled cats were adopted by Borusan employees. In addition to the adoptions, the employees also realized their idea of making food bowls out of pipes for the animals feeding in the woods.



Stepember

Stepember is an internationally-funded charity campaign which aims to raise funds for the Turkey Spastic Children Foundation to create a positive impact on the lives of people living with Cerebral Palsy, as well as providing special education and rehabilitation support for them. In 2018, 100 teams with 408 participants from Borusan Holding and the Group companies participated in the Stepember campaign and contributed more than TRY 96,000.



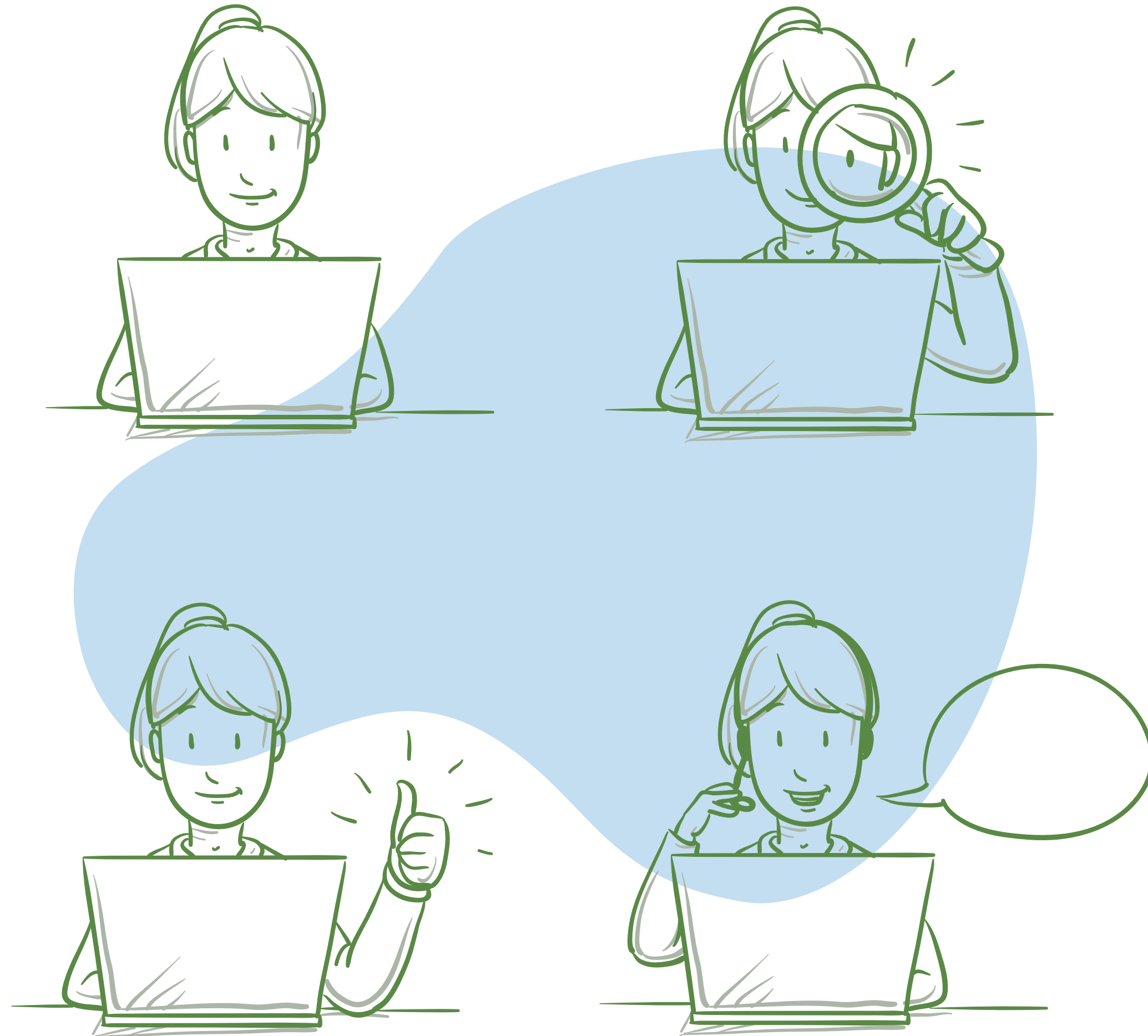
Show Your Love in a Different Language

The DEM Association, which works with the deaf and hearing-impaired, aims to emphasize the “rich language and culture” of the deaf rather than their “barriers”.

Borusan EnBW Enerji and Borusan Mannesmann volunteers worked for awareness-raising of Borusan employees by conducting training and activities in their own companies.



Customer Relations Management



Although Borusan Holding is not in one-on-one interaction with its customers due to the nature of its operations, we consider our customers along the value chain throughout different sectors of Group companies as our primary stakeholders. Accordingly, we regularly engage with our customers while identifying our material sustainability issues.

Customer Privacy

At Borusan, we acknowledge customer privacy as one of our material issues in all our operations and carry out activities throughout the Group to maintain our customers' information security. In 2018, we have continued our operations at Borçelik Gemlik and all Borusan EnBW Enerji locations in accordance with the ISO 27001 Information Security Management System. Moreover, Borusan CAT has also obtained ISO 27001 Information Security Management System certificate in 2018.

While the effectiveness of efforts on the confidentiality of customer data at the Holding and throughout the Group is diligently evaluated, communication is maintained with the related departments in the Group companies in order to follow up on the results and the corrective actions.

We place importance on protecting the information belonging to Borusan and its stakeholders, and share the information only with relevant officials with authorization. Records belonging to the operations of our Holding and Group companies, that are legally required to be secured, are kept by the relevant units by taking the necessary security precautions. Accordingly, access to customer data and confidentiality are reviewed by the Holding Information Security Team as well as the data owner in common infrastructure systems, while a special system for the Group companies is evaluated by the IT department and the data owner of that specific company.

In 2018, no complaints were received from external or regulatory authorities regarding violations of customer privacy, and there was no reported case of customer data loss.

Customer Satisfaction

We provide products and services to a wide range of customers from different sectors, and we consider ensuring the satisfaction of all our customers as one of our core business objectives. To the extent permitted by our operations, we are committed to meeting the shift in customers' demands and ensuring their satisfaction, while attaching great importance to the continuity of communication with our customers. In line with this understanding, Borusan Mannesmann, Borusan CAT, Borusan Lojistik and Supsan companies have ISO 10002 Customer Satisfaction Management System certificates in order to meticulously evaluate all kinds of suggestions, opinions and complaints received from customers and develop solution-oriented strategies.

We monitor our customer satisfaction rates through our annually conducted Customer Satisfaction surveys and implement projects aimed at increasing this rate every year.

