



KARDEMİR
KARABUK IRON STEEL INDUSTRY AND TRADE INC.



Period between 01.01.2022 through 31.12.2022

**Board of Directors Activity Report Prepared in Accordance with
the Communique Serial: II-14.1**

INDEPENDENT AUDITOR REPORT ON THE ANNUAL ACTIVITY REPORT OF THE BOARD OF DIRECTORS

To the General Board of Kardemir Karabük Iron Steel Industry and Trade Inc.

1) Opinion

Since we have audited the full set of consolidated financial statements of Kardemir Karabük Demir Çelik Sanayi ve Ticaret A.Ş (“Company”) and its subsidiaries (“Group”) for the accounting period of 1 January - 31 December 2022, we have also audited the annual activity report for this accounting period.

In our opinion, the consolidated financial information included in the annual report of the board of directors and the analysis made by the Board of Directors about the Group's situation are, in all material respects, consistent with the audited full set of consolidated financial statements and the information we obtained during the independent audit, and reflect the truth.

2) Justification of the Opinion

Our independent audit was conducted in accordance with the Independent Audit Standards published by the Capital Markets Board and the Independent Auditing Standards (BDS), which is part of the Turkish Auditing Standards published by the Public Oversight, Accounting and Auditing Standards Authority (KGK). Our responsibilities under these Standards are explained in detail in the Independent Auditor's Responsibilities for the Independent Audit of the Annual Report of our report. We declare that we are independent from the Group in accordance with the Code of Ethics for Independent Auditors (Ethical Rules) published by KGK and the ethical provisions in the legislation on independent auditing. Other ethical responsibilities within the scope of the Code of Ethics and legislation have also been fulfilled by us. We believe that the audit evidence we have obtained during the audit provides a sufficient and appropriate basis for our opinion.



3) Our Auditor's Opinion on the Full Set of Consolidated Financial Statements

We have expressed a positive opinion in our auditor's report dated March 3, 2023, on the full set of consolidated financial statements of the Group for the accounting period of 1 January - 31 December 2022.

4) Responsibility of the Board of Directors for the Annual Report

The Group management is responsible for the followings in regard with its annual report in accordance with the Articles 514 and 516 of the Turkish Commercial Code (TCC) No. 6102 and the Communiqué No. 11-14.1, "Principles on Financial Reporting in the Capital Markets" ("Communiqué"):

- a) It prepares the annual activity report within the first three months following the balance sheet day and submits it to the general assembly.
- b) It prepares the annual report in a way that reflects the flow of the group's activities for that year and its consolidated financial position in all aspects in an accurate, complete, straightforward, truthful and honest manner. In this report, the consolidated financial position is evaluated according to the consolidated financial statements. The report also clearly indicates the development of the group and the possible risks it may face. The evaluation of the board of directors regarding these issues is also included in the report.
- c) The annual report also includes the following:
 - events of special importance that occur in the group after the end of the operating year,
 - Group's research and development work.
 - Financial benefits such as wages, premiums, bonuses, allowances, travel, accommodation and representation expenses, in-kind and cash benefits, insurances and similar guarantees paid to the members of the board of directors and senior executives.

While preparing the annual report, the Board of Directors also takes into account the secondary legislation regulations made by the Ministry of Commerce and related institutions.

5) Independent Auditor's Responsibility for the Independent Audit of the Annual Report

Our aim is to give an opinion on whether the consolidated financial information included in the annual report and the examinations made by the Board of Directors, in accordance with the provisions of the TCC and the Communiqué, are consistent with the audited consolidated financial statements of the Group and the information we obtained during the independent audit, and whether they reflect the truth. is to prepare a report containing our opinion.

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Our independent audit was conducted in accordance with the Independent Auditing Standards and BDS published by the Capital Markets Board. These standards require that, by complying with ethical provisions, the independent audit should be planned and conducted to obtain reasonable assurance whether the consolidated financial information in the annual report and the analysis made by the Board of Directors are consistent with the consolidated financial statements and the information obtained during the audit and reflect the truth.

The responsible auditor who conducted and concluded this independent audit is Erdem Taş.

(seal and signature)

Erdem TAŞ, Certified Public Accountant
Responsible Auditor

For DRT BAGIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MUSAVİRLİK A.Ş.
(DRT INDEPENDENT AUDIT AND CERTIFIED PUBLIC ACCOUNTANT FINANCIAL
CONSULTANCY CO., INC.)
Member of DELOITTE TOUCHE TOHMATSU LIMITED

Ankara, 3 March 2023

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KARDEMİR KARABÜK IRON STEEL INDUSTRY AND TRADE INC.

BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE WITH THE COMMUNIQUÉ SERIAL:II, NO:14.1 BOARD OF DIRECTORS ACTIVITY REPORT

Period of the Report	: January 01, 2022 – December 31, 2022
Title of the Partnership	: KARDEMİR Karabük Iron Steel Industry and Trade Inc.
Trade Registry of the Partnership	: Karabük Registry of Commerce / No: 005055-4349
Headquarters	: Öğlebeli Mahallesi Karabük Ankara Yolu No:2 Fabrika Sahası–KARABÜK
Web Site	: www.kardemir.com

1. Business Sector:

Our company operates in Iron and Steel Industry. The actual activity subject is stated in Article 3 of the articles of incorporation and the main activity subject is the production and sale of all kinds of crude iron and steel products, coke and coke by-products.

2. Iron & Steel Sector:

2021-2022 WORLD CRUDE STEEL PRODUCTION (1.000 tons)

No.	Country	2021	2022	% CHANGE (22/21)	% SHARE (21)
1.	CHINA	1.034.729	1.013.000	-2,1%	53,9
2.	INDIA	118.201	124.720	5,5%	6,6
3.	JAPAN	96.336	89.235	-7,4%	4,8
4.	USA	85.791	80.715	-5,9%	4,3
5.	RUSSIA	77.020	71.500	-7,2%	3,8
6.	SOUTH KOREA	70.418	65.865	-6,5%	3,5
7.	GERMANY	40.241	36.849	-8,4%	2,0
8.	TURKEY	40.360	35.134	-12,9%	1,9
9.	BRAZIL	36.071	33.972	-5,8%	1,8
10.	IRAN	28.320	30.593	8,0%	1,6
11.	OTHER COUNTRIES	332.890	296.954	-11%	15,8
	WORLD	1.960.377	1.878.537	-4,2%	100

Table 1: World Crude Steel Production

Source: TSPA

According to data published by the World Steel Association (Worldsteel) annual global raw steel production decreased by 4,2% to 1.87 billion tons in 2022. Among the top 10 steel producing countries in 2022, only Iran's and India's productions have increased.

Raw steel production of China, the number one steel manufacturer of the world decreased by 2.1% to 1.01 billion mt, annually. In the same period, annual production of India, the world's second steel manufacturer, increased by 5.5% and reached 124.7 million mt. Japan's production was decreased by 7.4 % to 89.2 million mt and the US raw steel production decreased by 5.9 % to 80.7 million mt, annually. Russia's raw steel production decreased by 7.2 % compared to 2021 and became 71.5 million mt in 2022.



BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE
WITH THE COMMUNIQUÉ SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT

South Korea's annual production decreased by 6.5 % to 65.9 million mt, while the EU's raw steel production was reported to decrease by 10,5% to 136.7 million mt compared to the previous year. Germany's production narrowed by 8.4 % to 36.8 million mt and Italy's production decreased by 11.6 % to 21.6 million mt.

On the other hand, Türkiye's raw steel production decreased by 12.9 % in 2022 to 35.1 million mt, which made Türkiye the 8th largest steel manufacturer of the world. In Brazil, which ranks 9th, a decrease of 5.8 % was observed compared to 2021. In Iran, production of raw steel increased by 8 % to 30.6 million mt, while the production of Ukraine, which was not included in the first 10 countries, decreased by 70.7 % to 6.3 million mt.

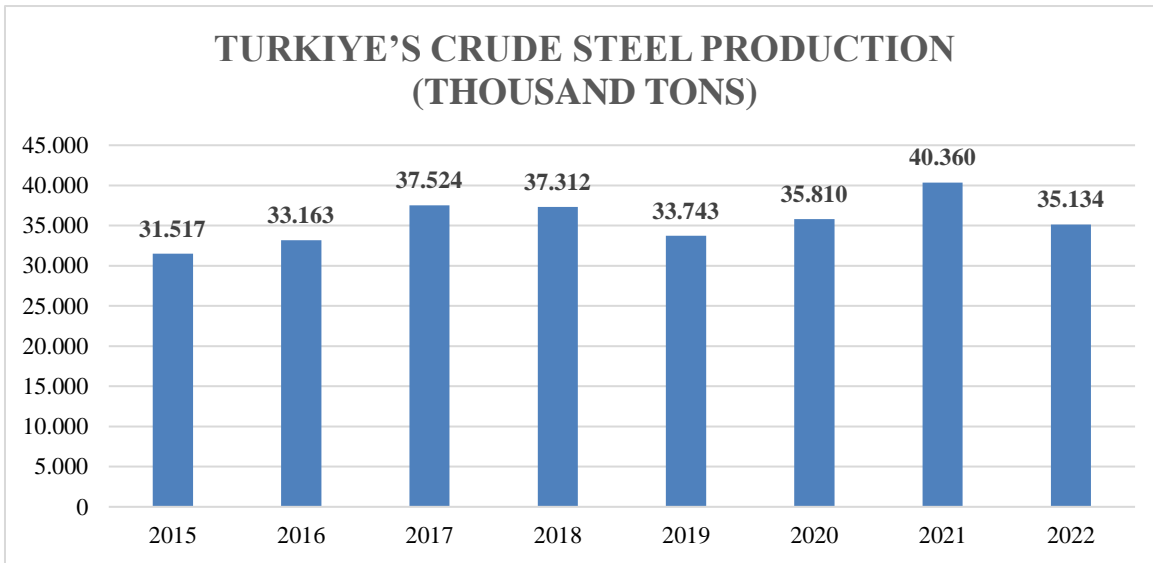


Table 2: Turkey's Crude Steel Production (thousand tons)

Source: TSPA

After the above-mentioned decrease in Turkey's crude steel production, our country ranked 8th in global crude steel production after Germany in the world, while it has regressed to the second place in Europe. Electric Arc Furnace crude steel production decreased by 13.1% compared to last year, and the amount of crude steel produced using blast furnaces decreased by 12.6% compared to last year.

Turkey's long product production in 2022 was 23.5 million mt, down 12.1%, while consumption amounted to 15.2 million mt, down 4.7% from the previous year.

Turkish flat product production, on the other hand, decreased by 7.2% to 13.5 million mt. Its consumption, on the other hand, was 17.2 million mt, which represents a decrease of 0.7 percent compared to the previous year.

While the decrease in Turkey's imports of steel products on quantity basis was 3.6% in 2022, the decrease in exports of steel products was 23.5%. While the ratio of exports to imports in steel products in our country was 114.9% in 2021, this ratio decreased to 89.3% in 2022.



KARDEMİR KARABUK IRON STEEL INDUSTRY AND TRADE INC.

BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE
WITH THE COMMUNIQUÉ SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT

3. Names, Surnames and Terms of Office for the Chairman and Members of the Board of Directors within the Period:

Name and Surname	Title	Group	Employment Start Date	Term of Office	Employment End Date
Dr. Alparslan BAYRAKTAR	Chairman	Group A	02.11.2020	3 Years	On Duty
Ömer DEMİRHAN	Deputy Chairman / Independent Member	-	02.11.2020	3 Years	On Duty
Fatih Mehmet ERKOÇ	Member	Group A	02.11.2020	3 Years	On Duty
Muhammed Ali OFLAZ	Member	Group A	02.11.2020	3 Years	On Duty
Kamil GÜLEÇ	Member	Group B	02.11.2020	3 Years	On Duty
Yusuf CANBOLAT	Member	Group B	02.11.2020	3 Years	On Duty
Prof. Dr. Ercümend ARVAS	Independent Member	-	02.11.2020	3 Years	On Duty
Mustafa AYDIN	Independent Member	-	02.11.2020	3 Years	On Duty
Zehra Zümrüt SELÇUK	Member	-	05.05.2021	2 Years 6 months	On Duty
Erdal ERDEM (*)	Deputy Chairman / Independent Member	-	02.11.2020	3 Years	11.02.2022
Mustafa YOLBULAN (*)	Member	Group A	02.11.2020	3 Years	21.01.2022

Table 3. Members of the Board of Directors and their Terms of Office

(*) Mr. Mustafa YOLBULAN resigned on 21.01.2022 and Mr. Erdal ERDEM on 11.02.2022.



KARDEMİR KARABUK IRON STEEL INDUSTRY AND TRADE INC.

**BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE WITH THE COMMUNIQUÉ SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT**

4. Organizational Structure of the Company

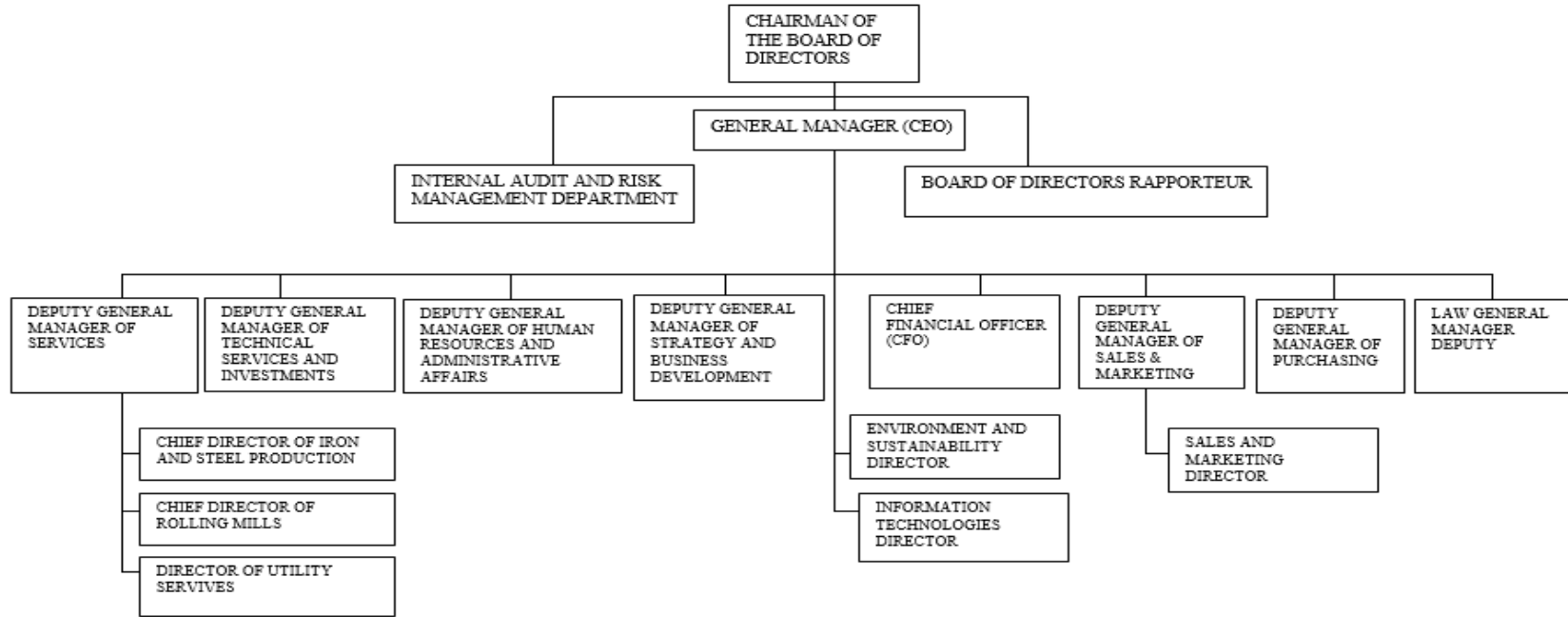


Table 4. Organizational Chart



**BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE
WITH THE COMMUNIQUÉ SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT**

5. Authorities of the Members of the Board of Directors:

The authorities of the Company's Board Members are set forth in Article 12 of the Articles of Association.

**5.1. Number of Meetings of the Board of the Directors during the Year and the Attendance
Status of Board Members at the Meetings:**

The Board of Directors convened 18 times in 2022 and all members of the Board of Directors participated at a majority of the meetings. Wages to be paid to Board Members are determined by a remuneration policy decision at the annual General Meeting of the Company. In 2022, the total amount of benefits provided to senior managers of the company, associated partners, Board Members, the General Manager and Deputy General Managers was 26.857.444 TL.

**5.2. Information About the Duties of Board of Directors Members and Executives Apart from
Subsidiaries and Affiliates Outside the Company:**

Board of Directors	Position	Duties Carried out Outside the Company
Dr. Alparslan BAYRAKTAR	President of the Board of Directors	Rep. of Turkey Ministry of Energy and Natural Resources, Deputy Minister
Ömer DEMİRHAN	Vice President of the Board of Directors	TVF Yönetimi A.Ş. Deputy General Manager
Fatih Mehmet ERKOÇ	Member of the Board of Directors	ECO BİO Enerji Üretim Sanayi ve Tic. A.Ş. Member of the Board of Directors
Muhammed Ali OFLAZ	Member of the Board of Directors	-
Kamil GÜLEÇ	Member of the Board of Directors	Çağ Çelik D.Ç. End. A.Ş. President of the Board of Directors Şeyhoğlu Petrol Taşımacılık Servis Hizmetleri Ltd.Şti. Şti. Manager Güleç Petrol Taşımacılık Servis Hizmetleri San. ve Tic. Ltd. Şti. Manager Safran Sağlık Grup Eğitim Tur. İnş. San. Tic. A.Ş. President of the Board of Directors Dez Madencilik ve Lojistik İth. İhr. Tic. A.Ş. President of the Board of Directors
Yusuf CANBOLAT	Member of the Board of Directors	-
Prof. Dr. Ercümen ARVAS	Member of the Board of Directors	Istanbul Medipol University Faculty of Engineering, Faculty Member
Mustafa AYDIN	Member of the Board of Directors	-
Zehra Zümrüt SELÇUK	Member of the Board of Directors	-

Table 5. Positions and Duties Held Outside the Company by Board Members



**BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE
WITH THE COMMUNIQUE SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT**

6. Executive Management:

Senior Management	Position	Duties Carried out Outside the Company
Necdet UTKANLAR	General Manager	There is no duty fulfilled outside the company.
Ahmet AYCAN	Deputy General Manager of Enterprises	There is no duty fulfilled outside the company.
Arslan NARİN	Deputy General Manager of Legal Affairs	There is no duty fulfilled outside the company.
Bilal YILDIZ	Deputy General Manager of Financial Affairs (CFO) Deputy General Manager of Procurement (Acting)	There is no duty fulfilled outside the company.
Şerif OKLUOĞLU	Deputy General Manager of Strategy and Business Development	Eltemtek Board Member
Uğur ALTUNDAĞ	Deputy General Manager of Human Resources and Administrative Affairs	Karabuk University Part-Time Lecturer
M. Furkan ÜNAL (*)	Deputy General Manager of Financial Affairs (CFO) Deputy General Manager of Procurement (Acting)	Zaman Bank Kazakhstan (Independent Member of the Board of Directors) Karabuk University Part-Time Lecturer
Murat ŞENAL (*)	Deputy General Manager of Procurement	There is no duty fulfilled outside the company.
Yusuf Zafer DEMİRTAŞ(*)	Deputy General Manager of Sales and Marketing	There is no duty fulfilled outside the company.

Table 6. Senior Management Duties Carried out Outside the Company

Necdet UTKANLAR started working as General Manager at our Company on August 12, 2020, and he is currently in that position.

Ahmet AYCAN started working as Assistant General Manager of Operations in our company as of 30.01.2023 and he still continues to work in this position.

Arslan NARİN started working at our company as Deputy General Manager for Legal Affairs on September 14, 2021 and he is currently in this position.

Bilal YILDIZ started working as the Head of Internal Audit and Risk Management in our company as of 07.07.2021. He has been appointed as the Assistant General Manager of Financial Affairs (CFO) since 01.12.2022 and he still continues to work in this position. In addition, he has been serving as Deputy General Manager of Purchasing since 01.12.2022.

Şerif OKLUOĞLU started working at our company as Deputy General Manager for Business Development on September 28, 2022 and he is currently in this position.

Uğur ALTUNDAĞ started working as our company's Human Resources and Administrative Affairs Deputy General Manager on June 17, 2019, and he is still in that position.

(*) M. Furkan ÜNAL started working as Deputy General Manager of Financial Affairs of our company (CFO) on 02.01.2018, and he is currently in that position.

(*) Murat ŞENAL started working with our company on July 16, 2015. On May 9, 2019, he was appointed as Deputy General Manager of Procurement and resigned from his duty on 22.04.2022.



**BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE
WITH THE COMMUNIQUÉ SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT**

(*) **Yusuf Zafer DEMİRTAŞ** started working as Sales and Marketing Deputy General Manager at our company on September 14, 2020, and he resigned from his duty on 31.01.2023

7. Evaluation of the Board of Directors Regarding the Working Principles and the Effectiveness of the Committees Including Committee Members, Frequency of Meetings and Fulfilled Activities of the Board of Directors Committees:

Under the purview of the Corporate Governance Statement, the Board of Directors has established an Audit Committee, an Early Detection of Risk Committee, and a Corporate Governance Committee. The structure, field of service and operating principles of these committees can be found in the Investor Relations section of the Company's website.

In 2022, the Audit Committee convened nine times. Decisions made at this meetings were submitted to the Board of Directors.

In 2022, the Early Detection of Risk Committee convened six times and provided the Board of Directors with reports on risk assessments.

7.1. Audit Committee:

Chairman: Ömer DEMİRHAN - Independent Board Member / Non-executive.
Member: Prof. Dr. Ercümend ARVAS - Independent Board Member / Non-executive
Member: Mustafa AYDIN - Independent Board Member / Non-executive.

7.2. Corporate Governance Committee:

Chairman: Mustafa AYDIN - Independent Board Member / Non-executive.
Member: Prof. Dr. Ercümend ARVAS - Independent Board Member / Non-executive
Member: Ömer DEMİRHAN - Independent Board Member / Non-executive.
Member: Burcay YAVUZ - Investor Relations Manager

7.3. Early Detection of Risk Committee:

Chairman: Mustafa AYDIN - Independent Board Member / Non-executive.
Member: Muhammed Ali OFLAZ - Board Member / Non-executive

8. Capital Structure of the Partnership and Changes within the Period :

Our Company is subject to the Registered Capital System and the upper limit of the registered capital is 3.000.000.000 TL. Our issued capital is 1.140.000.000 TL.

Our Company has three main shareholder groups and the capital is distributed among these groups as follows:

Groups	Share Percentage (%)	Share Amount (TL)
A	21.08	240.303.646
B	10.48	119.470.352
D	68.44	780.226.002
Total	100	1.140.000.000

Table 7. Capital Structure



**BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE
WITH THE COMMUNIQUE SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT**

9. Securities Issued within the Period:

No securities were issued during the period.

10. Amendments to the Articles of Association during the Period:

No amendment was made to the Articles of Association within the period.

11. General Information About Affiliates and Subsidiaries:

Affiliates and Subsidiaries	Shares	Paid In Capital
	(%)	(TRY)
Enbatı Elektrik Üretim Sanayi ve Ticaret A.Ş.	100,00	225.000.000
Karçel Kardemir Çelik Yapı İmalat Sanayi ve Ticaret A.Ş.	99,99	250.000.000
Kardökmak Kardemir Döküm Makina Sanayi ve Ticaret A.Ş.	99,99	150.000.000
Kardemir Sigorta Aracılık Hizmetleri Ltd. Şti. Şti.	95,00	70.000
Karçimsa Çimento Sanayi ve Ticaret A.Ş.	49,00	1.400.000
Voestalpine Kardemir Demiryolu Sistemleri Sanayi ve Ticaret A.Ş.	25,06	17.595.000
Karabük Üniversitesi Teknoloji Geliştirme Bölgesi Yönetici A.Ş.	20,00	5.000.000
Erdemir Madencilik Sanayi ve Tic. A.Ş.	10,00	120.000.000
Enerji Piyasaları İşletme A.Ş.	0,67	61.572.770

Table 8. Affiliates and Subsidiaries

12. Dividend Distribution Policy:

Policy on Profit Share Distribution;

"Profit distribution of Kardemir Karabük Demir Çelik Sanayi ve Tic. A.S. is ruled by Article 18 of the Articles of Incorporation, which is titled "Profit Distribution, Payment Term and Method."

Our company aims to distribute profits in accordance with corporate governance principles without disregarding the Capital Markets Board's minimum distribution requirement when determining the rate to be distributed to our shareholders as cash and/or bonus shares from the Net Distributable Period Profit calculated in accordance with the applicable legislation and the procedure described in the above-mentioned article of the Articles of Association. However, in accordance with our company's development plan, the financial burden of these expenditures is taken into account in profit distribution during periods of high investment expenditures. In profit distribution, the Board of Directors strives to strike a balance between shareholder expectations and the company's financial balances.

As previously indicated, the Capital Markets Board's requirements are followed in the computation and distribution of profit, and profit distribution is conducted within the legal time, and all matters involving profit distribution are presented to the shareholders at the General Assembly.

In the Ordinary General Assembly meeting held on 25.03.2022 on the activities of our company in 2021, it was decided to distribute a total of 1,000.000,000 TL (gross) profit to shareholders and to make payment of the profit corresponding to 87,72% of a share certificate of TRY 1,00 in two installments until the dates 30 June 2022 and 30 November 2022, by taking into account the cash estimates of our Company. Our Board of Directors decided to pay the first installment (TRY 500.000.000, gross) on 28.06.2022 and second installment (TRY 500.000.000, gross) on 28.11.2022.



**BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE
WITH THE COMMUNIQUÉ SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT**

In this context, the first installment amount of TL 500.000.000 in gross amount was paid to our shareholders on 28.06.2022, and the second installment amount of TL 500.000.000 in gross was paid to our shareholders on 28.11.2022.

13. Summary Balance Sheet, Summary Profit or Loss Statement

13.1 Summary Balance Sheet

	Audited	
	Current Period	Previous Period
	31.12.2022	31.12.2021
Current Funds	16.421.002.090	12.337.672.778
Fixed assets	10.218.926.707	9.477.296.747
Total Assets	26.639.928.797	21.814.969.525
Short-Term Liabilities	12.632.234.140	9.590.469.397
Long-term liabilities	2.546.450.466	2.262.931.458
Shareholder's Equity	11.461.244.191	9.961.568.670
Total Liabilities	26.639.928.797	21.814.969.525

Table 9. Summary Balance Sheet

13.2. Summary Profit or Loss Statement

	Audited		Audited	
	Current Period		Previous Period	
	01.01.2022 31.12.2022		01.01.2021 31.12.2021	
Sales Revenue	27.397.320.022	%	14.764.791.145	%
Gross Profit	4.269.294.883	15,6%	4.782.356.123	32,4%
Operating Profit	2.849.496.565	10,4%	4.797.420.845	32,5%
Earnings before interest taxes depreciation and amortization (EBITDA)	4.363.437.210	15,9%	4.914.697.329	33,3%
Consolidated Net Period Profit	2.174.335.214	7,9%	3.852.707.219	26,1%
Net Period Profit of the Share of Parent Company	2.174.336.792	7,9%	3.852.707.238	26,1%

Table 10. Summary Profit or Loss Statement



BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE
WITH THE COMMUNIQUE SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT

14. Manufacturing Activities

14.1. Kardemir Karabük Iron Steel Industry and Trade Inc. Production Amounts (Tons)

Production Type	01.01.2022	01.01.2021
	31.12.2022	31.12.2021
	Ton	Ton
Coke + Coke Dust	1.168.350	1.185.960
Sinter	2.515.948	2.823.926
Liquid Raw Iron	1.984.174	2.236.212
Liquid Steel	2.296.635	2.517.230
Crude Steel	2.222.095	2.438.674
Net Products	2.139.742	2.346.747

Table 11. Production Amounts

14.2. Kardemir Karabük Iron Steel Industry and Trade Inc. Production Amounts

Karçel Kardemir Çelik Yapı İmalat Sanayi ve Ticaret A.Ş.

Products	01.01.2022	01.01.2021
	31.12.2022	31.12.2021
Steel Construction (Ton)	14.969	22.412

Table 12. Production Amounts

Kardökmak Kardemir Döküm Makina Sanayi ve Ticaret A.Ş.

