SUSTAINABILITY POLICY

1. PURPOSE

This Sustainability Policy ("Policy") has been drawn up to define the fundamentals, core principles, governance approach and corporate commitments regarding sustainability in all the activities of Gazi Metal Mamulleri Sanayi ve Ticaret A.Ş. ("Gazi Metal" or "the Company").

The objectives of the policy are:

- Integrating ESG issues into corporate strategy, investments and decision-making processes,
- Conducting its activities in accordance with current national legislation, applicable international principles and standards, and best practice,
- Strengthening a culture of responsible business practice in the areas of climate change, energy and natural resource management, human rights, occupational health and safety, ethical conduct and corporate governance,
- Enhancing resilience by managing sustainability-related risks and opportunities in conjunction with corporate risk management, internal control and compliance mechanisms,
- Developing relationships with stakeholders based on transparency, trust and the creation of mutual value,
- Providing a guidance on the measurement, monitoring, reporting and continuous improvement of sustainability performance.

2. SCOPE

This Policy covers all of Gazi Metal's activities, its employees, its business processes and, to the extent relevant, its relationships with suppliers, contractors, business partners and other stakeholders.

3. DEFINITIONS

The key terms used in this policy are defined below. Where terms are not explicitly defined here, the applicable legislation, international standards and sector-specific practices shall apply.

Biodiversity: It refers to the diversity of species found in ecosystems and the totality of relationships between these species.

Environmental, Social and Governance (ESG): Gazi Metal's management framework covers the impact of its operations on the environment, employees, the community and stakeholders, as well as ethics, oversight, risk management and decision-making processes.

Circular Economy: Refers to an economic approach that supports the reduction of resource use and waste; and the extension of the service life of products, materials and by-products, as well as their reuse and recovery.

Ethics Hotline: Refers to a system whereby employees and stakeholders can report suspected breaches of ethical principles, corruption, conflicts of interest or other misconduct in confidence and without fear of reprisal.

Climate Risk: Covers policy, regulatory, technological, market and reputational risks arising from the transition to a low-carbon economy, as well as physical risks stemming from extreme weather events and long-term climate change.

Human Rights: These are the universal rights and freedoms to which all individuals are entitled from birth and which are recognised without discrimination.

Human Rights Impact Assessment: It is the process of identifying, assessing and managing the potential human rights impacts of activities on individuals and society.

Stakeholder: Refers to employees, customers, suppliers, business partners, public authorities, the local community, civil society organisations and other individuals or organisations that are affected by, or may affect, Gazi Metal's operations.

Risks and Opportunities: These are matters arising from ESG factors that have the potential to have a positive or negative impact on the Company's strategic objectives, financial performance, operational continuity or reputation.

Social Impact: Refers to the positive or negative impact of an activity on employees, the local community and other stakeholders.

Sustainability: It is an approach to business that meets today's needs without jeopardising the opportunities of future generations, minimises environmental impacts, prioritises social benefit and creates long-term value through effective governance.

4. GENERAL PRINCIPLES

Gazi Metal regards sustainability as an integral part of its corporate governance and business strategy and conducts its operations in accordance with the following fundamental principles.

- Operations are conducted in accordance with current legislation, contractual terms, applicable international frameworks and the standards adopted by the Company in the areas of quality, the environment, health and safety at work, energy management and information security.
- A zero-tolerance approach is adopted towards bribery, corruption, conflicts of interest, breaches of sanctions and unethical practices; integrity, fairness and accountability are upheld in all business relationships.
- The protection of human rights, the prevention of discrimination and the provision of equal opportunities; the rejection of child labour, forced labour and ill-treatment are regarded as fundamental responsibilities.
- It is essential to ensure safe and healthy working conditions for employees, contractors and visitors; to eliminate hazards, minimise risks and promote employee participation.
- Customer satisfaction, product quality and suitability, operational excellence, innovation and resource efficiency are regarded as key elements of sustainable competitiveness.
- Combating climate change, energy and water efficiency, waste reduction, recycling, the circular economy and the protection of biodiversity are key areas of environmental responsibility.
- Sustainability performance is monitored using measurable targets and indicators; the results are shared in accordance with legislation and applicable reporting standards, in line with the principles of transparency and accountability.
- Ethical, environmental and social expectations are taken into account throughout the supply chain; suppliers and business partners are encouraged to adopt responsible business practices.
- Where deemed necessary, environmental, social and human rights impacts are assessed; improvement plans are implemented to prevent or mitigate adverse impacts.