In 2018, we obtained satisfaction and loyalty indices through a customer satisfaction and loyalty survey conducted with an independent research organization across Borusan Group, and compared them with previous years' trends. We enabled our Group companies to benefit from this data in their action plans by identifying development areas. Through the Borusan VoC (Voice of the Customer) Council, we meet regularly throughout the year and create inspiration by sharing the best examples of customer satisfaction practices with all Group companies.

We listen to our customers.

Sustainable Supply Chain Management

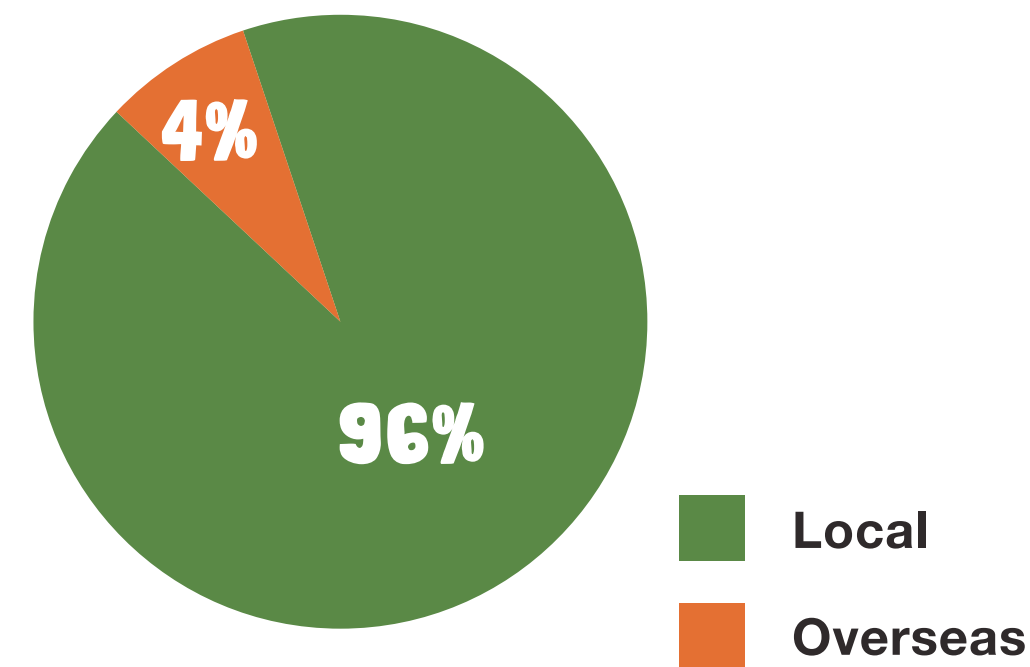
We believe that sustainability should be considered holistically in our value chain and we regard our supply chain as an important part of our value chain.

Our Group companies work with a significant number of raw material, material and service suppliers during the execution of their operations. In 2018, 96% of the 8,952 suppliers providing products and services to Supsan, Borusan EnBW Enerji, Borusan Mannesmann, Borçelik, Borusan CAT, Borusan Lojistik and Borusan Otomotiv were local suppliers.

Procurement Ratios of Group Companies

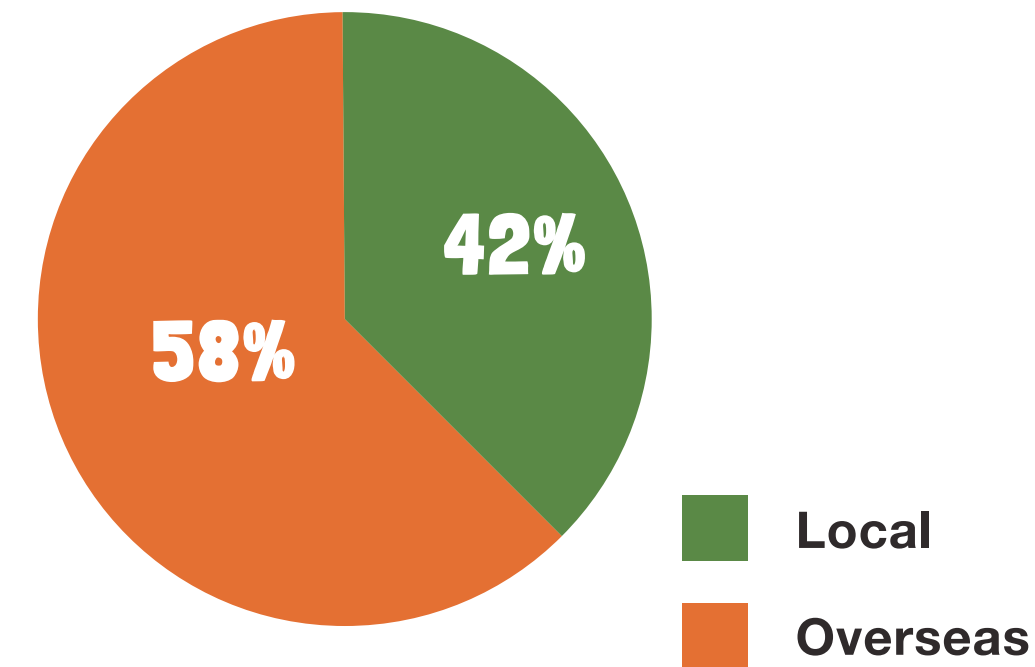
Procurement Cost Ratio (%)	Borçelik	Borusan CAT	Borusan EnBW Enerji	Borusan Lojistik	Borusan Mannesmann	Borusan Otomotiv	Supsan
Overseas Procurement	77%	0%	0%	2%	18%	51%	57%
Local Procurement	23%	100%	100%	98%	82%	49%	43%

Total Supplier Ratio



From a cost of procurement perspective, throughout Borusan Group, procurement from local suppliers in 2018 is 42%, yet this ratio is 100% in some of our companies.

Total Procurement Ratio



We conduct our activities without compromising the code of ethics in all areas of operation, and expect our suppliers to adopt the same responsible approach. All potential and new suppliers are evaluated in the core social and environmental criteria such as forced labor, child labor, harassment, bribery, compensation, non-discrimination, health and safety. We ensure that the suppliers to be included in our approved supplier pool are able to justify that they fully comply with all legal regulations covering these main criteria, and we request the relevant documents prior to starting our partnership.

Borusan Group companies do not collaborate with clients and suppliers who disregard business ethics and break the laws. In 2015, we prepared Borusan Group Supplier Working Conditions Protocol to be signed by subcontractors and suppliers, according to the objectives set by Audit and Procurement departments. The number of contracted suppliers that have signed the Protocol has reached 56.