Products	01.01.2022	01.01.2021
	31.12.2022	31.12.2021
Casting (Ton)	4.280	3.384
Metal Cutting (Ton)	2.746	2.952

Table 13. Production Amounts

Enbatı Elektrik Üretim Sanayi ve Ticaret A.Ş.

Products	01.01.2022	01.01.2021
	31.12.2022	31.12.2021
Power Generation (Mwh)	37.960	15.758

Table 14. Production Amounts



BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE
WITH THE COMMUNIQUÉ SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT

15. Information on Comparative Capacity Utilization

15.1. Kardemir Karabük Iron Steel Industry and Trade Inc.

Products	Capacity (Ton)	Capacity Utilization Rate %	
		01.01.2022 31.12.2022	01.01.2021 31.12.2021
Coke Furnaces			
Coke + Coke Dust	1.170.000	99,86%	101,36%
Sinter and Blast Furnaces			
Sinter	3.750.000	67,09%	75,30%
Liquid Raw Iron	2.821.000	70,34%	74,54%
Pig	86.400	7,97%	0,17%
Steel Plant			
Liquid Steel	3.500.000	65,62%	71,92%
Continuous Castings	3.800.000	58,48%	61,74%
SDM#1	1.100.000	68,58%	68,53%
SDM#2	350.000	73,99%	62,05%
SDM#3	1.250.000	48,05%	58,06%
SDM#4	1.100.000	55,29%	58,99%
Rolling Mills			
Rail Profile Rolling Mill	450.000	107,36%	95,69%
Continuous Rolling Mill	700.000	78,04%	73,58%
Rod and Coil Rolling Mill	831.600	55,55%	64,37%
Rail Wheel Production Facility	200.000	26,68%	2,96%

Table 15. Capacity Utilizations

(*) Piece

15.2. Kardemir Karabük Iron Steel Industry and Trade Inc. Subsidiaries:
Karçel Kardemir Çelik Yapı İmalat Sanayi ve Ticaret A.Ş.

Products	Capacity (Ton)	Capacity Utilization Rate (%)	
		01.01.2022 31.12.2022	01.01.2021 31.12.2021
Steel Construction	10.117	147,96%	229,65%

Table 16. Capacity Utilizations



BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE
WITH THE COMMUNIQUE SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT

Kardökmak Kardemir Döküm Makina Sanayi ve Ticaret A.Ş.

Products	Capacity (Ton)	Capacity Utilization Rate (%)	
		01.01.2022	01.01.2021
		31.12.2022	31.12.2021
Casting	13.764	31,10%	24,59%
Metal Cutting	6.156	44,61%	47,95%

Table 17. Capacity Utilizations

Enbatı Elektrik Üretim Sanayi ve Ticaret A.Ş.

Products	Capacity (Mwh)	Capacity Utilization Rate (%)	
		01.01.2022	01.01.2021
		31.12.2022	31.12.2021
Electric Power:	83.256	45,59%	18,86%

Table 18. Capacity Utilizations

16. Sales Activities:

16.1. Product-Based Sales Amounts and Revenues of Kardemir Karabük Demir Çelik Sanayi ve Ticaret A.Ş.

Products	01.01.2022 31.12.2022		01.01.2021 31.12.2021	
	Ton	TL	Ton	TL
Total		26.831.519.104		14.251.188.313
Primary Products	2.064.580	25.740.952.401	2.301.323	13.969.293.898
Pig	6.209	69.495.334	902	4.971.388
Crude Steel	627.719	6.989.920.311	844.425	4.766.691.180
Rolled Steel	1.430.652	18.681.536.756	1.455.997	9.197.631.331
By-Products		694.949.210		165.474.705
Other		395.617.493		116.419.710

Table 19. Sales Quantities and Amounts

16.2. Kardemir Karabük Iron Steel Industry and Trade Inc. Subsidiaries:
Karçel Kardemir Çelik Yapı İmalat Sanayi ve Ticaret A.Ş.

Products	01.01.2022 31.12.2022		01.01.2021 31.12.2021	
	Ton	TL	Ton	TL
Steel Construction	13.785	579.367.494	22.412	433.062.023

Table 20. Sales Quantities and Amounts



BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE
WITH THE COMMUNIQUÉ SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT

Kardökmak Kardemir Döküm Makina Sanayi Ve Ticaret A.Ş.

Products	01.01.2022 31.12.2022		01.01.2021 31.12.2021	
	Ton	TL	Ton	TL
Casting	4.280	84.561.817	1.399	24.952.389
Metal Cutting	2.746	261.611.993	2.827	203.425.658

Table 21. Sales Quantities and Amounts

Enbatı Elektrik Üretim Sanayi ve Ticaret A.Ş.

Products	01.01.2022 31.12.2022		01.01.2021 31.12.2021	
	Mwh	TL	Mwh	TL
Electric Power:	37.743	43.205.652	15.664	9.874.925

Table 22. Sales Quantities and Amounts

Consolidated Sales Revenue

	01.01.2022 31.12.2022	01.01.2021 31.12.2021
Sales Revenue Grand Total	27.800.266.060	14.922.503.308
Elimination	(402.946.038)	(157.712.163)
Consolidated Sales Revenue	27.397.320.022	14.764.791.145

Table 23. Sales Quantities and Amounts

17. Human Resources Activities

17.1. Personnel Numbers:

Average number of employees within the year in the period from 1 January - 31 December 2022 and the period from 01 January - 31 December 2021, is as follows:

COMPANY NAME:	White Collar		Blue Collar		Total	
	2022	2021	2022	2021	2022	2021
Kardemir	994	968	3154	3167	4148	4135
Karçel	145	95	201	206	346	301
Kardökmak	51	48	148	140	199	188
Enbatı	14	14	-	-	14	14
Total	1.204	1.125	3.503	3.513	4.707	4.638

Table 24. Number of Personnel:



**BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE
WITH THE COMMUNIQUÉ SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT**

17.2. Collective Labor Agreement:

The 15th term Collective Bargaining Agreement signed between our company and Özçelik-İş Union ended on 31.12.2022.

With the notification of the General Directorate of Labor of the Ministry of Labor and Social Security of the Republic of Turkey, “Özçelik-İş Union” was authorized to conclude the new 16th Term Collective Bargaining Agreement, and negotiations are continuing within the framework of the legal process that started on 18.01.2023.

17.3. Obligation for Severance Pay:

Our company's employees are subject to the provisions of Labor Law No.4857. In the cases of an unjustified dismissal, retirement, marriage (for female employees), military service, or death, a severance pay is paid to our employees who have completed at least one year of service for each year of service (including the residual months from the year of service) in accordance with the ceilings set forth in the Labor Law. Current employees are entitled to the same rate of severance compensation.

17.4. Rights and Benefits Provided to Company Employees:

The rights and benefits of hourly wage-earners who work in-scope status are regulated by the terms of the Collective Labor Agreement.

The Board of Directors determines the salary and social rights of monthly paid workers who work out-of-scope.

18. Donations Made and Social Responsibility Projects:

The total amount of donations and aids made by our company between 01.01.2022 and 31.12.2022 is **69.732.390 TL**.



**BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE
WITH THE COMMUNIQUÉ SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT**

19. Investments:

A total investment expenditure of **TRY 992.031.805** was achieved between 1 January and 31 December, 2022.

The following are the major investment and R&D projects completed during this time period:

No	Investments (*)
1	Blast Furnace No.1 Re-Line
2	Converter 3 Capacity Increase
3	Coke Plants New Extinguishing Tower Construction
4	ÇKH Billet Grinding Machine
5	SDM-3 Marking System
6	SM1 Revision (including Esp1 and Refrigerator)
7	SDM-1 Level-1 System Modernization
8	Ladle Furnace No.4 and SVC System
9	Ç.Ü. Converter-3 Additional Revision
10	Power Transformer 1-2-3-4 Lighting Transformer 1-2 (400VAC).
11	Exhauster No. 1-6 (1250 A) MV Breakers
12	50 MW Power Plant Generator Breaker Cell Revision
13	SDM-3 Fast Nozzle for Closed Casting
14	Cold Saw Revolution Control System
15	Stock Control Warehouse Places Modernization
16	KARDEMİR 1 Water Works Level-1 System
17	Old ÇH Electrical System Revision
18	SDM Tandışler Thermal Camera Monitoring System
19	RPH Furnace Water Depot Revision
20	Furnace Hall Crane Magnet Capacity Increase.
21	Boilers 5-6 Water Tank (200T)
22	Slag Tilting - Mill Scale Preparation - Cutting Facilities
23	Ladle Drying Station
24	System Renewal and Development
25	YF5 Main Mine Channels Safety Primer
26	KHH Inner-Furnace Camera System
27	Coke-Water Laboratory New Building Construction
28	550 KVA Diesel Generator - Transformer Panel
29	Blast Furnace No.4 Re-Line
30	SDM-3 Section Addition
31	Ladle Production
32	Torpedo Procurement
33	Ladle Furnace 2-3 Dust Suppression System
34	Converter Air Baffle
35	Crane Replacement
36	Body, Economizer Waste Heat Boiler Eco-6
37	No.1 Shaangu Turbo Blower General Revision
38	15 Mw Turbo Generator General Revision
39	Servopro Chroma H/Carbons Analyser
40	Plant No.4 Circulation Pump Machine
41	Slag Ladle
42	30 MW Turbine Generator
43	ISG-Ammonium Sulphate Bagging Plant



**BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE
WITH THE COMMUNIQUÉ SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT**

44	Indoor Waste Areas
45	KHH Switch Drivers Modernization
46	Production of Thin Coil Used in Bead Wire and Tire-Cord for the Automotive Industry
47	1/2 and 3/4 Accumulator Refractory Structure
48	410 KVA Generator
49	Generator
50	By-products Steam, Air, Water Pipeline Module
51	TEIAS Busbar Protection Construction
52	Transformer Center 0.4 KV, Main Distribution Switchboard Renewal
53	Equipment Rev of Plant No.4 Cooling Tower PC
54	EKM Basement Floor Laboratory Campus
55	Gas Holder Scada System Revision
56	Steel and Slag Transfer Car
57	Blast Furnace Blower Common Spare
58	Axle and Railway Wheel Assembly-Disassembly Press
59	100 m3/h Reverse Osmosis System (Double Pump-Pre-Treatment-Chip)
60	Conveyor Lines Chute Modernization
61	Compressor Cooling Water System
62	Hydraulic Polyp
63	YF5 Top Charge Dust Suppression System
64	Modernization of HAT2 Molsieve Equipment (Valves)
65	Reverse Osmosis Water Transfer System
66	Main Air Compressor Mechanical Overhaul of Plants II and IV
67	Line 4 Gas Tanks Safety Equipment Modernization
68	Development and Trial Production of 54SiCR6 Quality Steel Used in Suspension Production
69	Machinery Plants Hall 2 Rev. Inv.
70	Induction Furnaces Project
71	Unversal Milling Machine SHW
72	Dump Site Investment
73	R&D Projects

Table 25. Investment and R & D projects made between January 1 - December 31, 2022

(*) It does not include purchases of fixed assets, but includes investments for which more than TL 500,000 was spent during the period.

20. Disclosure of Significant Administrative Sanctions and Punishments Applied to the Company and Members of the Board of Directors as a result of Practices Contrary to Legislative Provisions::

Not available.

21. Information about Amendments in Legislation That May Significantly Affect the Company's Activities:

Not available.

22. Information about Important Ongoing Lawsuits Filed against the Company and Possible Consequences Thereof:

There are no significant litigations filed against the Company in 2022 that might have an impact on the Company's financial status or operations.



**BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE
WITH THE COMMUNIQUÉ SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT**

23. Information About Conflicts of Interest Between the Company and Institutions that Provide Services to the Company on Issues Such as Investment Advisory and Ratings and Cautions Taken by the Company to Prevent These Conflicts:

Not available.

24. Research and Development Activities::

Kardemir R&D Center, registered by the Ministry of Industry and Technology on October 16, 2019;

- Carries out trial productions of new products to meet the intermediate product needs imported by the automotive, defense, railway and machinery industries,
- Carries out studies within the framework of the European Green Agreement obligations,
- Operates in the field of digitalization in order to increase the efficiency of our businesses,
- Participates in patent, utility model and brand studies,
- Takes initiatives to develop industry-university cooperation.

In the 2019-2022 period, a total of 20 projects were presented to the Ministry of Industry and Technology to supply intermediate products to sectors with high added value. While the eight projects presented have been successfully concluded, the work of other projects continues. Among our completed projects, there are fasteners for automotive sector, railway wheels used in freight wagons and Marmaray. Our ongoing projects, which have been notified to the Ministry of Industry and Technology, are aimed at the fields of defense, automotive, railway, environment and digitalization.

As of 2021, joint studies are carried out with the Ministry of Industry and Technology, TÜBİTAK, Turkish Steel Producers Association (TÇÜD), Turkish Energy, Nuclear and Mining Research Institute (TENMAK) within the framework of the EU Green Consensus, which has come to the forefront as of 2021. Joint studies are organized with TENMAK on the adaptation of Kardemir to the technologies of the future, carbon capture studies and hydrogen use.

In order to offer high value-added products to different sectors, new product studies are continued punctiliously. In this context, new products in 8 different steel grades and 74 different sizes and types were produced in 2021. In 2022, 136 sizes and types of new products were produced.

Our company, which has IATF 16949 Certificate that covers international technical requirements of automotive industry and ISO TS 22163 (IRIS) International Railway Industry Standard Management System Certificate that ensures quality and reliability in the railway industry, cooperates with suppliers and universities with global production techniques that supply products to the automotive, defense industry and railway sectors. in close cooperation.

It is foreseen to organize trainings in order to meet the expectations of the Ministry of Industry and Technology, to increase the number of patent applications and to raise awareness in this field.

Collaborations with the private sector, sectoral associations and universities are accelerated in order to continue joint R&D studies, to participate in national and international calls, to research the technologies of the future with the academic world. In 2022, a Confidentiality and Framework Protocol was signed for cooperation with Akkar Arms Industry, Kahraman Sarsılmaz Makine, Gazi Teknokent and ONATUS High Engineering Foresight Technologies. It is aimed to sign a Protocol with BAKKA, Karabük Technopark, ITU, METU and Yıldız Technical Universities in the upcoming period.



**BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE
WITH THE COMMUNIQUÉ SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT**

25. Employee Social Rights, Vocational Training, and Other Company Activities That Have Social and Environmental Consequences:

Kardemir, whose foundations were laid on April 03, 1937 and which pioneered Turkey's industrial breakthrough, has perpetually maintained social responsibility activities that will improve the quality of life of the society, and has contributed to the development of social welfare through various projects such as education, culture, art, science, sports, environment, and health.

Following its privatization in 1995, Kardemir modernized its production methods, improved its capacities, and expanded its product line with high added-value items, while also continuing its environmental, community, and human-oriented initiatives.

Kardemir, Turkey's largest industrial organization, has actively engaged in and contributed to several events, made attempts to satisfy society expectations and demands during this period, and has continued to operate with the notion of "Sustainable Growth."

In this context;

The service building required by the Teams Headquarters affiliated to the Karabük Provincial Police Department and the Motorcycle Police Teams Headquarters and the furnishing of the aforementioned building, the new service building of the Karabük Chamber of Commerce and Industry, the Karabük Provincial Directorate of Culture and Tourism Eskipazar Hadrianapolis Ancient City Bath A structure is under protection. The Center for the Care and Rehabilitation of the Mentally Handicapped, Erzincan Binali Yıldırım University Life Center, Hospice Presidency Social Service City, Great Art, Idea and Civilization Foundation Complex. , Karabük Çamlık Mosque, Rize Organized Industrial Zone Mosque, Levent Mosque and Education-Cultural Center, Çayyolu Mosque and Cultural Center, "Forward Direction" Project implemented by Martyr Murat Akdemir Imam Hatip High School and forest fires in Muğla in 2021, reforestation of burned forest areas Many social projects such as the Turkish Steel Producers Association's project to create a red pine forest by planting 1 million trees on an area of 1,000 hectares have been supported by our Company with in-kind and cash donations. In addition, our tenants whose workplaces were closed or working semi-capacity due to measures applied within the scope of the fight against the coronavirus (COVID-19) were supported by giving them rental exemptions. We have also supported the families in need in Karabük by distributing food parcels and the Karabük Foundation for scholarships which it has provided for successful and needy students.

On the occasion of International Women's Day on March 8, a dinner was organized for women working in our company and all of our affiliated organizations. During the Library Week celebrated between 28 March - 01 April 2022, our company, in cooperation with Zübeyde Hanım Provincial Public Library, Provincial Directorate of National Education, Provincial Directorate of Youth and Sports and Chamber of Commerce, organized a celebration program in the city park with participation of the city protocol, students, teachers, and our company's employees.

On the occasion of the 85th anniversary of establishment of our company and Karabük, a series of social, cultural and scientific celebration events were organized with participation and contribution of our company. While the Turkish World Music and Folk Dance Ensemble and Konya Turkish Sufi Music Ensemble took the stage at the Provincial Cultural Center, the music club including staff of our company took the stage at Kardemir Education and Culture Center and gave a concert on April 3rd.

Our company participated in the Western Black Sea Career Fair, which was held under the coordination of the Presidential Human Resources Office and hosted by Bolu Abant İzzet Baysal University, on 25 -



**BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE
WITH THE COMMUNIQUÉ SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT**

26 March 2022, as a gold sponsor, and shared information about employment and internship with university youth.

Our company participated in the Materials Days organized by Yıldız Technical University Materials Sciences Club on 22 March 2022 and the Chemin'22 program organized by Ankara University on 04 March 2022 as a speaker. It supported the 2nd International Light Alloys and Composite Materials Symposium, the 2nd International FENOFEM Industry Virtual Fair on April 3, and the Western Black Sea Defense and Technology Summit organized by Karabük University on May 10-12, 2022, National Laryngology Congress organized by Karabük University, Fethi Toker Faculty of Fine Arts and Design, 12th National Laryngology Congress organized by Karabük University, Karabük Training and Research Hospital and Laryngology Association in Karabük, and 15th July Democracy and National Unity Day activities organized under the leadership of Karabük Governorship were supported by the contribution of our company and the participation of its employees.

While our Company's Education and Culture Center hosted the theater performance "Yeti Big Foot", special for the children of our employees, on April 23, National Sovereignty and Children's Day, within scope of the Culture Days held periodically in our company, on 17 June 2022, personal development specialist Mümin Sekman came together with our employees and stakeholders in his seminar titled "Despite people".

In this period, an important educational cooperation was made with BAKKA (Western Black Sea Development Agency). To develop professional competencies of the young unemployed residing in Karabük in fields such as rolling mill, welding, CNC, electrical panel and crane operators, with new technology methods (augmented/virtual reality, simulator, hologram technology) in the workshops to be established, and in order to provide employment opportunities for them in the steel industry, the "Digital Based Vocational Training Center" project carried out by Kardemir Technology, Education and Culture Foundation and BAKKA (Western Black Sea Development Agency) is supported by our Company.

Our company, one of the corporate blood donors of the Turkish Red Crescent, which continues its efforts to meet all the blood needed in Turkey from its voluntary and permanent donors, launched a new blood donation campaign with the slogan "Give Blood, Give Life" together with Karabük Red Crescent Blood Donation Center throughout the year. Our employees who donated blood within scope of the campaign experienced the happiness of supporting the lives to be saved by donating blood.

In this period, the Psychological Support Program was put into practice in order to increase the motivation of our employees and to support their psychological resilience.

Karabük İdman Yurdu Sports Club, which represents Karabük in the Regional Amateur League this season with its football team, Karabük Yenışehir Youth and Sports Club that represents Karabük in the Turkish Handball Federation League with its handball team and Demir Kartal Youth and Sports Clubs that represents Karabük in the Wheelchair Basketball First League with its wheelchair basketball team were supported by our company.

Our Company's sports club volleyball team became the champion in the inter-institutional volleyball tournament organized under the coordination of the Provincial Directorate of Youth and Sports on the occasion of the 29 October Republic Day.

In this period, special importance was given to vocational education projects. In this context; 105 vocational high school senior students who completed their skills training were graduated in June 2022 and skill trainings were started for 136 new vocational high school seniors in September 2022. In addition to the 30 secondary school graduate students recruited to our company within scope of the Dual



**BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE
WITH THE COMMUNIQUÉ SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT**

Vocational Training Project, which was launched in 2021, 30 students started their vocational training in two fields in 2022. 20 hours of memory techniques training and life coaching were given to Dual Vocational Education students, and two informative seminars were organized for their parents in the first half of the year.

Long-term internship opportunity was provided for 47 students in the branches of Metallurgy and Materials, Machinery, Mechatronics, Electric - Electronics, Industry, Industrial design, Manufacturing, Construction, Chemistry and Informatics in accordance with their Academic Calendar. In addition, 227 students were given short-term internships by meeting the university internship requests, both online and face-to-face, during the semester break and summer periods.

In order to increase knowledge and competencies of our employees a total of 347 trainings were organized in the professional and technical, managerial, life-long and legal fields, including in-house, external and online training, and the training period per person was 35.58 hours in the first half of the.

Our company has adopted a modular and integrative program structure approach for position-based joint training needs. For the joint training needs of our company, in order to create an equal level of competence in mechanical maintenance activities with a modular and integrative program structure approach, "Maintenance Repair Development Training Program under 9 different topics was provided for our employees in-scope and foreman positions, "Office Management Development Training" program for the employees of the units, and "Organizational Development Specialization" program for Human Resources activities.

With hydraulic training set, which was produced by our expert personnel completely using internal resources, internal trainings were primarily planned for the rolling mills maintenance personnel, and a total of 768 hours of theoretical and practical internal training was given to 32 people. The training of AKUT Institute and Protection and Rescue Teams was worked as a joint project and 438 personnel who participated in the trainings were certified. "Extinguishing" and "First aid" trainings of other emergency teams were carried out theoretically and practically using internal resources.

In order to certify the professional competencies of the employees, our 453 personnel have been certified in Non-Destructive Testing Techniques, Construction Machinery Operator, EKAT (Electrical Strong Current Facilities) Working Under High Voltage and various Professional Competence Standards.

Our Company, which has been supporting the understanding of continuous development and sustainable education in formal education for many years, has continued to support 6 employees for open education, 32 employees for associate and undergraduate education, and 73 employees for post graduate and doctoral programs as of the end of 2022, in order to increase education level of the personnel.

In our company, 18 of 22 different investment items within scope of the last stage environmental investments have been completed, and our 4 different environmental investments are continuing. Completion rates of ladle furnace dust collection systems, one of the ongoing investments, have exceeded 90%, the biological treatment plant has been tendered and works have commenced.

Our work on the European Green Consensus and the accompanying Border Carbon Regulation Mechanism continues.

The evaluation made for our Company within the scope of Borsa İstanbul Sustainability Index studies has resulted in a positive result. Our company continued to be included in the Borsa İstanbul Sustainability Index.



**BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE
WITH THE COMMUNIQUE SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT**

Within scope of Zero Waste Regulation, "Zero Waste Certificate" was given to our company by the Provincial Directorate of Environment, Urbanization and Climate Change on 11.11.2022.

26. Information on Transactions by Members of the Board of Directors with the Company on their own behalf or on behalf of others, as well as Activities Prohibited by Competition:

Members of the Board of Directors were permitted to approve appropriate transactions pursuant to Articles 395 and 396 of the Turkish Commercial Code at our Company's Ordinary General meetings held on March 25, 2022.

27. Information on Our Company's Sales Policy:

Our organization offers its customers the opportunity to purchase products on a quarterly basis if they are registered. A usage of registered right to purchase products list is generated four times a year, according to the yearly production program, for the months of January-March, April-June, July- September, and October-December. The announcement periods for the registered right to purchase goods are announced on the Company's website and on KAP, and are made available to all of our shareholders and those interested in purchasing registered products. Accordingly, the following table lists the firms holding a registered right to acquire products for the period January to December 2022.

(*) Our registered right to purchase goods, which was 40 percent of daily production on the basis of product for Kardemir shareholders according to our sales procedure announced on August 19, 2011, has been reduced to 30 percent pursuant to the new sales procedure announced on January 01.2018, provided that all other conditions remain the same.

INFORMATION OF THE COMPANY COMMITTED TO BUY GOODS IN 2022 JANUARY-DECEMBER PERIOD REFERENCE TO THE SALES ANNOUNCEMENT DATED 19.08.2011							
COMMERCIAL TITLE	QUANTITY OF SHARE CERTIFICATE (LOT)	TYPE OF MATERIAL	CURRENCY	MATERIAL UNIT PRICE (EXCLUDING VAT)	ORDERED MATERIAL QUANTITY (TON)	30% REQUESTED TONNAGE AS REGISTERED	TONNAGE PROVIDED AS REGISTERED
YOLBULAN	15.000.000 LOT	BILLET	USD	570,00	1.768		
		BILLET	USD	575,00	8		
		BILLET	USD	586,46	136		
		BILLET	USD	586,47	355		
		BILLET	USD	590,00	471		
		BILLET	USD	591,43	5.017		
		BILLET	USD	595,00	1.765		
		BILLET	USD	606,34	362		
		BILLET	USD	611,29	102		
		BILLET	USD	611,31	473		
		BILLET	USD	620,00	412		
		BILLET	USD	626,22	52		
		BILLET	USD	631,19	215		
		BILLET	USD	650,00	22		
		BILLET	USD	655,00	813		
		BILLET	USD	660,00	218		
		BILLET	USD	673,93	128		
		BILLET	USD	675,00	678		
		BILLET	USD	678,00	1.010		
		BILLET	USD	678,90	4.282		
		BILLET	USD	680,00	2.721		
		BILLET	USD	683,00	3.268		
		BILLET	USD	696,25	129		
		BILLET	USD	698,00	811		
		BILLET	USD	698,78	474		
		BILLET	USD	698,83	6		
		BILLET	USD	701,25	156		
		BILLET	USD	703,00	2.789		
		BILLET	USD	705,00	488		
		BILLET	USD	712,70	30		
		BILLET	USD	718,00	51		
		BILLET	USD	728,00	129		
		BILLET	USD	732,57	129		
BILLET	USD	737,55	359				
BILLET	USD	755,00	106				
BILLET	USD	778,00	38				
BILLET	USD	880,00	2.100				
BILLET	USD	885,00	3.505				
BILLET	USD	900,00	897				
BILLET	USD	905,00	2.999				
BILLET	USD	930,00	407				
		BILLET TOTAL			39.880	28.000	12.318
YOLBULAN	15.000.000 LOT	ROUND	TL	9.614,51	3.692		
		ROUND	TL	9.690,77	184		
		ROUND	TL	10.485,74	4.930		
		ROUND	TL	11.201,49	2.497		
		ROUND	TL	11.770,27	5.328		
		ROUND	TL	11.855,00	1.001		
		ROUND	TL	11.958,14	1.006		
		ROUND	TL	12.121,74	1.000		
		ROUND	TL	12.150,00	1.116		
		ROUND TOTAL			22.073	15.000	8.998

KARDEMİR KARABUK IRON STEEL INDUSTRY AND TRADE INC.



BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE
WITH THE COMMUNIQUE SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT

ÇAĞÇELİK A.Ş.	40.000.000 LOT	BILLET	USD	575,00	86	50.000	30.670				
		BILLET	USD	578,00	104						
		BILLET	USD	580,00	281						
		BILLET	USD	585,00	356						
		BILLET	USD	600,00	84						
		BILLET	USD	603,00	34						
		BILLET	USD	605,00	412						
		BILLET	USD	610,00	1.452						
		BILLET	USD	613,25	29						
		BILLET	USD	615,00	991						
		BILLET	USD	618,25	244						
		BILLET	USD	620,00	932						
		BILLET	USD	623,00	109						
		BILLET	USD	623,25	139						
		BILLET	USD	625,00	2.007						
		BILLET	USD	628,00	18						
		BILLET	USD	628,25	13						
		BILLET	USD	630,00	1.042						
		BILLET	USD	644,25	100						
		BILLET	USD	646,00	192						
		BILLET	USD	646,25	92						
		BILLET	USD	648,00	136						
		BILLET	USD	653,00	115						
		BILLET	USD	655,00	2.967						
		BILLET	USD	660,00	801						
		BILLET	USD	673,00	193						
		BILLET	USD	675,00	815						
		BILLET	USD	678,00	6.615						
		BILLET	USD	680,00	4.608						
		BILLET	USD	683,00	583						
		BILLET	USD	685,00	115						
		BILLET	USD	693,00	294						
		BILLET	USD	696,00	353						
		BILLET	USD	696,25	55						
		BILLET	USD	698,00	3.810						
		BILLET	USD	700,00	44						
		BILLET	USD	701,25	860						
		BILLET	USD	703,00	8.548						
		BILLET	USD	705,00	28						
		BILLET	USD	708,00	11						
		BILLET	USD	710,00	431						
		BILLET	USD	722,00	188						
		BILLET	USD	728,00	283						
		BILLET	USD	733,00	31						
		BILLET	USD	735,00	243						
		BILLET	USD	740,25	8						
		BILLET	USD	742,00	1.200						
		BILLET	USD	747,00	295						
		BILLET	USD	758,00	128						
		BILLET	USD	778,00	192						
		BILLET	USD	817,00	54						
		BILLET	USD	880,00	3.773						
		BILLET	USD	885,00	494						
		BILLET	USD	895,00	189						
		BILLET	USD	898,25	109						
		BILLET	USD	900,00	543						
		BILLET	USD	903,25	104						
		BILLET	USD	905,00	1.680						
		BILLET	USD	910,00	96						
		BILLET	USD	935,00	329						
		BILLET	USD	960,00	84						
				BILLET TOTAL				50.119			
		TOPÇUĞİLLER LTD.ŞTİ.	4.500.000 LOT	BILLET	USD			556,64	2.511	10.000	5.286
				BILLET	USD			560,00	4.023		
				BILLET	USD			585,00	4.027		
				BILLET	USD			590,00	65		
				BILLET	USD			596,40	1.500		
BILLET	USD			600,00	6.724						
BILLET	USD			601,37	2.500						
BILLET	USD			606,34	3.166						
BILLET	USD			615,00	28						
BILLET	USD			624,23	1.501						
BILLET	USD			651,07	2.059						
BILLET	USD			655,00	3.317						
BILLET	USD			660,00	2.604						
BILLET	USD			678,00	3.416						
BILLET	USD			683,00	1.559						
BILLET	USD			712,70	2.498						
BILLET	USD			874,72	1.104						
BILLET	USD	880,00	5.286								
BILLET	USD	885,00	1.600								
		BILLET TOTAL			49.490						

KARDEMİR KARABUK IRON STEEL INDUSTRY AND TRADE INC.



BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE
WITH THE COMMUNIQUÉ SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT

TOPÇUGİLLER LTD.ŞTİ.	4.500.000 LOT	ROUND	TL	9.774,11	1.001	3.000	2.020
		ROUND	TL	11.575,00	1.069		
		ROUND	TL	11.740,00	26		
		ROUND	TL	11.965,66	2.000		
		ROUND	TL	12.136,22	27		
		ROUND	TL	12.136,23	64		
		ROUND	TL	12.508,37	931		
		ROUND	TL	12.508,38	1.070		
		ROUND	TL	12.560,06	998		
		ROUND	TL	12.560,07	2		
		ROUND	TL	12.990,00	294		
		ROUND	TL	13.428,41	714		
		ROUND TOTAL					
HAYRETTİN AYDIN	18.000.000 LOT	BILLET	USD	556,64	1.636	33.500	22.107
		BILLET	USD	566,58	750		
		BILLET	USD	576,52	221		
		BILLET	USD	581,49	2.469		
		BILLET	USD	586,46	437		
		BILLET	USD	591,43	2.526		
		BILLET	USD	596,40	1.347		
		BILLET	USD	601,36	143		
		BILLET	USD	604,35	195		
		BILLET	USD	606,34	3.444		
		BILLET	USD	611,31	2.954		
		BILLET	USD	614,29	109		
		BILLET	USD	616,28	219		
		BILLET	USD	621,25	3.836		
		BILLET	USD	621,26	217		
		BILLET	USD	624,23	733		
		BILLET	USD	626,22	2.346		
		BILLET	USD	631,19	4.253		
		BILLET	USD	642,12	165		
		BILLET	USD	644,11	630		
		BILLET	USD	649,08	3.216		
		BILLET	USD	649,09	222		
		BILLET	USD	649,10	13		
		BILLET	USD	651,07	219		
		BILLET	USD	665,98	313		
		BILLET	USD	668,96	184		
		BILLET	USD	673,93	1.540		
		BILLET	USD	675,92	1.603		
		BILLET	USD	678,90	218		
		BILLET	USD	685,86	139		
		BILLET	USD	690,83	2.048		
		BILLET	USD	691,82	279		
		BILLET	USD	693,81	219		
		BILLET	USD	693,83	355		
		BILLET	USD	698,78	10.606		
		BILLET	USD	699,35	6		
BILLET	USD	708,72	28				
BILLET	USD	712,70	969				
BILLET	USD	720,65	140				
BILLET	USD	732,58	219				
BILLET	USD	737,54	552				
BILLET	USD	737,55	1.270				
BILLET	USD	874,72	777				
BILLET	USD	880,00	54				
BILLET	USD	892,61	197				
BILLET	USD	894,60	218				
BILLET	USD	899,57	3.884				
BILLET	USD	905,00	1.147				
BILLET TOTAL				59.266			
HAYRETTİN AYDIN	18.000.000 LOT	ROUND	TL	10.485,74	1.000	5.500	4.015
		ROUND	TL	11.835,44	1.000		
		ROUND	TL	12.004,15	79		
		ROUND	TL	12.121,74	1.000		
		ROUND	TL	12.167,75	500		
		ROUND	TL	12.372,25	1.000		
		ROUND	TL	12.423,38	500		
		ROUND	TL	12.827,26	1.000		
ROUND TOTAL				6.079			

		Type of Material	Amount of Material Ordered (Ton)	Committed Tonnage for 30 % of the Rquests	Committed Tonnage
Total round distributed as registered:	15.033	Round Grand Total	36.346	23.500	15.033
Total billets distributed as registered:	70.381	Billet Grand Total	198.755	121.500	70.381
		Grand Total	235.101	145.000	85.414

Table 27. Right to Purchase Registered Products



**BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE
WITH THE COMMUNIQUE SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT**

28. Procurement Activities -TRY

Kardemir						
Subject of Purchase	31.12.2022			31.12.2021		
	Internal Procurement	External Procurement	Total	Internal Procurement	External Procurement	Total
Primary Manufacturing and Production Raw Materials	6.432.019.561	14.661.595.093	21.093.614.654	2.962.542.080	5.474.162.255	8.436.704.334
Ancillary Materials	2.375.967.534	176.337.328	2.552.304.861	635.633.716	38.464.981	674.098.698
Operating Materials	727.763.645	310.140.671	1.037.904.316	269.689.963	116.978.673	386.668.636
Spares	547.637.109	87.505.647	635.142.755	198.920.591	43.395.348	242.315.939
Fixed Assets and Investment Materials	344.968.783	168.358.805	513.327.587	97.460.476	29.292.014	126.752.490
Purchase of Investment & Contracting Services	254.647.901	191.234.478	445.882.379	86.773.998	78.778.382	165.552.380
Repair, Maintenance and Construction Materials	98.158.096	18.240.459	116.398.555	35.159.431	5.665.132	40.824.564
Miscellaneous Materials	407.836.939	6.272.224	414.109.162	180.696.976	2.875.992	183.572.967
Total	11.188.999.567	15.619.684.703	26.808.684.270	4.466.877.230	5.789.612.778	10.256.490.008

Table 28. Procurement Activities

Subject of Purchase	31.12.2022				31.12.2021			
	Karçel	Kardökmak	Enbatı	Total	Karçel	Kardökmak	Enbatı	Total
Primary Manufacturing and Production Raw Materials	321.772.700	56.434.314		378.207.014	192.089.763	20.718.932		212.808.695
Secondary Manufacturing and Production Raw Material		1.586.679	10.572	1.597.251		531.272	5.028	536.299
Ancillary Materials	37.823.108	598.470		38.421.578	25.752.687	214.769		25.967.455
Operating Materials	2.167.823	9.430.141		11.597.964	1.929.435	2.901.962		4.831.396
Spares	8.908.035	2.088.990		10.997.025	4.942.975	884.144		5.827.118
Repair, Maintenance and Construction Materials	11.636	19.795.220		19.806.856		3.482.941		3.482.941
Miscellaneous Materials	562.082	13.207.830		13.769.912	1.299.522	5.234.476		6.533.998
Fixed Assets and Investment Materials		28.693.483		28.693.483		14.554.145		14.554.145
Total	371.245.385	131.835.127	10.572	503.091.083	226.014.381	48.522.640	5.028	274.542.048

Table 29. Procurement Activities

29. Internal Control System and Internal Auditing Activities:

The Internal Audit and Risk Management Department aims to create added value by making impartial and independent evaluations regarding the corporate governance, risk management and internal control processes within the organization in order to effectively fulfill its responsibility for the supervision of our Company's activities.



**BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE
WITH THE COMMUNIQUÉ SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT**

The Internal Audit and Risk Management Presidency, which carries out its activities in accordance with the International Audit Standards with the authority it receives directly from the Board of Directors, in order to perform its audit and oversight functions effectively, is responsible to the Audit Committee and the Board of Directors. Accordingly, it conducts audits, investigations and inspections in order to protect the rights and interests of the Company and to develop recommendations against internal and external risks. For this purpose, 10 meetings were held in 2022 with participation of the Audit Committee members and the Internal Audit Director.

In this context, Internal Audit Department regularly reports to Audit Committee, which consists of Independent Members of the Board of Directors, and provides information on internal audit activities as requested.

In addition, the Board of Directors assesses the effectiveness of our internal audit system in accordance with the relevant communique of the Capital Markets Board. A total of 10 decisions were taken by the Audit Committee in 2022. Within the scope of these activities, in line with the decision of the Audit Committee to carry out an internal audit activity that can contribute to improving efficiency of internal control, risk management and management processes in line with the company's achievement of its strategic goals, in 2022, in line with the decision to carry out the Kardemir Internal Audit Restructuring and Improvement Project. The second phase was completed and "Risk Control Matrices for All Processes and Sub-Processes" were created in a way to cover all the main processes of the Internal Control System and Process Analysis studies. Improvement suggestions regarding management and internal control processes were presented to the management.

30. Risk Management :

The Early Detection of Risk Committee (RESK), formed from among our Board Members, carries out studies for the early detection of risks that may endanger the existence, development and continuation of the Company, to take and implement the necessary measures regarding the identified risks, and to manage the risks.

In 2022, the RESK prepared 6 Corporate Risk Reports and submitted them to the Board of Directors.

31. Information and Evaluation of Whether Targets Set in the Previous Period were Achieved, Whether General Assembly Resolutions Were Implemented and If not, Reasons Why:

The Ordinary General Assembly Meeting for 2021 was held on March 25, 2022 with the meeting quorum of 31.79 %. The decisions made at this meeting were implemented.

The Board of Directors evaluates whether our Company has achieved its determined objectives at periodic meetings where they review and analyze detailed reports on operation results and the performance of our company.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE STATEMENT

As Turkey's first integrated iron and steel plant, our company, whose foundation was laid on April 3, 1937, is aware of all the benefits and the importance of Corporate Governance Principles for companies and the capital market as a whole.



**BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE
WITH THE COMMUNIQUÉ SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT**

In this context, our company has complied with all of the mandatory principles specified in the Corporate Governance Communiqué no. II-17.1 of the Capital Markets Board.

For the operating period which ended on December 31, 2022, explanations regarding the corporate governance principles attached to the Corporate Governance Communiqué which have or have not been complied with are elaborated on in the activity report, in the Corporate Governance Compliance Report (“CGCR”), the Corporate Governance Information Form (“CGIF”) and other relevant sections of the report.

KARDEMİR KARABUK IRON STEEL INDUSTRY AND TRADE INC.



BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE WITH THE COMMUNIQUÉ
SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT

	PRINCIPLES	SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT					
		COMPLIANCE STATUS				EXPLANATION	REPORT INFORMATION / LINK TO PUBLIC INFORMATION
		YES	NO	PARTIALLY	IRRELEVANT		
A. General Principles							
A1. Strategy, Policy and Goals							
A1.1	Environmental, Social and Corporate Governance (ESG) priority issues, risks and opportunities have been identified by the Board.	X				Our company has ISO 14001 Environmental Management System certificate. Within scope of the standard, an environmental policy is created and published on the website. Studies are carried out in our company within the scope of environmental management, and general information about the studies carried out is shared with our other stakeholders on our website (under the heading of sustainability).	https://www.kardemir.com/dosyalar/sayfalar/1190/14062022/2022061417155084_sayfalar_1190_14062022.pdf?v=6dee2cf5_1299_f892_190b_674afa021207
	ESG policies (e.g. Environmental Policy, Energy Policy, Human Rights and Employee Policy etc.) have been created and disclosed to the public by the board of directors of the partnership.	X				Our company has ISO 14001 Environmental Management System certificate. Within scope of the standard, an environmental policy is created and published on the website.	https://www.kardemir.com/dosyalar/sayfalar/1190/14062022/2022061417155084_sayfalar_1190_14062022.pdf?v=6dee2cf5_1299_f892_190b_674afa021207
A1.2	Short and long-term targets set within the scope of ESG policies were disclosed to the public.	X				Studies are carried out in our company within the scope of environmental management, and general information about the studies carried out is shared with our other stakeholders on our website (under the heading of sustainability).	https://www.kardemir.com/cevre_faaliyet
A2. Implementation / Monitoring							
A2.1	The committees and/or units responsible for the implementation of ESG policies and the highest level officials in the partnership related to ESG issues and their duties have been identified and disclosed to the public.			X		Within the scope of the Regulation on Environmental Management Services published by the Ministry of Environment, Urbanization and Climate Change, the Environmental Sufficiency Certificate given by the Ministry was obtained. Responsible persons have been notified to the relevant public institutions within the scope of the Regulations and Standards.	
	Activities carried out within the scope of policies by the responsible committee and/or unit were reported to the board of directors at least once a year.			X		Annual Review meetings are held and reported with our senior management.	

KARDEMİR KARABUK IRON STEEL INDUSTRY AND TRADE INC.



BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE WITH THE COMMUNIQUÉ
SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT

A2.2	In line with the ESG targets, implementation and action plans were created and disclosed to the public.			X		Relevant Environmental targets, plans are prepared in accordance with internal procedures and instructions.	
A2.3	The ESG Key Performance Indicators (KPI) and the level of reaching these indicators on a yearly basis were disclosed to the public.	X				Environmental performance indicators are followed.	https://www.kardemir.com/dosyalar/sayfalar/1338/29062022/2022062916412466_sayfalar_1338_29062022.pdf?v=b4d54c1f9_1652_330e_8f99_cd2cd6967e16
A2.4	Innovation activities for business processes or products and services that improve sustainability performance were explained.			X		The Sustainability Report contains information at a superficial level.	
A3. Reporting							
A3.1	In the annual reports, information regarding the sustainability performance, targets and actions of the partnership is given in an understandable, accurate and sufficient manner.			X		Various sections of the report contain information at a superficial level.	
A3.2	Information on which of its activities are related to the United Nations (UN) 2030 Sustainable Development Goals has been disclosed to the public by the partnership.	X				Details can be found in the Sustainability Report.	
A3.3	Lawsuits filed and/or concluded against ESG issues, which are important in terms of ESG policies and/or will significantly affect activities, have been disclosed to the public.				X	There is no such case and if it is opened, necessary sharing will be made with the public.	
A4. Verification							
A4.1	The Partnership's ESG Key Performance metrics have been verified and publicly disclosed by an independent third party.			X		The processes for the verification of all of the studies continue.	
B. Environmental Principles							
B1	The partnership has made public its policies and practices, action plans, environmental management systems (known by the ISO 14001 standard) and programs in the field of environmental management.	X				Our company has ISO 14001 Environmental Management System certificate. Within scope of the standard, an environmental policy is created and published on the website. Studies are carried out in our company within the scope of environmental management, and general information about the studies carried out is shared with our other stakeholders on our website (under the heading of sustainability).	https://www.kardemir.com/dosyalar/sayfalar/1190/14062022/2022061417155084_sayfalar_1190_14062022.pdf?v=6dee2cf5_1299_f892_190b_674afa021207

KARDEMİR KARABUK IRON STEEL INDUSTRY AND TRADE INC.



BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE WITH THE COMMUNIQUÉ
SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT

B2	The scope of the report, the reporting period, the reporting date, and the limitations regarding the reporting conditions were disclosed to the public regarding the environmental reports prepared to provide information on environmental management.	X				Environmental data for the relevant reporting period are prepared in accordance with the reporting conditions.	https://www.kardemir.com/dosyalar/sayfalar/1180/17112022/202211708185605_sayfalar_1180_17112022.pdf?v=704d5f0a_7edd_76c2_49ee_960bc55018f7
B3	Given in A2.1.						
B4	Environmental targets included in the rewarding criteria within the scope of performance incentive systems on the basis of stakeholders (such as members of the Board of Directors, managers and employees) have been disclosed to the public.	X				After the targets related to environmental issues are approved by our senior management, they are shared with the relevant stakeholders and institutions. (For example: Environmental Investments, etc.)	https://www.kardemir.com/dosyalar/sayfalar/1180/17112022/202211708185605_sayfalar_1180_17112022.pdf?v=704d5f0a_7edd_76c2_49ee_960bc55018f7
B5	How the priority environmental issues are integrated into business objectives and strategies has been disclosed to the public.	X				Environmental problems and their effects are followed up with relevant processes in corporate risk workshops. After the targets related to environmental issues are approved by our senior management, they are shared with the relevant stakeholders and institutions. (For example: Environmental Investments, etc.)	https://www.kardemir.com/dosyalar/sayfalar/1180/17112022/202211708185605_sayfalar_1180_17112022.pdf?v=704d5f0a_7edd_76c2_49ee_960bc55018f8
B6	Given in A2.4.						
B7	It has been publicly disclosed how environmental issues are managed and integrated into business objectives and strategies throughout the partnership value chain, including the operational process, including suppliers and customers.	X				The management of environmental issues within the framework of the life cycle is carried out in accordance with the procedures and instructions within the company. Our suppliers and customers are integrated into this process and are followed from an environmental point of view with the form and determined procedures.	https://www.kardemir.com/dosyalar/sayfalar/1338/29062022/2022062916412466_sayfalar_1338_29062022.pdf?v=b54c1f9_1652_330e_8f99_cd2cd6967e16
B8	Whether relevant organizations and non-governmental organizations on the environment are involved in the policy-making processes and the collaborations with these institutions and organizations were disclosed to the public.	X				Takes part in the Turkish Steel Producers Association (TÇÜD) and the environmental committee and expresses his views on policy making.	
B9	In the light of environmental indicators (Greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect)), air quality, energy management, water and wastewater management, waste management,	X				Environmental indicators are explained in our integrated annual report. Relevant information is shared with the Ministry of Environment and Urbanization. (Except Scope-3)	https://www.kardemir.com/dosyalar/sayfalar/1338/29062022/2022062916412466_sayfalar_1338_29062022.pdf?v=bd54c1f9_1652_330e_8f99_cd2cd6967e16

KARDEMİR KARABUK IRON STEEL INDUSTRY AND TRADE INC.



BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE WITH THE COMMUNIQUÉ
SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT

	biodiversity impacts), information on environmental impacts has been reported periodically in a comparable manner.					
B10	The standard, protocol, methodology and base year details used to collect and calculate the data were disclosed.	X				While collecting the relevant environmental data, the calculations are verified by the relevant verifiers within the framework of the legislation or standards, in accordance with the internal procedures and instructions.
B11	Compared to previous years, the increase or decrease of environmental indicators for the report year has been disclosed to the public.	X				In the sustainability and environmental reports, the status of the indicators for the targets determined are stated comparatively, at least in the previous year. https://www.kardemir.com/dosyalar/sayfalar/1338/29062022/2022062916412466_sayfalar_1338_29062022.pdf?v=bd54c1f9_1652_330e_8f99_cd2cd6967e16
B12	Short and long-term targets have been determined to reduce their environmental impacts, and the progress of these targets and the targets determined in previous years has been disclosed to the public.	X				After the targets related to environmental issues are approved by our senior management, they are shared with the relevant stakeholders and institutions in the Environmental Investments Report on our website. https://www.kardemir.com/dosyalar/sayfalar/1180/17112022/2022111708185605_sayfalar_1180_17112022.pdf?v=704d5f0a_7edd_76c2_49ee_960bc5501
B13	A strategy to combat climate crisis has been created and the planned actions have been publicly announced.	X				Presidential Circular on the Green Deal Action Plan was published in the Official Gazette dated 16.07.2021 within scope of the European Green Deal published by the EU commission on 14.07.2021. In line with the Green Action Plan published by the Ministry of Commerce, a working group was formed to carry out the activities in our company. Consultancy services and other work activities continue within scope of the subject. https://www.kardemir.com/dosyalar/sayfalar/1338/29062022/2022062916412466_sayfalar_1338_29062022.pdf?v=bd54c1f9_1652_330e_8f99_cd2cd6967e16
B14	Programs or procedures have been established and disclosed to the public in order to prevent or minimize the potential negative impact of products and/or services on the environment.		X			
	Actions have been taken to reduce greenhouse gas emissions of third parties (eg suppliers, subcontractors, dealers, etc.) and these actions have been disclosed to the public.		X			
B15	The environmental benefits/benefits and cost savings of initiatives and projects aimed at reducing environmental impacts have been disclosed to the public.	X				Benefit and cost savings of activities related to reducing environmental impacts are included in the sustainability reports. https://www.kardemir.com/dosyalar/sayfalar/1338/29062022/2022062916412466_sayfalar_1338_29062022.pdf?v=bd54c1f9_1652_330e_8f99_cd2cd6967e16 https://www.kardemir.com/dosyalar/sayfalar/1187/27092022/2022092714003034_sayfalar_1187_27092022.pdf?v=5a3381f3_cd86_f4fd_2def_b4b8d620de2d https://www.kardemir.com/dosyalar/sayfalar/1338/29062022/2022062916412466_sayfalar_1338_29062022.pdf?v=bd54c1f9_1652_330e_8f99_cd2cd6967e16



BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE WITH THE COMMUNIQUÉ
SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT

B16	Energy consumption (natural gas, diesel, gasoline, LPG, coal, electricity, heating, cooling, etc.) data are publicly disclosed as Scope-1 and Scope-2.	X				Energy Efficiency Database followed by the Ministry of Energy and Natural Resources within scope of legal notification obligation; Energy production and consumption data entries are made through ENVER Portal and ABYS (Survey Management Information System-General Energy Balance Tables) system. On the main page of the Kardemir Web Site; Under the Sustainability Link, in the Energy Management tab; Indicators are presented on page 4 in the activities section. 1. Link) Relevant data are available in the Kardemir Sustainability Report-Energy Management Section.	
B17	Explanations were given on electricity, heat, steam and cooling data generated and consumed in the reporting year.			X		Energy Efficiency Database followed by the Ministry of Energy and Natural Resources within scope of legal notification obligation; Data entries are made about produced and consumed electricity, heat, steam and cooling through ENVER Portal and ABYS (Survey Management Information System-General Energy Balance Tables) system. On the main page of the Kardemir Web Site; Under the Sustainability Link, in the Energy Management tab; Indicators are presented on page 4 in the activities section.	https://www.kardemir.com/dosyalar/sayfalar/1187/27092022/2022092714003034_sayfalar_1187_27092022.pdf?v=5a3381f3_cd86_f4fd_2def_b4b8d620de2d
B18	Studies on increasing the use of renewable energy, transition to zero or low carbon electricity have been carried out and these studies have been announced.			X		Feasibility studies were carried out for the rolling mill roof application and suitable land application outside the factory for the installation of SPP (Solar Power Plant) in order to increase the use of renewable energy and transition to zero or low carbon electricity, and presented to the senior management.	
B19	Renewable energy production and usage data were disclosed to public.			X		Our Sustainability Report provides information on energy efficiency.	

https://www.kardemir.com/dosyalar/sayfalar/1338/29062022/2022062916412466_sayfalar_1338_29062022.pdf?v=bd54c1f9_1652_330e_8f99_cd2cd6967e16

KARDEMİR KARABUK IRON STEEL INDUSTRY AND TRADE INC.



BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE WITH THE COMMUNIQUÉ
SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT

B20	Energy efficiency projects have been carried out and the amount of energy consumption and emission reduction achieved through these studies has been announced.	X				Kardemir Sustainability Report-Energy Management and Environment and Climate Department provides information on energy efficiency projects and the amount of energy consumption and emission reductions thanks to these studies.	
B21	Water consumption, if any, amounts of water drawn, recycled and discharged from underground or above ground, its sources and procedures have been disclosed to the public.	X				Relevant data are available in the Kardemir Sustainability Report- Climate Section.	https://www.kardemir.com/dosyalar/sayfalar/1338/29062022/2022062916412466_sayfalar_1338_29062022.pdf?v=bd54c1f9_1652_330e_8f99_cd2cd6967e16
B22	It has been explained and disclosed to public whether the operations or activities are included in any carbon pricing system (Emission Trading System, Cap & Trade or Carbon Tax).		X			Presidential Circular on the Green Deal Action Plan was published in the Official Gazette dated 16.07.2021 within scope of the European Green Deal published by the EU commission on 14.07.2021. ETS etc. pricing is not yet clear in our country.	
B23	Details regarding the carbon credits accumulated or purchased during the reporting period have been announced.		X			Presidential Circular on the Green Deal Action Plan was published in the Official Gazette dated 16.07.2021 within scope of the European Green Deal published by the EU commission on 14.07.2021. ETS etc. pricing is not yet clear in our country.	
B24	If carbon pricing is applied within the partnership, the details of this application have been announced.		X			Presidential Circular on the Green Deal Action Plan was published in the Official Gazette dated 16.07.2021 within scope of the European Green Deal published by the EU commission on 14.07.2021. ETS etc. pricing is not yet clear in our country.	
B25	The platforms where the partnership discloses its environmental information are publicly disclosed.	X				Statements on environmental terms officially and on voluntary platforms are included in the relevant reports.	
C. Social Principles							
C1. Human Rights and Employee Rights							
C1.1	The Institutional Human Rights and Employee Rights Policy has been established in a way to cover the Universal Declaration of Human Rights, ILO Conventions ratified by Turkey and other relevant legislation, those responsible for the implementation of the policy have been determined and			X		Corporate Human Rights, Employee Rights and Human Resources Policies have been established.	https://www.kardemir.com/dosyalar/sayfalar/1338/29062022/2022062916412466_sayfalar_1338_29062022.pdf?v=bd54c1f9_1652_330e_8f99_cd2cd6967e16

KARDEMİR KARABUK IRON STEEL INDUSTRY AND TRADE INC.



BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE WITH THE COMMUNIQUÉ
SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT

	the policy and those responsible have been disclosed to the public.					
C1.2	Considering the effects of supply and value chain, fair workforce, improvement of labor standards, women's employment and inclusion issues (gender, race, religion, language, marital status, ethnic identity, sexual orientation, gender identity, family responsibilities, union activities, political opinion, disability, social and cultural differences, etc.).	X				
C1.3	Measures taken throughout the value chain to protect the rights of certain economic, environmental, social factors (low-income groups, women, etc.) or minority rights / equality of opportunity are disclosed to the public.			X		
C1.4	Developments regarding preventive and corrective practices against discrimination, inequality, human rights violations, forced and child labor were disclosed to the public.	X				https://www.kardemir.com/dosyalar/sayfalar/1338/29062022/2022062916412466_sayfalar_1338_29062022.pdf?v=bd54c1f9_1652_330e_8
C1.5	Investment in employees (education, development policies), compensation, fringe benefits, right to unionize, work/life balance solutions and talent management are included in the employee rights policy.	X				https://www.kardemir.com/dosyalar/sayfalar/1338/29062022/2022062916412466_sayfalar_1338_29062022.pdf?v=bd54c1f9_1652_330e_8f99_cd2cd6967e16
	Dispute resolution processes have been determined by establishing mechanisms for employee complaints and resolution of disputes.			X		Ethics hotline and e-mail addresses have been established for employee complaints, and all complaints and disputes are evaluated by the ethics committee. https://www.kardemir.com/etik_kurallar
	Activities carried out within the reported period to ensure employee satisfaction were disclosed to the public.	X				https://www.kardemir.com/dosyalar/sayfalar/1338/29062022/2022062916412466_sayfalar_1338_29062022.pdf?v=bd54c1f9_1652_330e_8f99_cd2cd6967e16
C1.6	Occupational health and safety policies have been created and shared with the public.	X				
	The precautions taken in order to prevent occupational accidents and to protect health and accident statistics are explained.			X		
C1.7	Personal data protection and data security policies have been established and disclosed to the public.	X				https://www.kardemir.com/kvkk
C1.8	Ethics policy is established and disclosed to the public.	X				https://www.kardemir.com/etik_kurallar
C1.9						
C1.10	Informative meetings and training programs regarding ESG policies and practices have been held for employees.	X				Environmental trainings required to be given within the scope of environmental https://www.kardemir.com/dosyalar/sayfalar/1338/29062022/2022062916412466_sayfalar_1338_29062022.pdf?v=bd54c1f9_1652_330e_8f99_cd2cd6967e16



BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE WITH THE COMMUNIQUÉ
SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT

						legislation are given regularly every year. The content of the training includes environmental policy and practices, and in 2022, all personnel were provided with online training.	
	C2. Stakeholders, International Standards and Initiatives						
C2.1	The customer satisfaction policy regarding the management and resolution of customer complaints has been prepared and disclosed to the public.	X					
C2.2	Information about the communication with stakeholders (which stakeholder, subject and frequency) is publicly disclosed.			X		Relevant details are shared in the sustainability report.	
C2.3	International reporting standards adopted in reporting are explained.			X		It is planned to carry out studies on councils and institutions in the coming years.	
C2.4	Principles adopted, signatory or member international organizations, committees and principles regarding sustainability have been disclosed to the public.		X			It is not a signatory or member of the mentioned institutions.	
C2.5	Improvements were made and studies were carried out to be included in the sustainability indices of Borsa Istanbul and/or international index providers.	X					
	D. Corporate Governance Principles						
D1	Opinions of stakeholders are sought in determining measures and strategies in the field of sustainability.	X					
D2	Studies are carried out to raise awareness on the issue of sustainability and the importance of sustainability through social responsibility projects, awareness activities and trainings.	X					



BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE WITH THE COMMUNIQUÉ
SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT

Corporate Governance Compliance Report	Compliance Status					
	Yes	Partially	No	Exempt	Irrelevant	Description
1.1. FACILITATING THE EXERCISE OF SHAREHOLDER RIGHTS						
1.1.2- Up-to-date information and disclosures which may affect the exercise of shareholder rights are available to investors at the corporate website.	X					
1.2. RIGHT TO OBTAIN AND VIEW INFORMATION						
1.2.1- Company management has refrained from performing transactions that make special audits difficult to conduct.	X					
1.3. GENERAL ASSEMBLY						
1.3.2- The company ensures that the General Assembly agenda is clearly stated, and each proposal is submitted under a separate title.	X					
1.3.7- Insiders with privileged information have informed the board of directors about transactions conducted on their behalf within the scope of the company's activities in order for these transactions to be presented at the General Shareholders' Meeting.					X	There was no transaction notice in this manner.
1.3.8 - Members of the board of directors who are concerned with specific agenda items, auditors, and other related persons, as well as the officers who are responsible for the preparation of the financial statements were present at the General Shareholders' Meeting.	X					
1.3.10 - The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions.	X					



BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE WITH THE COMMUNIQUÉ
SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT

1.3.11- The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak.		X				Done within the context of the General Assembly internal directive.
1.4. VOTING RIGHTS						
1.4.1- There is no restriction preventing shareholders from exercising their shareholder rights.	X					
1.4.2 - The company does not have shares that carry privileged voting rights.	X					
1.4.3- The Company has not exercised its voting rights at the General Assembly of any partnership with which it has a mutual shareholding or subsidiary relationship.					X	No mutual subsidiary relationship exists.
1.5. MINORITY RIGHTS						
1.5.1- The company paid the utmost attention to minority partners' use of rights.	X					
1.5.2 -The Articles of Association extend the use of minority rights to those who own less than one twentieth of the outstanding shares, and expand the scope of the minority rights.			X			Regulated in accordance with the Articles of Association and as per Article 22 of our Articles of Association, provisions not mentioned in the Articles of Association are subject to the Turkish Commercial Code, the Capital Markets Board and the relevant legislation.



BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE WITH THE COMMUNIQUÉ
SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT

Corporate Governance Compliance Report	Compliance Status					
	Yes	Partially	No	Exempt	Irrelevant	Description
1.6. DIVIDEND RIGHTS						
1.6.1- The dividend policy approved by the General Shareholders' Meeting is posted on the company website.	X					
1.6.2- The dividend distribution policy comprises the minimum information to ensure that the shareholders can have an opinion on the procedure and principles of dividend distributions in the future.	X					
1.6.3- The reasons for retaining earning,, and their allocations, are stated in the relevant agenda item.					X	Profit distribution has been made.
1.6.4- The Board of Directors has reviewed whether there is a balance between the interests of the shareholders and the interests of the partnership regarding the profit distribution policy.	X					
1.7. TRANSFER OF SHARES						
1.7.1- There are no restrictions that make transferring shares difficult.	X					
2.1. CORPORATE WEBSITE						
2.1.1- The company's corporate website includes all the factors that make up the corporate governance principle numbered 2.1.1..	X					
2.1.2- The shareholder structure (names, privileges, and number and ratio of shares of each natural person shareholder who owns more than 5% of the issued capital) is updated on the corporate website at least once every 6 months.					X	There are no natural person shareholders who own more than 5%.
2.1.4- The information on the company's corporate website has been prepared in foreign languages, which are selected as necessary, with the exact same content as the Turkish.	X					
2.2. ACTIVITY REPORT						



BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE WITH THE COMMUNIQUÉ
SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT

2.2.1- The Board of Directors ensures that the annual activity report fully and accurately reflects the company's activities.	X					
2.2.2- The annual activity report includes all the factors that make up principle 2.2.2.	X					
3.1. COMPANY POLICY FOR STAKEHOLDERS						
3.1.1- The regulations and contracts regarding the rights of stakeholders are protected within the scope of good faith rules.	X					
3.1.3- The policies and procedures regarding the rights of stakeholders are published on the company's corporate website.	X					
3.1.4- The mechanisms necessary for stakeholders to report transactions which do not comply with the legislation in force or are not ethically appropriate have been established.	X					
3.1.5- The company handles conflicts of interest among stakeholders in a balanced manner.	X					
3.2. SUPPORTING THE PARTICIPATION OF STAKEHOLDERS IN MANAGING THE COMPANY						
3.2.1- Employee participation in management has been regulated by the Articles of Association or internal regulations.		X				Employee representation is provided for Blue Collar and White-Collar personnel to carry out their activities on the boards. There is a union that represents the rights and responsibilities of Blue-Collar workers.
3.2.2- Methods such as questionnaires / consultations have been applied in order to obtain the opinions of stakeholders on important decisions that have consequences for them.	X					



BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE WITH THE COMMUNIQUÉ
SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT

Corporate Governance Compliance Report	Compliance Status					
	Yes	Partially	No	Exempt	Irrelevant	Description
3.3. THE COMPANY'S HUMAN RESOURCES POLICY						
3.3.1- The company has adopted an equal opportunity employment policy that includes succession procedures for all key executive positions.	X					
3.3.2- The criteria for personnel recruitment are defined in writing.	X					
3.3.3- The company has a Human Resources Development Policy and it organizes training for employees within this scope.	X					
3.3.4- Meetings were held in order to inform employees of matters such as the financial position of the company, salaries, career planning, training and health.	X					
3.3.5- Employees and their representatives were informed of decisions which might affect them. The opinions of the relevant unions were obtained.	X					
3.3.6- Job definitions and performance criteria were prepared in detail, announced to all employees and used in salary decisions.	X					
3.3.7- Procedures, training, awareness raising, objectives, monitoring, and grievance mechanisms have been established to prevent discrimination among employees and to protect employees against physical, mental and emotional mistreatment within the company.	X					
3.3.8- The company supports and recognizes the freedom to form associations and the right to make collective labor agreements.	X					
3.3.9- A safe working environment is provided for employees.	X					
3.4. RELATIONS WITH CUSTOMERS AND SUPPLIERS						
3.4.1- The company measured customer satisfaction and operated with an understanding of unconditional customer satisfaction.	X					
3.4.2- Customers are notified of delays in processing their claims for the goods and services they purchased.	X					
3.4.3- The company is bound by their quality standards on goods and services.	X					
3.4.4- The company has controls to protect the confidentiality of sensitive information and trade secrets of customers and suppliers.	X					



BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE WITH THE COMMUNIQUÉ
SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT

3.5. CODES OF CONDUCT AND SOCIAL RESPONSIBILITY						
3.5.1- The Board of Directors determined the Code of Conduct and published it on the company's corporate website.	X					
3.5.2- The partnership is cognizant of its social responsibilities. It took measures to prevent corruption and bribery.	X					
4.1. FUNCTION OF THE BOARD OF DIRECTORS						
4.1.1- The Board of Directors determined the Code of Conduct and published it on the company's corporate website.	X					
4.1.2- The agenda and minutes of meetings reveal that the Board of Directors discussed the strategic targets of the company before approving them, determined the resources required and audited the performance of management.	X					
4.2. PRINCIPLES OF OPERATION OF THE BOARD OF DIRECTORS						
4.2.1- The Board of Directors documented its activities and submitted them for shareholders' information.	X					
4.2.2- The duties and authorities of the members of the Board of Directors are explained in the annual activity report.	X					
4.2.3- The Board of Directors established an internal control system that suits the company's scale and the complexity of its activities.	X					
4.2.4- Information about the operation and effectiveness of the internal control system is given in the annual activity report.	X					
4.2.5- The duties of the Chairman of the Board and the Chief Executive Officer (General Manager) are defined and separate from each other.	X					
4.2.7- The Board of Directors worked cooperatively with the investor relations department and the corporate governance committee to help them work effectively on matters such as eliminating conflicts between the company and shareholders and in communicating with shareholders.	X					
4.2.8- The company has obtained executive responsibility insurance that exceeds 25% of the capital to cover damages members of the Board of Directors might cause by defectively performing their duties.	X					



BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE WITH THE COMMUNIQUÉ
SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT

Corporate Governance Compliance Report	Compliance Status					
	Yes	Partially	No	Exempt	Irrelevant	Description
4.3. STRUCTURE OF THE BOARD OF DIRECTORS						
4.3.9- The Board of Directors of the company has determined a target goal for female members as a 25% minimum and established a policy for achieving this goal. The board annually evaluates its composition and nominates directors so as to be compliant with the policy.			X			There is 1 (one) female member appointed in the Board of Directors of our Company. There is no 25% minimum target policy for female members on the Board of Directors.
3/4/2010- At least one member of the committee responsible for auditing has 5 years of experience in auditing/accounting and finance..	X					
4.4. THE BOARD OF DIRECTORS MEETINGS						
4.4.1- All Board members physically participated in most of the Board of Director's meetings.	X					
4.4.2- The Board of Directors defined a minimum period for sending information and documents related to the agenda to all members before the meeting.	X					
4.4.3- The opinions of members who could not attend the meeting but who reported his/her opinions in writing to the Board of Directors were submitted for other members' information.	X					
4.4.4- Each member of the Board of Directors has the right to one vote.	X					
4.4.5- The way the Board of Directors holds their meetings is written in the intracompany regulations.	X					
4.4.6- The minutes of Board of Directors meetings reveal that all items on the agenda are discussed, and decisions are made with opposing views kept in mind.	X					
4.4.7- There are limits to external commitments of board members. The duties of the members of the Board of Directors outside the company were submitted for shareholders' information at the General Meeting.			X			There is no restriction on members of the Board of Directors performing other duties outside the Company.



**BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE WITH THE COMMUNIQUÉ
SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT**

4.5. THE COMMITTEES ESTABLISHED WITHIN THE BODY OF THE BOARD OF DIRECTORS						
4.5.5- Board members serve in only one of the Board's committees.		X				Due to the number of Board of Directors members, some members serve on more than one committee.
4.5.6- The committees invited people whose opinions they thought necessary to meetings to listen to their views.	X					
4.5.7- Information about the independence of the persons/organizations the committee receives consultancy services from is included in the annual activity report.	X					
4.5.8- A report was prepared regarding the results of the committee meetings and presented to the members of the Board of Directors.	X					
4.6. FINANCIAL RIGHTS PROVIDED FOR THE BOARD OF DIRECTORS AND EXECUTIVES WITH ADMINISTRATIVE RESPONSIBILITIES						
4.6.1- The board of directors has conducted a board The performance of the performance evaluation to review whether it has Board of Directors was discharged all its responsibilities effectively.	X					
4.6.4- The company did not extend credit, lend money or extend payment periods for lent money, improve conditions, extend credit under personal credit titles through third parties, or guarantee any bond to any member of the Board of Directors or executive with administrative responsibilities.	X					
4.6.5- The salary of every member of the Board of Directors and each executive with administrative responsibilities is explained in the annual activity report.		X				The salaries of Board of Directors members and executives with administrative responsibilities are explained collectively in the annual report.



BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE WITH THE COMMUNIQUÉ
SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT

1. SHAREHOLDERS	
1.1. Facilitating Shareholders' Use of their Rights	
Number of investor conferences and meetings held by the company during the year	52
1.2. Right to Obtain and Examine Information	
Number of private auditor requests	0
Number of private auditor requests accepted at the General Assembly	0
1.3. General Assembly	
PDP announcement link requesting information as per principle 1.3.1 (a-d)	https://www.kap.org.tr/tr/Bildirim/1006199
Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time.	Yes
The links to the PDP announcements associated with the transactions that are not approved by the majority of independent directors or by unanimous votes of present board members in the context of Principle 1.3.9	There was no such operation.
The links to the PDP announcements associated with related party transactions in the context of Article 9 of the Communique on Corporate Governance (II-17.1)	https://www.kap.org.tr/tr/Bildirim/1006264
The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communique on Corporate Governance (II-17.1)	https://www.kap.org.tr/tr/Bildirim/1006264
The name of the section on the corporate website that demonstrates the donation policy of the company	Investor Relations / Corporate Governance / Policies / Donations and Aid Policy
The relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been approved	https://www.kap.org.tr/tr/Bildirim/289049
The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	Article 14



BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE WITH THE COMMUNIQUÉ
SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT

Information on the stakeholders who participate in the General Assembly	Only shareholders and officials attended the General Assembly meeting.
1.4. Voting Rights	
Are there privileged voting rights?	No
Privileged shareholders and voting rates, if there is privileged voting	-
The percentage of ownership of the largest shareholder	-
1.5. Minority Rights	
Were minority partners' rights extended in the company's Articles of Association (in terms of content or rate)	No
If minority partners' rights were extended in terms of content or rate, specify the number of the relevant Article of Association.	-
1.6. Dividend Rights	
Section name on the corporate website containing the company's dividend distribution policy	Investor Relations / Corporate Governance / Policies / Dividend Distribution Policy
Minutes of the relevant agenda item in case the board of directors proposed to the general assembly not to distribute dividends, the reason for such proposal and information as to use of the dividend.	Profit was distributed in 2022.
PDP Link to the related general shareholder meeting minutes In case the board of directors proposed to the general assembly not to distribute dividends	Profit was distributed in 2022.

