



EREĞLİ DEMİR VE ÇELİK FABRİKALARI T.A.Ş.

For the Period 1 January - 30 September 2023
Condensed Board of Directors' Activity Report

**BOARD OF DIRECTORS' ACTIVITY REPORT PREPARED IN ACCORDANCE
WITH THE COMMUNIQUÉ SERIA: II, NO:14.1****A - GENERAL INFORMATION****1. Period of the Report**

1 January - 30 September 2023

2. Information About the Association

- **Title:** EREĞLİ DEMİR VE ÇELİK FABRİKALARI T.A.Ş.
- **Trade Registry Number:** 863637
- **Address:** Barbaros Mah. Ardiç Sok. No: 6 Ataşehir/İSTANBUL
- **Website:** www.erdemir.com.tr

3. Shareholding and Capital Structure

Authorized Capital : TRY 7.000.000 thousand
Paid-in Capital : TRY 3.500.000 thousand

Shareholders	Shares (Thousand TRY)	%
ATAER Holding A.Ş.	1.724.982	49,29
Publicly Held	1.650.776	47,16
Erdemir's Own Shares	124.242	3,55
Total	3.500.000	100,00

Share Buy-back, which was approved at the Company's Ordinary General Assembly Meeting dated 31 March 2023. Within the scope of the "Share Buy-back Programme", 16.405.000 shares were repurchased in exchange for TRY 524.272 thousand. After the Company's share purchase, the shares held by the Company increased to %3,55.

4. Board of Directors, Executive Management and Number of Personnel

According to the Turkish Commercial Code and related regulations, the election of the Board of Directors is executed by the General Assembly within the framework of the Articles of Association. Should there be an opening in the Board of Directors Membership within the respective period; an election for the available positions is made according to the provisions of Turkish Commercial Code and Company's Articles of Association and the results are submitted to the next general assembly to be approved. The Company's 2022 Regular General Assembly has been executed on 31 March 2023.

At the Ordinary General Assembly Meeting held on March 31, 2023, the membership number of Board of Directors has determined as 9 and 6 Board Members were elected to serve for 3 years and 3 independent board members were elected to serve for 1 year period in accordance with the 10th and 11th articles of Articles of Association within the framework of Turkish Commercial Code and Capital Market Law.

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The active members of the Board of Directors as of reporting period:

Board of Directors	Title	Effective from
OYTAŞ İç ve Dış Ticaret A.Ş. (Represented by: Süleyman Savaş ERDEM)	Chairman	27.05.2013 (*)
OMSAN Lojistik A.Ş. (Represented by: Baran ÇELİK)	Deputy Chairman and Executive Director	11.09.2012 (*)
OYAK Pazarlama Hizmet ve Turizm A.Ş. (Represented by: Gürtan DAMAR)	Board Member and Executive Director	13.09.2012 (*)
Republic of Türkiye Ministry of Treasury and Finance Privatization Administration (Represented by: Bekir Emre HAYKIR)	Board Member	20.09.2012 (*)
OYKA Kağıt Ambalaj Sanayii ve Ticaret A.Ş. (Represented by: Volkan ÜNLÜEL)	Board Member	12.09.2012 (*)
OYAK Denizcilik ve Liman İşletmeleri A.Ş. (Represented by: Güliz KAYA)	Board Member	12.09.2012 (*)
Ali FİDAN	Independent Board Member	31.03.2017
Emre GÖLTEPE	Independent Board Member	17.03.2022
Kadri ÖZGÜNEŞ	Independent Board Member	31.03.2023

(*) Inauguration date of the legal entity.