In 2018, we terminated the contracts of 16 local suppliers of our Group companies due to their failure to comply with quality, pricing and contract terms. On the other hand, we started working with 90 new suppliers within the same period.

In 2018, Supsan conducted one supplier audit on the compliance of environmental practices as part of ISO 14001 Environmental Management System and legal regulations. As Borusan, we aim to increase the number of supplier audits conducted in all our Group companies in the coming years.

In 2018, there was no unethical action, legal non-compliance or corruption case identified throughout the Group or in business partners and suppliers to our knowledge. If there is such a case, partnership with the relevant company is paused and a written statement is made.

Sustainability Oriented Cooperations

At Borusan Holding and Group companies, we are in cooperation with sustainability initiatives in Turkey and around the world as part of our sustainability framework.

United Nations Global Compact (UNGC)

We signed the United Nations Global Compact (UNGC) in 2006, the largest corporate sustainability initiative in the world.

We are committed to complying with the ten fundamental universal principles of the United Nations Global Compact, which calls for companies to align their strategies and operations focused on human rights, labor standards, environmental protection and anti-corruption, and taking action to achieve social goals.

Business Council for Sustainable Development Turkey (SKD)

In 2010, we became the second member from Turkey of Business World and Sustainable Development Association in Turkey (SKD), a local network and partner of World Business Council for Sustainable Development (WBCSD). We continue to participate in activities carried out by the SKD and take part in the SKD's Board of Directors.

United Nations Women's Empowerment Principles (UNWEP's)

Borusan Holding is one of the first signatories of the Women's Empowerment Principles (WEPs) from Turkey which was created in partnership with the United Nations Global Compact (UNGC) and the United Nations Gender Equality and Women's Empowerment (UN Women) in 2012, and also is the first company selected to WEPs Leadership Group from Turkey, in 2015.

Ethics and Reputation Society (TEID)

Borusan Holding, Borusan Yatırım and Borusan Mannesmann are among the founding members of the Ethics and Reputation Society (TEID), established with the aim of enhancing awareness on business ethics in Turkey.

Turkish Marine Environment Protection Association (TURMEPA)

Borusan Holding is a member of TURMEPA, a civil society movement that carries out projects to make Turkey's coastal and marine protection a national priority and leave a habitable Turkey with clean seas for future generations.

Turkish Green Building Council (ÇEDBİK)

Borusan Mannesmann is a member of the Turkish Green Building Council (ÇEDBİK) that contributes significantly to raising awareness in Turkey on sustainable urban transformation, energy efficiency and green building.

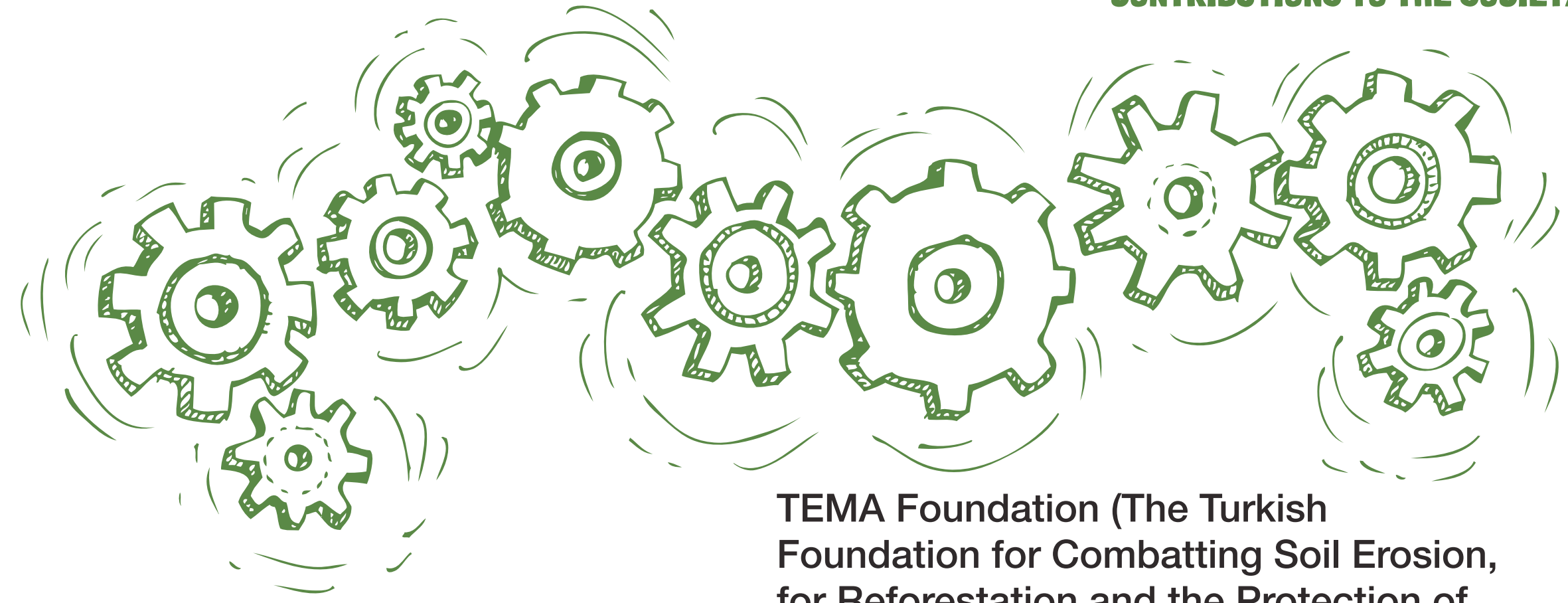
TEMA Foundation (The Turkish Foundation for Combatting Soil Erosion, for Reforestation and the Protection of Natural Habitats)

Borusan Holding is a member of the TEMA Foundation. Founder and Honorary President of Borusan Group, Asım Kocabiyık, is one of the founders of TEMA.

TEMA is a voluntary, conscious, pioneering, international and credible non-governmental organization that works for the protection of natural assets, conducts science-based work, believes in social peace emerging from the earth, integrates with the society, and has a say in the future of the country and the world through the principle of sustainable living.

AÇEV

Since 1993, AÇEV (Mother Child Education Foundation) has been aiming to educate children (and those around them) from an early age for them to reach their peak potential. As part of our collaboration with AÇEV, we organize seminars for the entire Borusan community to raise awareness on gender equality.