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5. ENVIRONMENTAL SUSTAINABILITY APPROACH

Gazi Metal aims to reduce the environmental impact of its flat steel production and processing activities from a life-cycle perspective, to manage natural resources responsibly, and to adapt to the low-carbon transition.

- Climate-related transition and physical risks are assessed; support is provided for the measurement and reduction of greenhouse gas emissions, the development of climate resilience, and the integration of relevant targets into decision-making processes.

- Energy performance is systematically monitored; energy efficiency, process optimisation and suitable renewable energy opportunities are assessed.
- Efforts are made to ensure the efficient use of water resources and to reduce water consumption; the recovery and reuse of process water are promoted, and waste water is managed in accordance with current regulations.
- The efficient use of raw materials, auxiliary materials and packaging is ensured; priority is given to the separation, reuse and recovery of waste at source.
- Air emissions, chemical use, noise, and impacts on soil and water are monitored; technical and operational controls are implemented to prevent pollution.
- Environmental impacts, resource efficiency, climate performance and best available techniques are taken into account when making decisions on new investments, technology and products.
- In its areas of operation, the organisation ensures the conservation of biodiversity and natural and cultural heritage and it supports initiatives to promote environmental awareness and local engagement.

6. SOCIAL SUSTAINABILITY APPROACH

Gazi Metal regards the well-being of its employees and the creation of social value as key components of sustainable growth.

- An occupational health and safety system is implemented which safeguards the health and safety of employees, is based on risk assessment, is preventative in nature, and is subject to continuous improvement.
- Employees' professional and personal development, their skills, engagement and well-being are supported; a respectful, inclusive, fair and rights-based working environment is fostered.
- An equal opportunities approach is upheld in recruitment, remuneration, development and career progression processes; discrimination, harassment, child labour and forced labour are not tolerated.
- Employees, suppliers and other stakeholders are kept informed on environmental, ethical, human rights, health and safety issues; the necessary training and awareness-raising initiatives are carried out.
- Open communication with local communities is fostered, and long-term relationships based on mutual benefit are developed; initiatives that support education, environmental awareness, skilled employment and local development are encouraged.
- The potential impacts of operations on employees and the community are assessed on a regular basis; measures are implemented to prevent or mitigate any adverse effects.

- Feedback from employees and stakeholders is collected through accessible channels; the principles of confidentiality, fairness and protection against retaliation are upheld, and the findings are incorporated into improvement processes.

7. SUSTAINABILITY GOVERNANCE

Gazi Metal manages sustainability under the supervision of senior management, with clearly defined roles and responsibilities, and in accordance with corporate governance principles.

- Sustainability issues are taken into account in strategic planning, investment, budgeting and performance management processes.
- Environmental and social impacts, human rights, ethical principles, quality and regulatory compliance are taken into account in procurement and supply chain decisions.
- Sustainability targets are monitored through performance indicators; the results are assessed, reported to senior management and used to drive continuous improvement initiatives.
- Employees and external stakeholders are able to report situations suspected of breaching sustainability or ethical principles safely and confidentially via the Gazi Metal Ethics Hotline or other authorised channels.

8. POWER AND RESPONSIBILITIES

The effective implementation of the policy is a shared responsibility. The key powers and responsibilities are set out as follows.

- The Board of Directors is responsible for approving the Policy and providing high-level oversight.
- The Sustainability Board coordinates the implementation of the policy, monitors sustainability targets and performance, ensures coordination between the relevant departments, and reports the results to senior management.
- The environment, occupational health and safety, quality, energy, human resources, procurement, finance and other relevant departments carry out activities relating to targets, control, monitoring, training and reporting within their respective areas of responsibility.
- All employees are obliged to comply with the provisions of the Policy, to report risks and non-conformities, and to contribute to continuous improvement.
- Suppliers, contractors, subcontractors and sub-contractors are expected to act in accordance with Gazi Metal’s sustainability expectations.
- Where a breach of the policy provisions is identified, the matter shall be reported without delay to the relevant manager, the competent department or the Gazi Metal Ethics Hotline.

9. EFFECTIVENESS AND REVIEW

This Policy is reviewed and updated as and when necessary, and at specified intervals, taking into account changes in legislation, stakeholder expectations, sustainability priorities and developments in the Company’s operations.