Changes in the Executive Board within the Period

- At the Ordinary General Assembly Meeting held on March 31, 2023, OYTAŞ İç ve Dış Ticaret A.Ş. (represented by Süleyman Savaş ERDEM), OMSAN Lojistik A.Ş. (represented by Baran ÇELİK), OYAK Pazarlama Hizmet ve Turizm A.Ş. (represented by Gürtan DAMAR), Republic of Türkiye Ministry of Treasury and Finance Privatization Administration (represented by Bekir Emre HAYKIR), OYKA Kağıt Ambalaj Sanayii ve Ticaret A.Ş. (represented by Volkan ÜNLÜEL) and OYAK Denizcilik ve Liman İşletmeleri A.Ş. (represented by Güliz KAYA) have been elected as board members for serving 3 years period and Ali FİDAN, Emre GÖLTEPE and Kadri ÖZGÜNEŞ have been elected as independent board members for serving 1 year period.
- It has been resolved to elect Board Member OYTAŞ İç ve Dış Ticaret A.Ş. (represented by Süleyman Savaş ERDEM) as Chairman and to elect OMSAN Lojistik A.Ş. (represented by Baran ÇELİK) as Deputy Chairman at task distribution for serving 1 year period and to authorize Deputy Chairman OMSAN Lojistik A.Ş. (represented by Baran ÇELİK) and Board Member OYAK Pazarlama Hizmet ve Turizm A.Ş. (represented by Gürtan DAMAR) as "Executive Director" with the decision of Board of Directors numbered 9887.

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Powers and Duties of the Members of the Board of Directors'

The Chairman and the members of the Board of Directors possess duties and authorities set out in the Turkish Commercial Code's relevant clauses and in the Articles of Association.

Executive Management

Executive Management	Title	Effective from	Education	Experience
Baran ÇELİK	Deputy Chairman and Executive Director	14.02.2023	Boğaziçi University - International Trade	19 Years
Gürtan DAMAR	Board Member and Executive Director	23.02.2021	Yıldız Technical University - Mechanical Engineering	28 Years
Niyazi Aşkın PEKER	General Manager	12.09.2022	Yıldız Technical University - Metallurgy Engineering	30 Years
İsmail Kürşad KORKMAZ	Procurement Group Vice President	21.02.2017	Middle East Technical University - Political Science and Public Administration	27 Years
Mustafa Serdar BAŞOĞLU	Financial Management and Financial Affairs Group Vice President	24.09.2020	Bülent Ecevit University - Management (Master's Degree) Karadeniz Technical University - Finance (Bachelor's Degree)	20 Years
Sercan BÜYÜKBAYRAM	Marketing and Sales Group Vice President	19.06.2023	Middle East Technical University - Sociology (Master's Degree) Middle East Technical University- Political Science and Public Administration (Bachelor's Degree)	24 Years
Ercan KAYA	Enterprise Architecture and Human Resources Group Vice President	21.07.2020	Selçuk University - Economics (Doctor's Degree) Hacettepe University - Economics (Master's Degree)	36 Years
Sinan BOZKURT	Operations Deputy General Manager	27.09.2021	Middle East Technical University - Metallurgy and Materials Engineering	27 Years

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5. The Transactions of Board Members Made on its Behalf or on Behalf of Other and the Activities as Part of Prohibition of Competition

At the Ordinary General Assembly held on 31 March 2023, it is consented to give the authority for transactions for 2023 according to article 395 and 396 of Turkish Commercial Code to the Members of the Board.

No transaction had been realized in this context.

6. Personnel and Worker Movements and Collective Bargaining Practices and Rights and Benefits Provided to Personnel and Workers

29th Period Collective Labor Agreement, which will be valid between September 1, 2022 and August 31, 2024, has been signed on January 06, 2023 between Turkish Employers' Association of Metal Industries (MESS) on behalf of our company and Turkish Metal Union as the collective bargaining agency.

28th Period Collective Labor Agreement, which will be valid between January 1, 2023 and December 31, 2024 has been signed on June 06, 2023 between Özçelik-İş Union and İskenderun Demir ve Çelik A.Ş.

In the scope of collective agreement applications, the rights and benefits of the employees are classified under bonuses, social benefits, and vacations. Bonuses and social benefits are; bonuses, holiday allowance, heating allowance, paid annual leave allowance, marriage allowance, birth allowance, bereavement allowance, military service allowance, children allowance, educational allowance, meal allowance and transportation.

Vacations are; paid annual leaves, accompaniment leaves for medical purposes, accompaniment leaves excused absences, unpaid leaves, and other paid leaves consisting marital leaves, bereavement leaves, pregnancy leaves, maternity leaves, nursing leaves, adoption leaves, part-time work leaves, transport leaves and leaves in case of a natural catastrophe.