APPENDICES

Memberships

Institution Name	Company Name
Adana Young Businessmen Association (AGİAD)	Borusan Oto
ALICE (Alliance for Logistics Innovation Through Collaboration in Europe)	Borusan Lojistik
Heavy Logistics Association (AND)	Borusan Lojistik
Ankara Chamber of Industry (ASO)	Borusan Oto
Ankara Chamber of Commerce (ATO)	Borusan Oto
White Goods Supplier Association (BEYSAD)	Borçelik
Bursa Business and Professional Women's Association (BUIKAD)	Borçelik
Bursa Industry and Business Association (BUSİAD)	Borçelik
Bursa Chamber of Commerce and Industry	Borçelik
Bodrum Chamber of Commerce (BODTO)	Borusan Oto
Turkish Steel Pipe Manufacturers Association (ÇEBİD)	Borusan Mannesmann
Steel Exporters' Association (ÇİB)	Borusan Mannesmann
Turkish Green Building Council (ÇEDBİK)	Borusan Mannesmann
Çorlu Chamber of Commerce and Industry (ÇTSO)	Borusan Oto
Railway Transport Association	Borusan Lojistik
Turkish Marine Environment Protection Association (TURMEPA)	Borusan Holding
Foreign Economic Relations Board (DEİK)	Borusan Holding, Borusan Mannesmann, Borçelik
World Energy Council – Turkish National Committee	Borusan EnBW Enerji
Education Reform Initiative Platform	Borusan Kocabıyık Vakfı
Electricity Producers Association	Borusan EnBW Enerji
Energy Commerce Association	Borusan EnBW Enerji
Gemlik Chamber of Commerce and Industry	Borçelik
Global Relations Forum Association	Borusan Holding
Solar Energy Investors Association	Borusan EnBW Enerji
Istanbul International Center for Energy and Climate	Borusan EnBW Enerji
Economic Development Foundation	Borusan Holding
Istanbul Minerals and Metals Exporters' Associations (İMMİB)	Borusan Mannesmann, Borçelik
Istanbul Chamber of Industry	Borusan Oto, Borçelik
Istanbul Chamber of Certified Public Accountants (İSMMMO)	Borçelik
Istanbul Chamber of Commerce (İTO)	Borusan Oto
Materials Handling, Storage & Industrial Equipment Association (İSDER)	Borusan CAT
Turkish Business Council of Sustainable Development (SKD)	Borusan Holding, Borçelik, Borusan Lojistik
Construction Machinery Manufacturers and Distributors Association (İMDER)	Borusan CAT
Boiler and Pressure Vessel Manufacturers Association	Borusan Mannesmann
Corporate Communication Professionals Association	Borusan Holding
Corporate Risk Management Association	Borusan Danışmanlık

Institution Name	Company Name
Chamber of Mechanical Engineers	Borçelik
Mersin Authorized Automotive Dealers Association (MODER)	Borusan Oto
Motorcycle Industry Association (MOTED)	Borusan Otomotiv
Automotive Distributers' Association	Borusan Otomotiv
Authorized Automotive Dealers Association OYDER	Borusan Oto
Private Sector Volunteers' Association	Borusan Holding
Pet-Der	Borusan Otomotiv
SAHA Association for Supporting Contemporary Life	Borusan Holding
Tarsus Chamber of Commerce and Industry	Borusan Oto
Association of Automotive Parts and Components Manufacturers (TAYSAD)	Borçelik
Supply Chain Management Association	Borusan Holding
TEMA Foundation	Borusan Holding
All Auto Leasing Institutions Association (TOKKDER)	Borusan Otomotiv Premium Kiralama
Tümaküder	Borusan Otomotiv
Turkish Tunneling Society	Borusan Mannesmann
Turkish Industrialists and Businessmen's Association	Borusan Holding, Borusan EnBW Enerji
Turkish Constructional Steel Association (TUCSA)	Borusan Mannesmann
Turkish Ethics and Reputation Society	Borusan Danışmanlık, Borusan Otomotiv
Turkish Internal Auditing Institute Association	Borusan Holding, Borusan Lojistik
Turkish Exporters Assembly (TİM)	Borusan Mannesmann
Turkish Personnel Management Association	Borusan Holding
Turkish Quality Association (KALDER)	Borusan Holding, Borçelik, Borusan Lojistik
Turkish Corporate Governance Association	Borusan Holding, Borusan EnBW Enerji
Port Operators Association of Turkey	Borusan Lojistik
Turkish Employers' Association of Metal Industries	Borçelik
The Union of Chambers and Commodity Exchanges of Turkey Energy Assembly	Borusan EnBW Enerji
Turkish Wind Energy Association	Borusan EnBW Enerji, Borusan Lojistik
Third Sector Foundation of Turkey	Borusan Kocabıyık Vakfı
English Chamber of Commerce in Turkey Association	Borusan Holding
Association of International Forwarding and Logistics Service Providers (UTİKAD)	Borusan Lojistik
International Investors Association (YASED)	Borçelik
UN Global Compact Turkey Network	Borusan Holding
UN Women Empowerment Principles (WEPs)	Borusan Holding
Turkish Constructional Steel Association (TUCSA)	Borçelik
YenidenBiz	Borusan Holding

