

Borçelik Risk Management Policy

■ Brief

This policy defines our commitment to develop an effective Enterprise Risk Management (ERM) system to manage the risks across the organization in an integrated and consistent manner.

Risk Management Policy

Our Enterprise Risk Management approach aims to identify and evaluate risks at all levels that may prevent our company from achieving its strategic goals and to take measures to eliminate, mitigate or transfer these risks.

Borçelik Internal Control, Management Systems and Borusan Internal Audit departments work together to carry out Enterprise Risk Management. For an integrated and consistent risk management structure across the enterprise, we must:

- To ensure the establishment of a risk and opportunity-oriented culture and governance structure within the company;
- To raise awareness about and promote ownership of risks and opportunities among the process owners;
- To design and develop business processes that include the appropriate controls for supporting effective decision-making;
- To improve compliance with legal and regulatory practices;
- To ensure that the company operates in accordance with Borusan Group practices (policies, procedures etc.);
- To ensure that the company's operations comply with the predetermined ethical rules and to take measures to reduce the possibility of abuse and corruption;
- To improve the consistency of strategic and operational goals, while increasing the confidence of shareholders, customers, financial institutions and other stakeholders;
- To contribute to the achievement of the company's goals by improving the effectiveness and efficiency of company resources;
- To reduce the occurrence of unexpected events and fluctuations and to thus support the constitution of a sustainable business model by improving predictive ability;
- To provide assurance to key stakeholders inside and outside the company that risks are being managed effectively

The Company's Enterprise Risk Management approach is based on the COSO Enterprise Risk Management and ISO 31000 Risk Management frameworks. Risk analyzes of our operational and financial processes are made in the method and time required by both frameworks.

Kerem ÇAKIR
General Manager