Bereavement allowance, transportation and meal allowance, derived from the social benefits, are given to all employees; the rest is given only to blue-collar workers. Paid annual leaves, leaves of absence with excuse, marital leaves, bereavement leaves, maternity leaves, and pregnancy leave, accompaniment leaves, adoption leaves, part-time work leaves, transport leaves, unpaid leaves and nursing leaves can be taken by all employees; the rest is taken only by blue-collar workers.

The number of the personnel employed by the Group as of reporting date:

	30 September 2023 Personnel	31 December 2022 Personnel
Hourly paid	7.978	8.464
Monthly paid	4.021	4.195
	11.999	12.659

**BOARD OF DIRECTORS' ACTIVITY REPORT PREPARED IN ACCORDANCE
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The "Corporate Governance Principles" published by the Capital Markets Board (CMB) which were declared in our Annual Activity Report for the year ending 2022 were met during the period 1 January 2023 - 30 September 2023.

8. Amendments in The Articles of Association

None.

B - Financial Rights Given to Board Members and Executive Management**1. Total Amount of Financial Rights Like Attendance Fee, Wages, Bonus, Premium and Dividend Payments**

The relevant section of the minutes of the General Assembly dated 31 March 2023 is as follows:

In the 9th article of the agenda related to the Rate Setting of the Board Members', the proposal was read by the representative of ATAER Holding A.Ş. Baran ERDEM, it was submitted to the General Assembly's approval and in accordance with the proposal;

It was decided by the majority of votes that; no wages will be paid to the Board members representing Group B shares, the monthly net wage that will be paid to the members representing Group A shares will be net TRY 13.750 (monthly, in cash), the wages of independent Board members will be net TRY 23.000 (monthly, in cash) and the new wages valid from the date of 1 April 2023.

Wages of the Executive Management is determined by the Board. Performance based additional payment is given to paid monthly personnel including Executive Management.

No payables were given, no loans were issued directly or through a third party and no indemnity was given (like sureties) to Board Members or Executive Management during the period.

No payment of performance was made to Board Members.

2. Allowances Given, Travel, Housing and Representation Expenses and Real and Cash Advances, Insurance and Other Pledges

A total of TRY 80.921 thousand is recorded as expense related to Company Board Members and Executive Management for the period 1 January - 30 September 2023.

C - Research and Development Activities

OYAK Mining Metallurgy conducts its research and development activities at "Erdemir R&D Center" certified by the Republic of Turkey Ministry of Industry and Technology in 2014. Erdemir R&D Center performs activities in five main areas: raw materials and iron making, steel making and casting technologies, hot rolled products and process, and cold rolled products and process, energy and environment.

"Erdemir R&D Center" serving OYAK Mining Metallurgy has well-equipped laboratory facilities, such as material characterization, thermomechanical simulation, metal forming, welding, corrosion, fatigue, enameling, spectral analysis, and X-ray diffraction, etc., and also simulators for pilot scale trials on raw material and product development, such as agglomeration systems, coking, sintering, melting, rolling and coating processes.

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The number of flat products has reached 577 with the addition of 13 new flat steel grades that was developed in the first nine months of 2023.

As in the scope of R&D activities, 20 projects have been completed and 54 projects have been going further during that period. Erdemir's R&D team has contributed to the intellectual capital of our company by presenting 85 papers and posters at various national/international iron and steel conferences to date.

D - Activities and Important Developments Regarding the Activities**1. Investment Activities**

Operating within the modern plants and by modern production technology, OYAK Mining Metallurgy produces competitive products globally and continues its investments aligned for continuous development strategy. In this scope;

In Erdemir Plants:

Steel Shop Secondary Dust Collection System Capacity Improvement Project has been commissioned. Tests and commissioning works have reached the final stage in the 2. Blast Furnace Renovation Project. Equipment procurement, transportation and Phase construction and assembly works are ongoing in the 4. Coke Oven Battery Project. Converter No. 2 and 3 were replaced and No. 1 converter have been prepared for installation in the Steel Shop BOF Converters Modernization Project. Site works are ongoing in the No.6 Turbo Blower Project, Various Fire Detection and Extinguishing Systems Project, Structural Improvement of Erdemir Port Docks Project, 60 MW Turbo Generator Project and the Project of Slitting Line Transfer to ERSEM.