Awards

Name of the Award	Awarding Institution	Awarded Company	Awarded Project Name
Brandon Hall Group Excellence	Brandon Hall Group	Borusan CAT	L-Store, "Micro Learning Application"
Data Mining of the Year Award	SAP	Borusan CAT	Müneccim, "Revision Forecast Project"
SAP Quality Awards	SAP	Borusan CAT	SAP Hana Project
Caterpillar Global Dealer Excellence Award Heavy Rent Certification	Caterpillar	Borusan CAT	Borusan Cat Kazakhstan
Peryön Values Human Awards - HR projects that make a difference	PERYÖN Turkish Personnel Management Association	Borçelik	Bi'işler - Digital Transformation in Human Resources
2018 Buikad Successful Women in Business Awards	Bursa Business and Professional Women's Association (BUİKAD)	Borçelik	Company that Values Women in Bursa
BUSIAD Doğan Ersöz Award	Bursa Industry and Business Association (BUSIAD)	Borçelik	Achievement Award
Value Added Economy 2018 Awards	Bursa Chamber of Commerce and Industry (BTSO)	Borçelik	First Place Award in Metal Sector in Bursa
2018 Energy Awards	ICCI 2018 Environment and Energy Fair	Borusan EnBW Enerji	Harmanlık Wind Power Plant
Media Cat Felis Awards	Media Cat	Borusan Holding	Annual Report
Media Cat Felis Awards	Media Cat	Borusan Holding	2016 Sustainability Report
Golden Compass Turkey Public Relations Awards	Golden Compass UNDP Special Award	Borusan Holding	2016 Sustainability Report
Top Companies Research	3 HR University Business and Career Clubs Association	Borusan Holding	Listed among Top Companies
Top Rated Companies	Capital Magazine	Borusan Holding	Recognition Leader
Top Rated Companies	Capital Magazine	Borusan Holding	Social Facilities List
Top Rated Companies	Capital Magazine	Borusan Holding	Ranking of Employees Qualifications
Top Rated Companies	Capital Magazine	Borusan Holding	Sustainability Strategies
Top Rated Companies	Capital Magazine	Borusan Holding	Managing Accordance with Corporate Governance Principles
Top Rated Companies	Capital Magazine	Borusan Holding	Customer Satisfaction, Social Responsibility and Management Quality
Top Rated Companies	Capital Magazine	Borusan Holding	Transparency in Communication
Top Rated Companies	Capital Magazine	Borusan Lojistik	Second place in Cargo, Transportation and Logistics Category
Top Rated Companies	Capital Magazine	Borusan Otomotiv	Among the top three most admired companies in the automotive sector
Altın Eldiven and Altın Öneri	Turkish Employers' Association of Metal Industries (MESS)	Borusan Mannesmann	Automatic Marking System
Altın Eldiven and Altın Öneri	Turkish Employers' Association of Metal Industries (MESS)	Borusan Mannesmann	Digitalization in Source Control
Altın Eldiven and Altın Öneri	Turkish Employers' Association of Metal Industries (MESS)	Borusan Mannesmann	Crane Driving Training with VR Technology
Industry 4.0 Sector Award at the Global 100 Awards	Platinum	Borusan Mannesmann	Metal Industry Award
Stars of Steel Exports	Steel Exporters Association	Borusan Mannesmann	Spiral Welded Pipe Export Winner
Stars of Steel Exports	Steel Exporters Association	Borusan Mannesmann	Second of Longitudinal Welded Pipe Export
Ministry of Energy and Natural Resources Energy Efficiency in Industry Project Competition	Ministry of Energy and Natural Resources	Borusan Mannesmann	First Place Award of Energy Efficiency in Metal Sector
Digital Transformation Success Stories in Industry	TÜSİAD	Borusan Mannesmann	Augmented Reality OHS R&D Project
Stevie Awards	Stevie Awards	Borusan Otomotiv Jaguar	Bronze Award with Jaguar I-PACE Launch Event Concept
Social Media Awards Turkey	Social Media Awards	Borusan Otomotiv BMW Türkiye	Second Award on Data Analytics in Automotive / Manufacturers Category
Social Media Awards Turkey	Social Media Awards	Borusan Otomotiv BMW Motorrad Türkiye	Bronze Award in Motorcycle Category

Awards

Name of the Award	Awarding Institution	Awarded Company	Awarded Project Name
Facebook Offline Metering	Facebook	Borusan Otomotiv	First Application of Customer Impact Measurement with Facebook Offline Metering in the Automotive Sector in Turkey
Youtube New Video Advertisement Ranking	Google	Borusan Otomotiv BMW Türkiye	The video series for the new BMW i3 and BMW i3s was chosen as the success story.
MINI Marketing Award 2018	BMW Group	Borusan Otomotiv MINI Türkiye	Second Place with Influencer Project "Rediscover the City with MINI"
A.C.E Awards	Marketing Türkiye	Borusan Otomotiv BMW Türkiye	First Place at Top Segment Automotive Sector
ALFA Awards – Customer Brand	Marketing Türkiye AKADEMETRE	Borusan Otomotiv BMW Türkiye	Customer Brand: First Place at Passenger Cars Category
ALFA Awards – Customer Brand	Marketing Türkiye AKADEMETRE	Borusan Otomotiv BMW Motorrad	Customer Brand: First Place at Motorcycle Category
Kristal Elma Award	Reklamcılar Derneği	Borusan Otomotiv BMW Türkiye	BMW X Drive Technology Award in Press Category
Kristal Elma Award	Reklamcılar Derneği	Borusan Otomotiv Jaguar Land Rover	"Live logos" communication award in Jaguar Land Rover press/fashion and accessory category
Contact Center World Awards EMEA	Contact Center World	Borusan Otomotiv	Best Outsourcing Call Center Bronze Award
Stevie Awards	Stevie Awards	Borusan Otomotiv	Boost Coaching Project Silver Award in "Innovation in Customer Service" category
Stevie Awards	Stevie Awards	Borusan Otomotiv	Borusan Otomotiv Communication Center Below 100 People Call Center of the Year Category Bronze Award
Stevie Awards	Stevie Awards	Borusan Otomotiv MINI Türkiye	Leading Customer Service Team of the Year Category A MINI Wedding Story Surprise Bronze Award
Supplier Industry Success Awards 2018	Oyak Renault	Supsan	Supplier Success Award

Performance and Indicators

Economic Performance Indicators

Economic Performance Indicators* (Thousand TRY)	2016	2017	2018
Economic Value Generated			
	12,969,243,457	17,087,182,147	23,171,599,553
Economic Value Distributed to Stakeholders			
Operating Expenses	11,407,462,651	14,983,629,785	20,942,600,730
Benefit to employees	699,278,938	907,918,860	1,195,080,735
Benefit to government	152,535,734	179,360,806	136,075,446
Benefit to providers of capital	165,948,620	244,519,448	355,502,893
Benefit to community	24,889,601	25,509,106	40,624,218
Total	12,450,115,544	16,340,938,005	22,669,884,022
Economic Value Retained			
	519,127,913	746,244,142	501,715,531
Financial Assistance Received from the Government			
Tax reliefs/credits	277,287	47,579,014	16,720,663
Incentives	7,960,843	14,683,759	3,683,864
Financial incentives	15,934,863	860,540	6,090,269

* Including Turkey operations in line with the scope of the report.

Performance and Indicators

Environmental Performance Indicators / Energy and Emissions

	NON-RENEWABLE DIRECT ENERGY									NON-RENEWABLE INDIRECT ENERGY		
	Fuel Oil (GJ)			Diesel Oil (GJ)			Natural Gas (GJ)*			Electricity (GJ)		
	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018
Borçelik & Kerim Çelik	1,083	788	0	6,579	8,068	7,865	1,734,741	1,753,020	1,661,359	628,863	643,422	625,652
Borusan CAT	N/A	309	344	2,078	34,502	40,991	5,112	16,483	15,185	8,840	12,110	12,257
Borusan EnBW Enerji	636	289	64	2,785	2,717	3,510	194	183	150	5,723	6,951	9,733
Borusan Lojistik	1,487	634	610	222,844	193,410	235,370	2,968	3,506	4,296	51,060	49,309	53,578
Borusan Mannesmann (Halkalı, Gemlik, Bursa, Headquarter) Total**	0	0	0	5,204	4,249	5,813	301,270	313,558	329,123	357,192	341,200	368,584
Borusan Oto/Otomotiv	10,967	10,701	4,966	13,277	13,540	5,477	39,799	41,312	33,957	42,474	44,875	42,456
Supsan	236	52	8	541	868	828	11,817	12,757	10,397	35,508	36,239	29,542
Total	14,409	12,773	5,992	253,307	257,355	299,854	2,095,901	2,140,819	2,054,469	1,129,660	1,134,104	1,141,802

* 2016 and 2017 natural gas data were revised due to accessing more accurate data.