KARDEMİR KARABUK IRON STEEL INDUSTRY AND TRADE INC.



BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE WITH THE COMMUNIQUÉ
SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT

General Meeting Date	Number of additional explanation demands submitted to the company regarding the agenda of the General Assembly	Shareholder participation rate at the General Assembly	Rate of shares directly represented	Percentage of shares represented by proxy	Section name on the company's corporate website containing the minutes of the General Assembly and showing the positive and negative votes about each agenda item	Section name on the corporate website containing all the questions and answers at the General Assembly	Article or paragraph number of the General Assembly minutes about the related parties	Number of people notified to the Board of Directors who have access to partnership information in a privileged way (Insiders list)	PDP Link of the General Assembly statement
March 25, 2022	0	31.79%	2.23%	29.56%	Investor Relations I Corporate Governance I General Assembly	Questions Asked During General Assembly And Answers to Them	Article 10 of the Agenda	7	https://www.kap.org.tr/tr/Bildirim/1013155



BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE WITH THE COMMUNIQUÉ
SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT

2. PUBLIC DISCLOSURE AND TRANSPARENCY	
2.1. Corporate Website	
Section names on the corporate website containing the relevant information on corporate governance principle number 2.1.1.	Corporate / Sustainability, Investor Relations / Corporate Governance, Investor Relations / Presentation, Reports and Sheets, Information Society Services, Frequently Asked Questions
Section on the corporate website listing natural person shareholders that directly or indirectly have more than 5% of the shares	-
Languages the Corporate Website Includes	Turkish/ English
2.2. Faaliyet Raporu	
Page numbers or section names of the annual report containing the information stated in corporate governance principle number 2.2.2.	
a) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the duties of the members of the board of directors and executives conducted out of the company and declarations on independence of board members.	Information About the Duties of Board of Directors Members and Executives Apart from Subsidiaries and Affiliates Outside the Company,
b) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on committees formed within the board structure	Board of Directors Committees and their Members, Frequency of Meetings, Working Principles, Activities and the Board of Directors' Evaluation of Committee Activities
c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the number of board meetings in a year and the attendance of the members to these meetings	Number of Meetings of the Board of the Directors during the Year and the Attendance Status of Board Members at the Meetings
ç) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on amendments in the legislation which may significantly affect the activities of the corporation	Information about Legislative Amendments that may Significantly Affect Company Activities
d) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on significant lawsuits filed against the corporation and the possible results thereof	Information about Important Ongoing Lawsuits Filed against the Company and their Possible Consequences



**BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE WITH THE COMMUNIQUÉ
SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT**

e) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the conflicts of interest of the corporation among the institutions that it purchases services on matters such as investment consulting and rating and the measures taken by the corporation in order to avoid from these conflicts of interest	Information about Conflicts of Interest between Organizations such as Investment Consultancies or Rating Institutions and the Company, and the Measures Taken by the Company in order to Prevent such Conflicts of Interest
f) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the cross ownership subsidiaries that the direct contribution to the capital exceeds 5%	General Information about Affiliates and Subsidiaries
g) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on social rights and professional training of the employees and activities of corporate social responsibility in respect of the corporate activities that arises social and environmental results	Information about Social Rights, Employee Vocational Education and Company Activities with Social and Environmental Consequences

3. STAKEHOLDERS	
3.1. Company Policy on Stakeholders	
Section name on the corporate website with information on compensation policy	-
Number of finalized judicial decisions against the company due to employee rights violations	-
Titles of authorized people in the notification mechanism	KARDEMİR Chairman of the Board of Directors, Deputy Chairman of the Board of Directors, General Manager, Deputy General Manager of Financial Affairs, Deputy General Manager of Human Resources and Administrative Affairs, Legal Adviser, Corporate Communications Manager and Investor Relations Manager.
Access information to the company's notification mechanism	etik@kardemiretik.com
3.2. Supporting Stakeholders' Participation in Company Management	
Section name on the company website with internal regulations on the participation of employees in managing bodies	Corporate Governance / Sustainability / Management Systems



BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE WITH THE COMMUNIQUÉ
SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT

Managing bodies where employees are represented	Boards, Management Systems, Union
3.3. Company's Human Resources Policy	
The role of the Board of Directors in developing a succession plan for key executive positions	The Board of Directors is authorized to evaluate the managers who contribute to the realization of the company's strategic objectives and appoint them to the relevant positions.
Section name on the corporate website detailing the human resources policies that includes equal opportunity and personnel recruitment criteria or a summary of the relevant policy articles	-
Is there an employee stock ownership plan?	There is no employee stock ownership plan.
Section name on the corporate website detailing the human resources policies that include measures preventing discrimination and ill treatment or a summary of the relevant articles	-
Number of finalized judicial decisions against the company due to occupational accident responsibility	7
3.5. Codes of Conduct and Social Responsibility	
Section name on the corporate website detailing codes of conduct	Corporate/Sustainability/Codes of Conduct
Section name on the corporate website with the corporate social responsibility report. If there is no corporate social responsibility report, measures taken pertaining to environmental, social and corporate governance matters	Corporate / Sustainability
Measures taken to fight against all forms of corruption including extortion and bribery	Stated in Business Ethics Rules.



**KARDEMİR KARABUK IRON STEEL INDUSTRY AND
TRADE INC.**

**BOARD OF DIRECTORS ACTIVITY REPORT
PREPARED IN ACCORDANCE WITH THE
COMMUNIQUE SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT**

4. BOARD OF DIRECTORS - I	
4.2. Activity Principles of the Board of Directors	
Date of the most recent Board of Directors performance evaluation	January 27, 2023
Were independent experts utilized in the Board of Directors performance evaluation?	No
Were all Board of Directors members confirmed?	They were confirmed.
Names of Board of Directors members authorized with work distribution and the content of their relevant authorizations	Dr. Alparslan BAYRAKTAR- Chairman of the Board of Directors Ömer DEMİRHAN- Deputy Chairman of the Board of Directors
Number of reports submitted to the supervisory board or other relevant committees by the internal control unit	10
Section name or page number of the annual report detailing the evaluation of the effectiveness of the internal control system	Internal Control System and Internal Auditing Activities
Name of the Chairman	Dr. Alparslan BAYRAKTAR
Name of the Chief Executive Officer / General Manager	Necdet UTKANLAR
PDP announcement link which explains why the Chairman of the Board of Directors and the Chief Executive Officer / General Manager is the same person	They are not the same person.
Link to the PDP notification stating that any damage that may be caused by the members of the board of directors during the discharge of their duties is insured for an amount exceeding 25% of the company's capital	Warranty Limited Executive Liability Insurance was obtained for damages the Board of Directors may cause by making mistakes while performing their duties.
Section name on the corporate website that provides information about the diversity policy to increase the number and ratio of female Board of Directors members	-
Number and ratio of the female members	1-% 9.1



BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE WITH THE COMMUNIQUÉ
SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT

Structure of the Board of Directors							
Name/Surname of the Member of the Board of Directors	Executive or not	Independent Member or Not	First Date of Election to the Board of Directors	PDP Announcement Link with their Declaration of Independence	Has the Independent Member been Evaluated by the Nomination Committee?	Has the Member Lost Independence?	Has at least 5 years of Experience in Auditing, Accounting and/or Finance
Karabuk University, Alparslan BAYRAKTAR	Non-executive	Non-Independent Member	02.11.2020	-	-	No	Yes
Ömer DEMİRHAN	Non-executive	Independent Member	02.11.2020	-	Evaluated	No	Yes
Prof. Dr. Ercüment ARVAS	Non-executive	Independent Member	02.11.2020	-	Evaluated	No	No
Fatih Mehmet ERKOÇ	Non-executive	Non-Independent Member	02.11.2020	-	-	No	No
Kamil GÜLEÇ	Non-executive	Non-Independent Member	02.11.2020	-	-	No	No
Muhammed Ali OFLAZ	Non-executive	Non-Independent Member	02.11.2020	-	-	No	Yes
Mustafa AYDIN	Non-executive	Independent Member	02.11.2020	-	Evaluated	No	Yes
Yusuf CANBOLAT	Non-executive	Non-Independent Member	02.11.2020	-	-	No	Yes
Zehra Zümrüt SELÇUK	Non-executive	Non-Independent Member	05.05.2021	-	-	No	Yes



BOARD OF DIRECTORS ACTIVITY REPORT PREPARED IN ACCORDANCE WITH THE COMMUNIQUÉ
SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT

4. BOARD OF DIRECTORS - II	
4.4. Form of the Board of Directors Meetings	
Number of physical Board of Directors meetings held during the reporting period	18
Average attendance rate at Board of Directors meetings	98%
Is an electronic portal used to simplify the Board of Directors' work?	Yes
Number of days before the meetings information and documents were submitted to the members in accordance with the working principles of the Board of Directors	2 Days
Section name on the corporate website with information on the internal regulations that determine how the Board of Directors meetings will be held	Investor Relations/Corporate Management / Articles of Association / Article 12
The upper limit set in the policy that limits Board of Directors members from taking on other duties outside the company	-
4.5. Committees Established under the Board of the Directors	
Page number or section name of the annual report with information about Board of Directors committees	Board of Directors Committees and their Members, Frequency of Meetings, Working Principles, Activities and the Board of Directors' Evaluation of Committee Activities
PDP announcement link for the working principles of the committees	https://www.kap.org.tr/tr/Bildirim/220308



**KARDEMİR KARABUK IRON STEEL INDUSTRY AND
TRADE INC.**

**BOARD OF DIRECTORS ACTIVITY REPORT
PREPARED IN ACCORDANCE WITH THE
COMMUNIQUE SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT**

Committees of the Board of Directors –I				
Names of the Board Committees	Name of the Committee Specified as “Other” in the First Column	Name-Surname of Committee Members	Committee President or Not	Board Member or Not
Audit Committee		Ömer DEMİRHAN	Yes	Member of the Board of Directors
Audit Committee		Prof. Dr. Ercüment ARVAS	No	Member of the Board of Directors
Audit Committee		Mustafa AYDIN	No	Member of the Board of Directors
Corporate Governance Committee		Mustafa AYDIN	Yes	Member of the Board of Directors
Corporate Governance Committee		Prof. Dr. Ercüment ARVAS	No	Member of the Board of Directors
Corporate Governance Committee		Ömer DEMİRHAN	No	Member of the Board of Directors
Corporate Governance Committee		Burçay YAVUZ	No	Not a Board Member
Early Detection of Risk Committee		Mustafa AYDIN	Yes	Member of the Board of Directors
Early Detection of Risk Committee		Muhammed Ali OFLAZ	No	Member of the Board of Directors



**KARDEMİR KARABUK IRON STEEL INDUSTRY AND
TRADE INC.**

**BOARD OF DIRECTORS ACTIVITY REPORT
PREPARED IN ACCORDANCE WITH THE
COMMUNIQUE SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT**

4. BOARD OF DIRECTORS - III	
4.5. Committees Established under the Board of Directors-II	
Please indicate the section of the annual report or the corporate website containing information about audit committee activities (page number or section name)	In the annual report, it is included in "6. Evaluation of the Board of Directors on the Operating Principles and the Effectiveness of Committees, Committee Members, Meeting Frequency and Activities" and on our corporate website in the Investor Relations/Corporate Governance/Committees section.
Please indicate the section of the annual report or the corporate website containing information about corporate governance committee activities (page number or section name)	In the annual report, it is included in "6. Evaluation of the Board of Directors on the Operating Principles and the Effectiveness of Committees, Committee Members, Meeting Frequency and Activities" and on our corporate website in the Investor Relations/Corporate Governance/Committees section.
Please indicate the section of the annual report or the corporate website containing information about nomination committee activities (page number or section name)	In the annual report, it is included in "6. Evaluation of the Board of Directors on the Operating Principles and the Effectiveness of Committees, Committee Members, Meeting Frequency and Activities" and on our corporate website in the Investor Relations/Corporate Governance/Committees section.
Please indicate the section of the annual report or the corporate website containing information about the early detection of risk committee activities (page number or section name)	In the annual report, it is included in "Evaluation of the Board of Directors on the Operating Principles and the Effectiveness of Committees, Committee Members, Meeting Frequency and Activities" and on our corporate website in the Investor Relations/Corporate Governance/Committees section.
Please indicate the section of the annual report or the corporate website containing information about compensation committee activities (page number or section name)	In the annual report, it is included in "Evaluation of the Board of Directors on the Operating Principles and the Effectiveness of Committees, Committee Members, Meeting Frequency and Activities" and on our corporate website in the Investor Relations/Corporate Governance/Committees section.
4.6. Financial Rights Provided to Board of Directors Members and Executives with Administrative Responsibilities	
Page number or section name with information on whether the operational and financial objectives of the annual report have been achieved	-
Section name of the corporate website containing information on compensation for executive and non-executive members	Investor Relations/Corporate Governance/Policies
Page number and section name of the annual report indicating the fees and all other benefits provided to Board of Directors members and directors with administrative responsibilities	Number of Meetings of the Board of the Directors during the Year and the Attendance Status of Board Members at the Meetings



**KARDEMİR KARABUK IRON STEEL INDUSTRY AND
TRADE INC.**

**BOARD OF DIRECTORS ACTIVITY REPORT
PREPARED IN ACCORDANCE WITH THE
COMMUNIQUE SERIAL:II, NO:14.1
BOARD OF DIRECTORS ACTIVITY REPORT**

Committees of the Board of Directors-II					
Names of the Board Committees	Name of the Committee Specified as "Other" in the First Column	The Percentage of Non Executive Directors	Percentage of Independent Committee Members	Number of Physical Meetings Held by the Committee	Number of Reports Submitted to the Board of Directors about Committee Activities
Audit Committee		100	100	9	10
Corporate Management Committee		100	75	-	-
Early Detection of Risk Committee		100	50	6	6