The second phase studies continue in the Surface Inspection Systems Project. Equipment manufacturing, procurement and engineering studies continue in the Steelshop Charging Hall New Charging Cranes Investment Project, the No.5 Coke Oven Battery Project and the Energy Distribution System Additional Investments Project. Detailed engineering studies are ongoing in the 1. Galvanizing Line Level-1 Automation System Modernization Project. Procurement and engineering studies continue in the scope of Erdemir Robotic Applications and Automation Projects.

Procurement activities continue for the New Sinter Plant Project, Erdemir Domestic Waste Water Treatment Plant Modernization, Continuous Annealing Line (CAL) Drives System and Level 2 Automation Modernization and 2. Hot Strip Mill Investment Projects.

In Isdemir Plants:

Equipment procurement, manufacturing and site activities continue within the scope of the 1. New Blast Furnace Project, the Vacuum Degassing Plant Project and the Boiler No.3 Retubing and Burner Modification Project. Equipment shipments have been completed and construction and assembly will begin within the scope of the 1. Blast Furnace Top Recovery Turbine (TRT) Project. Engineering and equipment procurement works and field activities continue for the Port-1 New Grab Ship Unloader Cranes Project. Engineering studies are ongoing within the scope of the Upgrade of HSM Level 1 System Project and the Isdemir Port Capacity Increase Investment Project. Equipment procurement and site activities continue in the Seawater Pumping Station Sustainability Investment and the Repair, Renovation and Strengthening Projects of Port Facility Damaged by the Earthquake. Procurement and engineering studies continue in the scope of Isdemir Robotic Applications and Automation Projects.

Procurement activities continue for the New Sinter Plant, the New 1. and 2. Turbo Generator and the Electricity Generation from The Steam Produced in Coke Dry Quenching Projects.

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As of 30 September 2023, the Group's total investment expenditures amount to USD 663 million (30 September 2022: USD 380 million).

2. Internal Control System and Internal Auditing Activities

Group Internal Audit Department carries out audit activities in order to evaluate and improve the effectiveness of risk management, control and governance processes of Group companies and reports directly to the Deputy Chairman and Executive Director of the Board. In accordance with Capital Markets Board regulations, the effectiveness of internal control system is evaluated by the Board of Directors at least once in a year. In this context, the 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.

Besides periodic audit activities, continuous audits are performed with the Integrated Audit System. Critical controls, master data and transaction data in the SAP system are continuously evaluated by the automatic controls and business rules installed in the system.

3. Direct and Indirect Subsidiaries

The Information about Affiliates Subject to Consolidation

The main scope of business and the participation in their shareholding of the affiliates subject to consolidation are as follows:

Name of the Company	Country of Operation	Operation	2023 Effective Share %	2022 Effective Share %
İskenderun Demir ve Çelik A.Ş.	Turkey	Integrated Iron and Steel Manufacturing	94,87	94,87
Erdemir Madencilik San. ve Tic. A.Ş.	Turkey	Iron Ore and Pellet	90	90
Erdemir Çelik Servis Merkezi San. ve Tic. A.Ş.	Turkey	Steel Service Center	100	100
Erdemir Mühendislik Yön. ve Dan. Hiz. A.Ş.	Turkey	Management and Consultancy	100	100
Erdemir Romania S.R.L.	Romania	Silica Steel Production	100	100
Erdemir Asia Pacific Private Limited	Singapore	Trading	100	100
Erdemir Enerji Üretim A.Ş.	Turkey	Renewable Energy Production	100	100
İsdemir Linde Gaz Ortaklığı A.Ş.	Turkey	Industrial Gas Production and Sales	47	47
Kümaş Manyezit Sanayi A.Ş.	Turkey	Magnesite Ore, Refractor	100	100
Yenilikçi Yapı Malzemeleri ve Üretim San. Tic. A.Ş.	Turkey	Recycling, Special Purpose Entity	100	100

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E - Financial Position

1. Consolidated Summary of Financial Statements

Financial statements are prepared in accordance with the CMB's Communiqué Serial:II, 14.1 and have been unaudited as of 30 September 2023.