** 2018 Borusan Mannesmann energy data added Salı Pazarı location data.

N/A: Not available

	GREENHOUSE GAS EMISSIONS					
	Direct CO ₂ Emissions (t CO ₂ e)			Indirect CO ₂ Emissions (t CO ₂ e)		
	2016	2017	2018	2016	2017	2018
Borçelik & Kerim Çelik	92,291	94,956	99,146	80,355	82,215	79,444
Borusan CAT	287	3,459	3,871	1,130	1,547	1,566
Borusan EnBW Enerji	266	236	1,671	787	956	1,244
Borusan Lojistik	18,239	15,781	18,762	6,271	5,974	6,649
Borusan Mannesmann (Halkalı, Gemlik, Bursa, Headquarter) Total	17,265	17,848	18,935	51,349	46,915	50,680
Borusan Oto/Otomotiv	4,367	4,429	3,322	4,943	5,222	4,941
Supsan	954	903	644	5,428	4,848	4,062
Total	133,669	137,612	146,351	150,263	147,677	148,586

Performance and Indicators

Environmental Performance Indicators / Water Management

	TOTAL VOLUME OF WATER WITHDRAWAL								
	Groundwater (Megaliter)			Rain water (Megaliter)			Third Party Waters (City Water. etc.) (Megaliter)		
	2016	2017	2018	2016	2017	2018	2016	2017	2018
Borçelik & Kerim Çelik	792.20	643.54	624.93	0	0	0	0	0	11.64
Borusan CAT	0	0	0	0	0	0	N/A	27.68*	44.23
Borusan EnBW Enerji	0	0	0	0	0	0	N/A	2.83	2.99
Borusan Lojistik	0	0.06	0.24	0	0	0.10	N/A	46.17	27.84
Borusan Mannesmann Boru	283.32	284.57	275.00	0	0	0	66.01	62.95	88.87
Borusan Oto/Otomotiv	7.34	7.27	11.97	1.72	1.40	4.54	22.09	23.81	54.47
Supsan	0	0	0	0.04	0.04	0.04	11.82	9.91	14.50
Total	1,083	935	912	2	1	5	100	173	245

* Borusan CAT 2017 water withdrawal data was revised due to providing more accurate data.
N/A: Not available

Performance and Indicators

Environmental Performance Indicators / Waste Management

	AMOUNT OF WASTE BY TYPE					
	Hazardous Waste (Ton)			Non-Hazardous Waste (Ton)		
	2016	2017	2018	2016	2017	2018
Borçelik & Kerim Çelik	2,926	1,834	1,980	86,000	96,118	92,424
Borusan CAT	182,472	342,191	524,065	244,503	316,185	316,406
Borusan EnBW Enerji	28.3	9.1	9.3	8.1	7.6	10.2
Borusan Lojistik	11.62	151.78	89.69	120.54	2,029.55	2,340.76
Borusan Mannesmann Total	3,626	3,725	5,234	26,525	44,503	57,878
Borusan Oto/Otomotiv	49,966	42,701	40,104	3,439	3,102	3,007
Supsan	393,860	406,676	294,607	19,130	1,640	5,550
Total	632,890	797,288	866,089	379,726	463,585	477,616

	AMOUNT OF WASTE BY DISPOSAL METHOD														
	Energy Recovery (ton)			Recovery (ton)			Dump Site (ton)			Incineration (ton)			Other Disposal Method		
	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018
Borçelik & Kerim Çelik	313	1,202	21	88,253	96,630	93,972	360	120	411	0	0	0	0	0	0,03
Borusan CAT	0	20,219	557,988	416,753	509,524	275,975	0	3	1	10,222	5,574	6,507	0	123,056	0
Borusan EnBW Enerji	-	-	-	28,23	12,24	14,19	-	-	-	-	-	-	8,17	4,46	5,31
Borusan Lojistik	0	10.82	0.01	120.54	2,067.18	2,344.17	11.62	103.34	86.25	0	0	0	0	0	0.03
Borusan Mannesmann Total	0	0	0	29,527	47,656	62,565	623	571	546	0.62	0.96	0.79	0	0	0
Borusan Oto/Otomotiv*	-	-	-	-	-	-	-	-	-	-	-	-	53.405	45.803	43.111
Supsan	-	-	-	412,975	408,302	300,150	0	0	0	0	11	7	15	3	0
Total	313	21,432	558,009	947,656	1,064,191	735,021	995	797	1,044	10,223	5,586	6,515	53,428	168,866	43,116

*Data on waste amount per disposal method is not available, therefore given under Other Disposal Method.

Performance and Indicators

Social Performance Indicators / Workforce

	EMPLOYEES BY GENDER AND CATEGORY											
	2016				2017				2018			
	Blue-collar		White-collar		Blue-collar		White-collar		Blue-collar		White-collar	
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Number of Employees	26	2,415	1,154	3,585	29	2,544	1,183	3,592	93	2,603	1,131	3,374
Ratio	0.4%	33.6%	16.1%	49.9%	0.4%	34.6%	16.1%	48.9%	1.3%	36.1%	15.7%	46.9%
Total	7.180				7.348				7.201			

	EMPLOYEES BY GENDER AND AGE											
	2016				2017				2018			
	Blue-collar		White-collar		Blue-collar		White-collar		Blue-collar		White-collar	
	Number	Ratio	Number	Ratio	Number	Ratio	Number	Ratio	Number	Ratio	Number	Ratio
< 30	472	40%	1,823	31%	845	33%	1,413	30%	997	37%	1,515	34%
30-50	559	48%	2,594	45%	1,679	66%	3,193	67%	1,657	61%	2,886	64%
50 <	138	12%	1,400	24%	36	1%	152	3%	42	2%	104	2%
Total	1,169		5,817		2,560		4,758		2,696		4,505	

	EMPLOYEES IN SENIOR MANAGEMENT BY GENDER					
	2016		2017		2018	
	Female	Male	Female	Male	Female	Male
Number of Employees	6	44	6	50	9	44
Ratio	12%	88%	11%	89%	17%	83%
Total	50		56		53	

	EMPLOYEES IN SENIOR MANAGEMENT BY AGE					
	2016		2017		2018	
	Number	Ratio	Number	Ratio	Number	Ratio
< 30	0	0%	0	0%	0	0%
30-50	30	60%	26	47%	34	64%
50 <	20	40%	29	53%	19	36%
Total	50		55		53	

The data disclosed in this section cover all locations where Borusan Holding and Group Companies operate in Turkey.