Summary of Consolidated Financial Position

	(Unaudited)	(Audited)
	Current Period	Previous Period
(Thousand TRY)	30 September 2023	31 December 2022
Current Assets	121.635.164	80.656.225
Non-current Assets	155.941.506	94.237.398
Total Assets	277.576.670	174.893.623
Current Liabilities	76.797.997	35.908.584
Non-current Liabilities	34.695.585	20.322.852
Shareholders' Equity	166.083.088	118.662.187
Total Liabilities	277.576.670	174.893.623

Summary of Consolidated Profit or Loss

	(Unaudited)	(Unaudited)
	Current Period	Previous Period
(Thousand TRY)	1 January - 30 September 2023	1 January - 30 September 2022
Sales Revenue	101.010.326	100.535.316
Gross Profit	9.573.799	24.978.714
Operating Profit	9.688.080	23.318.746
Operating Profit Before Finance Income (Expenses)	9.317.217	23.357.760
Profit Before Tax	6.171.893	22.850.004
Profit (Loss) for the Period	(3.826.973)	15.430.273
Shareholder's share in the Profit (Loss) for the Period	(3.867.429)	14.830.340
EBITDA	10.232.415	25.891.614
Earnings (Loss) Per Share	(1,1050)	4,2372

The Entity prepares its budgets within the frame of its strategic goals that is approved by the Board of Directors. In the regular meetings of the Board of Directors is reviewing the current position of the Entity and activities are compared with the previous period and budget targets.

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2. Key Ratios

(%)	1 January - 30 September 2023	1 January - 30 September 2022
Gross Profit Margin	%9,5	%24,8
Operating Profit Before Finance Income (Expenses) Margin	%9,2	%23,2
EBITDA Margin	%10,1	%25,8
Profit (Loss) Margin	-%3,8	%15,3
Shareholder's Share in the Profit (Loss) Margin	-%3,8	%14,8

3. The Availability of Financial Sources and The Policies the Group Applies in This Framework

Group has full access to all national and international financial sources with its market making power based on high trading volume in money markets. New funding alternatives according to changing market conditions are continuously analyzed and offers are evaluated. The debt policy of Group is developed based on the capability of cash generation and the strong equity structure. Hedging methods and amounts used against financial risks are developed based on a frame of systematic models. Within the risk tolerances, forward, futures, swap and options reflecting market conditions are implemented, if necessary.

4. Dividend Distribution Policy

Group's Dividend Distribution Policy is as follows:

As a principle, Company implements the policy of distributing all of its distributable profit in cash within the provision of forecasted free cash flow generation by considering financial leverage ratios, investment/financing needs and anticipation of the market under the scope of effective regulations and clauses of Company's Articles of Association. The dividend distribution policy is reviewed annually by the Board of Directors every year considering to national and global economic conditions, the projects on the company's agenda and the state of its funds.

Dividend is paid by fixed or variable installments in accordance with the legislation by giving authority to the Board of Directors at the General Assembly Meeting, where dividend distribution is decided, until 15 December of the relevant calendar year.

General Assembly is authorized for the "distribution of dividend advance" in accordance with relevant legislations.

At the Ordinary General Assembly Meeting held on 31 March 2023, since our Company is in the investment period, it has been decided not to distribute cash dividends in order to maintain a healthy cash flow.

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5. Information About the Sector

Global crude steel production in August this year increased by 2,2 percent year on year and was down by 3,7 percent month on month to 152,6 million tonnes. In the January-August period this year, global crude steel production increased by 0,2 percent year on year to 1,25 billion tonnes.

In August, crude steel output in Asia amounted to 115,7 million tonnes, up 3,5 percent, with China's output at 86,4 million tonnes, up 3,2 percent, with 7,1 million tonnes produced by Japan, decreasing by 2,9 percent, 11,9 million tonnes produced by India, rising by 17,4 percent, and 5,6 million tonnes produced by South Korea, moving down by 5,9 percent - with all comparisons on year-on-year basis.

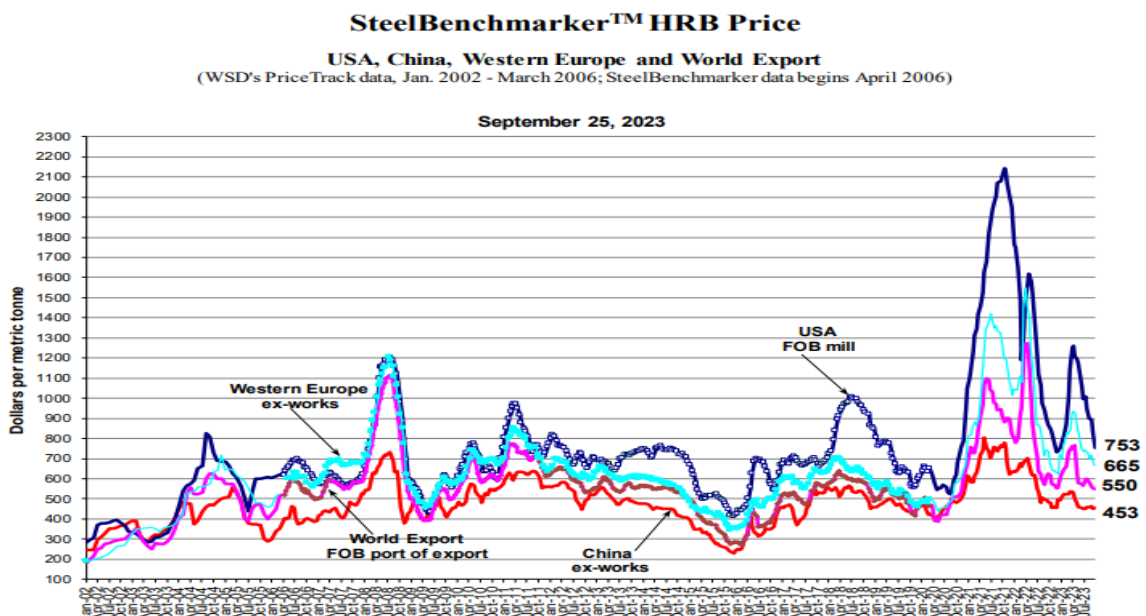
EU-27 countries produced 9,1 million tonnes of crude steel in August, down by 4.4 percent year on year. In the given period, Germany's output amounted to 2.8 million tonnes, down one percent year on year.

The CIS registered a crude steel output of 7,5 million tonnes, advancing by 10,7 percent on year-on-year basis, with Russia's estimated output at 6,4 million tonnes, up 8,9 percent year on year.

In North America, in August, crude steel output totaled 9,2 million tonnes, falling by 2,6 percent, with the US producing 7 million tonnes, growing by 1,1 percent, both year on year. Crude steel output in South America in August amounted to 3,4 million tonnes, decreasing by 8,1 percent compared to the same month in the previous year, with Brazil's output totaling 2,7 million tonnes, falling by 5,9 percent year on year.

In the given month, Africa produced 1,5 million tonnes of crude steel, growing by 16,1 percent year on year. In the Middle East, crude steel output totaled 2,8 million tonnes, moving down by 16,0 percent.

Price changes of hot rolled products follows:



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Turkey produced 2,8 million tonnes of crude steel in August, with a 2,9 percent decrease compared to the same month in the previous year. Turkey's crude steel output by electric arc furnaces decreased by 1,6% (1.9 million tonnes) and the production by integrated plants decreased by 5,7% (821 thousand tonnes) both year on year.

In the January-August period this year, Turkey produced 21,6 million tonnes of crude steel, down by 12,1 percent year on year. Turkey's crude steel output by electric arc furnaces decreased by 12,1 (15,6 million tonnes) and the production by integrated plants decreased by 12,2% (6 million tonnes) both year on year.