Performance and Indicators

Social Performance Indicators / Workforce

	EMPLOYEES BY GENDER AND EMPLOYMENT CONTRACT					
	2016		2017		2018	
	Female	Male	Female	Male	Female	Male
Permanent	2,318	5,813	1,197	6,030	1,190	5,816
Temporary	21	187	15	106	34	161

	EMPLOYEES BY GENDER AND EMPLOYMENT TYPE					
	2016		2017		2018	
	Female	Male	Female	Male	Female	Male
Full Time	1,174	5,985	1,201	6,119	1,211	5,962
Part Time	6	15	11	17	13	15
Total	7,180		7,348		7,201	

	NUMBER OF FOREIGN EMPLOYEES					
	2016		2017		2018	
	Female	Male	Female	Male	Female	Male
Foreign Employees	1	9	0	6	0	4

	NUMBER OF EMPLOYEES WITH DISABILITES					
	2016		2017		2018	
	Female	Male	Female	Male	Female	Male
Disabilities Employees	28	119	31	140	31	148

The data disclosed in this section cover all locations where Borusan Holding and Group Companies operate in Turkey.

Performance and Indicators

Social Performance Indicators / Workforce

	NEW EMPLOYEE HIRES BY GENDER AND AGE											
	2016				2017				2018			
	Female		Male		Female		Male		Female		Male	
	Number	Ratio	Number	Ratio	Number	Ratio	Number	Ratio	Number	Ratio	Number	Ratio
< 30	122	45.5%	943	48.8%	127	61.4%	706	58.6%	162	58.1%	632	61.8%
30-50	143	53.4%	878	45.4%	80	38.6%	471	39.1%	114	40.9%	378	37.0%
50 <	3	1.1%	112	5.8%	0	0.0%	28	2.3%	3	1.1%	12	1.2%
Total	268		1,933		207		1,205		279		1,022	

	EMPLOYEE TURNOVER BY GENDER AND AGE											
	2016				2017				2018			
	Female		Male		Female		Male		Female		Male	
	Number	Ratio	Number	Ratio	Number	Ratio	Number	Ratio	Number	Ratio	Number	Ratio
< 30	55	32.0%	566	36.9%	82	40.0%	464	43.4%	117	42.1%	522	43.4%
30-50	107	62.2%	796	51.9%	121	59.0%	541	50.6%	156	56.1%	620	51.5%
50 <	10	5.8%	173	11.3%	2	1.0%	65	6.1%	5	1.8%	62	5.1%
Total	172		1,535		205		1,070		278		1,204	

	PARENTAL LEAVE OF EMPLOYEES					
	2016		2017		2018	
	Female	Male	Female	Male	Female	Male
Employees entitled to parental leave	75	456	71	273	57	311
Employees that used parental leave	75	145	71	273	57	311
Employees that returned to work after parental leave	70	145	54	273	42	311
Employees that returned to work after parental leave and worked at least 12 more months afterwards	67	144	51	268	40	299

The data disclosed in this section cover all locations where Borusan Holding and Group Companies operate in Turkey.

Performance and Indicators

Social Performance Indicators / Occupational Health and Safety

	ACCIDENTS																	
	Number of Accidents (number/year)						Frequency Ratio of Accidents (ratio)						Number of Fatalities (number/year)					
	Company			Subcontractor			Company			Subcontractor			Company			Subcontractor		
	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018
Borçelik	21	30	33	0	1	1	11.65	15.13	16.4	0	13.58	0	0	0	1	0	0	0
Borusan CAT	N/A	48	78	N/A	N/A	13	0.97	12.10	13.69	0	0	56.77	0	0	0	0	0	0
Borusan EnBW Enerji	1	1	1	0	1	6	0.07	0.07	2.79	6.90	0.09	27.52	0	0	0	0	0	0
Borusan Lojistik	3	17	12	56	93	85	1.10	5.01	3.93	11.42	19.59	12.46	1	0	0	1	0	0
Borusan Mannesmann Gemlik	17	15	15	10	5	3	9.27	8.43	6.89	12.71	8.01	5.13	0	0	0	1	0	0
Borusan Mannesmann Halkalı	19	21	11	2	1	1	14.53	12.87	11.88	17.33	7.92	0	1	0	0	0	0	0
Borusan Oto/Otomotiv	6	5	7	0	0	0	2.58	1.90	2.12	0	0	0	0	0	0	0	0	0
Kerim Çelik*	12	12	14	0	0	0	25.67	28.82	32.2	0	0	0	0	0	0	0	0	0
Supsan	14	13	21	0	0	0	18.10	14.35	16.08	0	0	0	0	0	0	0	0	0

* OHS performance data of Kerim Çelik are provided separately from Borçelik.
N/A: Not available

	LOST DAYS																							
	Absentee (Total Lost Workforce)						Number of Lost Days Due to Accident						Ratio of Lost Days Due to Accident						Absentee Rate (AR)					
	Company			Subcontractor			Company			Subcontractor			Company			Subcontractor			Company			Subcontractor		
	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018
Borçelik	3,331	3,835	3,672	0	0	0	340	518	7,949	0	4	1	0.19	0.27	3.95	0	0.05	0	0.016	0.018	0.046	0	0	0
Borusan CAT	-	-	-	-	-	-	N/A	398	461	N/A	N/A	8	0.07	0.19	0.18	0.00	0.00	0.06	-	-	-	-	-	-
Borusan EnBW Enerji	6	6	31	0	31	54	6	6	31	0	31	54	18.8	0.02	0.08	81.20	0.08	0.14	0	0	2.79	0	0	27.52
Borusan Lojistik	3,249	4,377	4,649	N/A	N/A	N/A	45	290	1,148	995	1,329	1,112	0.13	1.66	2.71	0.82	1.84	1.85	-	N/A	N/A	N/A	N/A	N/A
Borusan Mannesmann Gemlik	7,825	6,887	7,486	3,161	3,438	2,902	1,541	1,289	1,411	7,851	404	416	0.84	0.72	0.65	9.98	0.65	0.71	4,265	3,870	3,437	4,017	5,506	4,964
Borusan Mannesmann Halkalı	2,101	2,165	2,579	0	0	0	700	1,059	300	0	0	0	3.61	0.61	0.20	10.59	0.56	0.00	3.01	3.09	2.58	0	0	0
Borusan Oto/Otomotiv	84	47	140	0	0	0	84	47	140	0	0	0	0.04	0.02	0.02	0	0	0	N/A	N/A	N/A	0	0	0
Kerim Çelik*	7,448	9,688	7,840	0	0	0	312	431	114	0	0	0	0.67	0.89	0.26	0	0	0	0.01	0.02	0.016	0	0	0
Supsan	490	422	786.5	0	0	0	181	55	205	0	0	0	0.20	0.06	0.24	0	0	0	0.72	0.60	1.34	0	0	0

* OHS performance data of Kerim Çelik are provided separately from Borçelik.
N/A: Not available

GRI Content Index

For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report. The service was performed on the Turkish version of the report.