6. The Position of Group within the Sector

Group's crude steel production in 2022 had been 7,8 million tonnes. The total amount of crude steel production in the first nine months of 2023 was 5,0 million tonnes, with the effect of suspending production until the due diligence studies at İsdemir Plant were completed due to the earthquake on 6 February 2023. The crude steel production has decreased by 19% with 2.973 thousand tonnes at İskenderun Plants and Ereğli Plant has decreased by 14% with 2.003 thousand tonnes.

7. Operational Developments

Turkey's first and only integrated flat steel producer, Group, who carries out production, operation, maintenance and modernization activities within its all facilities. Manufacturing 20% of all crude steel production in Turkey, Group again continued its operations in line with the principle of optimal costs, maximum productivity and quality of production in the first eight months of 2023.

8. Production Plants and Productivity

The capacity utilization rate of the Group decreased compared to previous periods with the effect of suspending production due to the earthquake at the Company's subsidiary İskenderun Demir ve Çelik A.Ş.

Capacity used (%)	1 January - 30 September 2023	1 January - 30 September 2022
Liquid Steel	70%	85%
Crude Steel	69%	84%

9. Products

The main products of the Group are as follows:

Erdemir	İsdemir	Erdemir Maden	Kümaş Manyezit
Tinplate	Billet	Pellets	Refractor
Galvanized	Wire Rod	Iron Ore	Magnesite Ore
Cold Rolled	Slab		
Hot Rolled	Hot Rolled		
Plate			

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10. Production (quantity)

Final Products (000 Tonnes)	1 January - 30 September 2023	1 January - 30 September 2022
Flat Products	4.870	5.493
Long Products	420	617
Iron Ore and Magnesite	1.664	1.925

11. Development in Sales

In the first eight months of 2023, steel consumption increased by 17% compared to the previous year and reached 26.1 million tonnes. Turkey's steel production, on the other hand, decreased by 5% compared to the same period of the previous year and became 24.4 million tonnes.

Total flat product sales of the Group reached to the level of 4,8 million tonnes in the first nine months of 2023. The domestic flat product sales reached 4,3 million tonnes 1% lower than the same period of 2022. Long products sales have decreased 34% (Y.O.Y.) and went to 410 thousand tonnes. The Group succeeded in bringing 66 new customers to its portfolio in the first nine months. of 2023.

12. Sales (quantity)

Final Products (000 Tonnes)	1 January - 30 September 2023	1 January - 30 September 2022
Flat Products	4.803	5.198
Long Products	410	623
Iron Ore and Magnesite (*)	1.807	1.700

(*) 1.706 thousand tonnes of sales are to Group Companies as of 30 September 2023 (30 September 2022: 1.580 thousand tonnes).

F - Risks and Evaluation of the Board**1. Enterprise Risk Management**

Enterprise Risk Management Procedure has been published with the purpose of ensuring systematic and comprehensive identification, evaluation, control and monitoring of risks and opportunities that may affect Company's assets, reputation, and profitability. The procedure includes guidance on support and positioning, risk identification, prioritization, improvement, reporting, monitoring/surveillance, and communication principles related to risks in order to manage company-wide risks to the highest standard.

In order to measure the risks incurred by the company and ensure conformity to the risk tolerance limits; risks are monitored and managed in accordance with regulations and guidelines developed for critical risks.

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2. Committee of Early Risk Detection

The Early Detection of Risk Committee Regulation is included in the Corporate Governance Policies and Regulations tab under Corporate Governance section of Investor Relations title on the company's website.

The purpose of the Committee is to identify the risks that may threaten the existence, progress and continuation of the Company operations within the scope of the "Early Detection of Risk Committee Regulation" and legal legislation to implement the necessary measures related to the risks identified and to manage those risks.

The meetings of the Committee are held bimonthly and in accordance with the regular meetings of the Board of Directors. After each meeting, a written report on the activities of the Committee is submitted to the Board of Directors with a summary of the minutes. Meeting minutes are kept by the secretariat.

G - Other Information

1. Organizations Out of the Headquarters

None.

2. Information for Shareholders

None.