GRI Standard	GRI Indicator	Disclosures and Page Numbers
GRI 101: Foundation 2016		
GRI 102: General Disclosures 2016		
	Organizational Profile	
	101-1 Name of the organization	Borusan Holding A.Ş.
	102-2 Activities, brands, products, and services	Borusan Group, p.9
	102-3 Location of headquarters	Borusan Group, p.9
	102-4 Location of operations	Borusan Group, p.9
	102-5 Ownership and legal form	Corporation
	102-6 Markets served	Borusan Group, p.9 Customer Satisfaction, p.73
	102-7 Scale of the organization	Inclusive Economic Performance, p.21
	102-8 Information on employees and other workers	Social Performance Indicators, p.84-85
	102-9 Supply chain	Sustainable Supply Chain Management, p.74
	102-10 Significant changes to the organization and its supply chain	Inclusive Economic Performance, p.21 Sustainable Supply Chain Management, p.74
	102-11 Precautionary principle	Risk Management, p.13 Sustainability Management, p.16 Responsible Environmental Approach, p.25
	102-12 External initiative	Sustainability Oriented Cooperations, p.75
	102-13 Membership of associations	Memberships, p.77
	Strategy	
	102-14 Statement from senior decision-maker	Message from Chairman of the Board and the Group CEO, p.8
	102-15 Key impacts, risks, and opportunities	Risk Management, p.13
	Ethics and Integrity	
	102-16 Values, principles, standards and behavioural norms	Value-Added Business Approach, p.11 Business Ethics and Compliance, p.12
	102-17 Mechanisms for advice and concerns about ethics	Business Ethics and Compliance, p.12
	Governance	
	102-18 Governance structure	Strategy and Corporate Governance, p.11 Sustainability Management, p.16
	Stakeholder Engagement	
	102-40 List of stakeholder groups	Communication with Stakeholders, p.19-20
	102-41 Collective bargaining agreements	Elimination of Discrimination and Equal Opportunity, p.44
	102-42 Identifying and selecting stakeholders	Communication with Stakeholders, p.19
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GRI 101: Foundation 2016		
GRI 102: General Disclosures 2016		
	Reporting Practice	
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	102-46 Defining report content and topic boundaries	Material Sustainability Issues, p.18
	102-47 List of material topics	Material Sustainability Issues, p.18
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GRI 200 Economic Standards Series		
Economic Performance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topics and their boundaries	Inclusive Economic Performance, p.21
	103-2 The management approach and its components	Inclusive Economic Performance, p.21
	103-3 Evaluation of the management approach	Inclusive Economic Performance, p.21
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Economic Performance Indicators, p.80
	201-4 Financial assistance received from government	Economic Performance Indicators, p.80
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GRI 103: Management Approach 2016	103-1 Explanation of the material topics and their boundaries	Corporate Social Responsibility Approach, p.57
	103-2 The management approach and its components	Corporate Social Responsibility Approach, p.57
	103-3 Evaluation of the management approach	Corporate Social Responsibility Approach, p.57
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Corporate Social Responsibility Approach, p.57
	203-2 Significant indirect economic impacts	Corporate Social Responsibility Approach, p.57

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GRI Standard	GRI Indicator	Disclosures and Page Numbers
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GRI 204: Procurement Practices 2016	204-1 Rate of investments over local suppliers in distinctive operational areas	Sustainable Supply Chain Management, p.74
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	103-3 Evaluation of the management approach	Corruption and Combatting Anti-Competitive Behavior, p.14
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption	Corruption and Combatting Anti-Competitive Behavior, p.14
	205-2 Communication and training about anti-corruption policies and procedures	Corruption and Combatting Anti-Competitive Behavior, p.14
	205-3 Confirmed cases of corruption and measures taken	Sustainable Supply Chain Management, p.74
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GRI 103: Management Approach 2016	103-1 Explanation of the material topics and their boundaries	Corruption and Combatting Anti-Competitive Behavior, p.14
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GRI 206: Anti-Competitive Behavior 2016	206-1 Number of legal actions during the reporting period regarding anti-competitive behavior and their outcomes	Corruption and Combatting Anti-Competitive Behavior, p.14
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GRI 103: Management Approach 2016	103-1 Explanation of the material topics and their boundaries	Energy Management, p.27
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GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy Management, p.27 Environmental Performance Indicators, p.81
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GRI 303: Water and Effluents 2018	303-1 Interaction with water as a shared resource	Water Management, p.29
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	103-2 The management approach and its components	Emission Management, p.26
	103-3 Evaluation of the management approach	Emission Management, p.26
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Emission Management, p.26 Environmental Performance Indicators, p.81
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	103-2 The management approach and its components	Waste Management, p.31
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GRI 306: Effluents and Waste 2016	306-2 Waste by type and disposal method	Waste Management, p.31 Environmental Performance Indicators, p.83
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GRI 103: Management Approach 2016	103-1 Explanation of the material topics and their boundaries	Sustainable Supply Chain Management, p.74
	103-2 The management approach and its components	Sustainable Supply Chain Management, p.74
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GRI 308: Supplier Environmental Assessment 2016	308-2 Negative environmental impacts in the supply chain and actions taken	Sustainable Supply Chain Management, p.74
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	103-2 The management approach and its components	Happy Borusan Employees, p.41 Trust Based Relations with Employees, p.43
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GRI 403: Occupational Health and Safety 2018	403-1 Workers representation in formal joint management worker health and safety committees	Occupational Health and Safety, p.32
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GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Social Performance Indicators, p.84-85
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GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Elimination of Discrimination and Equal Opportunity, p.44
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UN Global Compact Principles

Borusan Holding is a member of UN Global Compact, an innovative corporate responsibility approach that suggests universal principles to encourage collaborative action to create a sustainable and inclusive global economy and benefits our world, society, communities and markets.

Companies that are part of the UN Global Compact align their strategies and operations with 10 Principles in the areas of human rights, labor standards, environment and anti-corruption.

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2: Businesses should make sure that they are not complicit in human rights abuses.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour.

Principle 5: Businesses should uphold the effective abolition of child labour.

Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7– Businesses should support a precautionary approach to environmental challenges.

Principle 8– Businesses should undertake initiatives to promote greater environmental responsibility.

Principle 9 – Businesses should encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

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