



SASA

SUSTAINABILITY REPORT

■ 2023



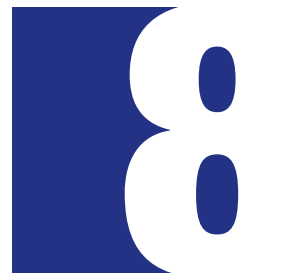
Drafted by Escarus (TSKB Sürdürülebilirlik Danışmanlığı A.Ş.), this report represents SASA's sustainability efforts and overall sustainability goals for 2023.

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ABBREVIATIONS

ADASO: Adana Chamber of Industry

ADSIAD: Adana Industry and Business Association

AKIB: Mediterranean Exporters' Association

AKMIB: Mediterranean Chemicals and Chemical Products Exporters' Association

AOSB: Adana Hacı Sabancı Organized Industrial Zone

ATO: Adana Chamber of Commerce

BIST: Borsa Istanbul

BDO: Butanediol

CBAM: Carbon Border Adjustment Mechanism

CDP: Carbon Disclosure Project

CITES: Convention on International Trade in Endangered Species of Wild Fauna and Flora

CMB: Capital Markets Board

CP: Continuous Process

CWMS: Continuous Wastewater Monitoring System

CEMS: Continuous Emission Measurement Systems

DCA: Dichloroacetic Acid

DCS: Distributed Control System

DEG: Diethylene Glycol

DMT: Dimethyl Terephthalate

DSI: General Directorate of State Hydraulic Works

DTO: Chamber of Shipping

DTY: Drawn Textured Yarns

EG: Ethylene Glycol

EBITDA: Earnings Before Interest, Tax, Depreciation and Amortization

EGD: European Green Deal

EGSB: Extended Granular Sludge Bed

EIA: Environmental Impact Assessment

ERT: Emergency Response Team

ESG: Environmental, Social, and Governance

ESIA: Environmental and Social Impact Assessment

ESMP: Environmental and Social Management Plan

ETL: Energy Transmission Line

IPPC: Integrated Pollution Prevention and Control

ERP: Enterprise Resource Planning

ETS: Emissions Trading System

EU: European Union

FDY: Fully Drawn Yarn

GMP: Good Manufacturing Practices

GRI: Global Reporting Initiative

IFA: Isophthalic Acid

IFC: International Finance Corporation

ILO: International Labor Organization

ISO: International Organization for Standardization

İSO: Istanbul Chamber of Industry

IUCN: International Union for Conservation of Nature and Natural Resources

KPI: Key Performance Indicator

LTIR: Lost Time Injury Frequency Rate

MEG: Monoethylene Glycol

NDC: Naphthalate Dicarboxylic Acid

METU: Middle East Technical University

MSDS: Material Safety Data Sheet

MTR: Melt to Resin

NEBOSH: International General Certificate in Occupational Health and Safety

MWTS: Mobile Waste Tracking System

NGO: Non-Governmental Organization

NO_x: Nitrogen Oxides

OCP: Orthochlorophenol

OECD: Organization for Economic Cooperation and Development

OHS: Occupational Health and Safety

PDH: Propane Dehydrogenation

PEP: Promotion of Economic Prospects Programme

P&D: Production Development

VCU: Verified Carbon Unit

LCA: Life Cycle Assessment

PDP: Public Disclosure Platform

PET: Polyethylene Terephthalate

POY: Partially Oriented Yarn

PSM: Process Security Management System

PTA: Purified Terephthalic Acid

PTB: Polybutylene Terephthalate

PTHF: Polytetrahydrofuran

R&D: Research and Development

RCP: Representative Concentration Pathway

QDMS: Quality Document Integrated Management System Software

REACH: Registration, Evaluation, Authorization and Restriction of Chemicals

SDG: Sustainable Development Goals

SO_x: Sulfur Oxides

SPC: Specialty Polymers and Chemicals

SPP: Solar Power Plant

TAPDK: Tobacco and Alcohol Market Regulatory Authority

TCFD: Task Force on Climate-related Financial Disclosures

TEİAŞ: Türkiye Elektrik İletim A.Ş.

TITK: Textile Research Center

TPEE: Thermoplastic Polyester Elastomers

TSRS: Turkish Sustainability Reporting Standards

TUBİTAK: Scientific and Technological Research Council of Türkiye

TURKKEP: Turkish Registered Electronic Mail Service Provider

UN: United Nations

UNGC: United Nations Global Compact

WPCR: Water Pollution Control Regulation

SASA AT A GLANCE

EXHIBITION AND CONFERENCE ATTENDANCE IN 2023

January 2023
Heimtextil
Exhibition



May 2023 -
Home Textiles
Exhibition



January 2023
Domotex
Exhibition



June 2023
19th International
Istanbul Yarn
Fair



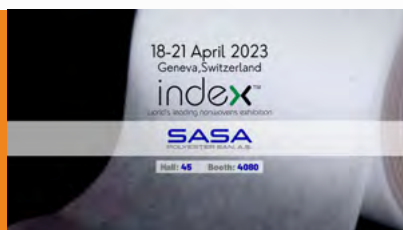
March 2023
Texhibition
Exhibition



September 2023
Texhibition
Exhibition



April 2023
Index
Exhibition



October 2023
Eurasia
Packaging Fair



September 2023 - Technical Refining and Petrochemical (IDW) Conference

SASA team attended Europe's premier Technical Refining and Petrochemical (IDW) Conference held in Istanbul on September 18-20, 2023, with a team member taking the podium as speaker.

November 2023
Plast Eurasia
Fair



December 2023 - The Green Summit

SASA's sustainability journey was shared during the Green Summit-2 event held on December 22, 2023 as part of YESAD-2 Project executed in cooperation with the German International Cooperation Agency (GIZ) and Adana Chamber of Industry (ADASO) under the PEP - Promotion of Economic Prospects Programme funded by the German Federal Ministry for Economic Cooperation and Development (BMZ).

PRESS HIGHLIGHTS FOR SASA IN 2023



SASA's A-Team attends Qatar Economic Forum



"Convertible bond" formula adopted, with funds already transferred to SASA account



Total Mobilization by the Ertan Erdenoğlu



State Aid to SASA's New Investment



Huge state aid to SASA Polyester's fiber investment



EBRD President Renaud-Basso visited SASA

ABOUT THE REPORT

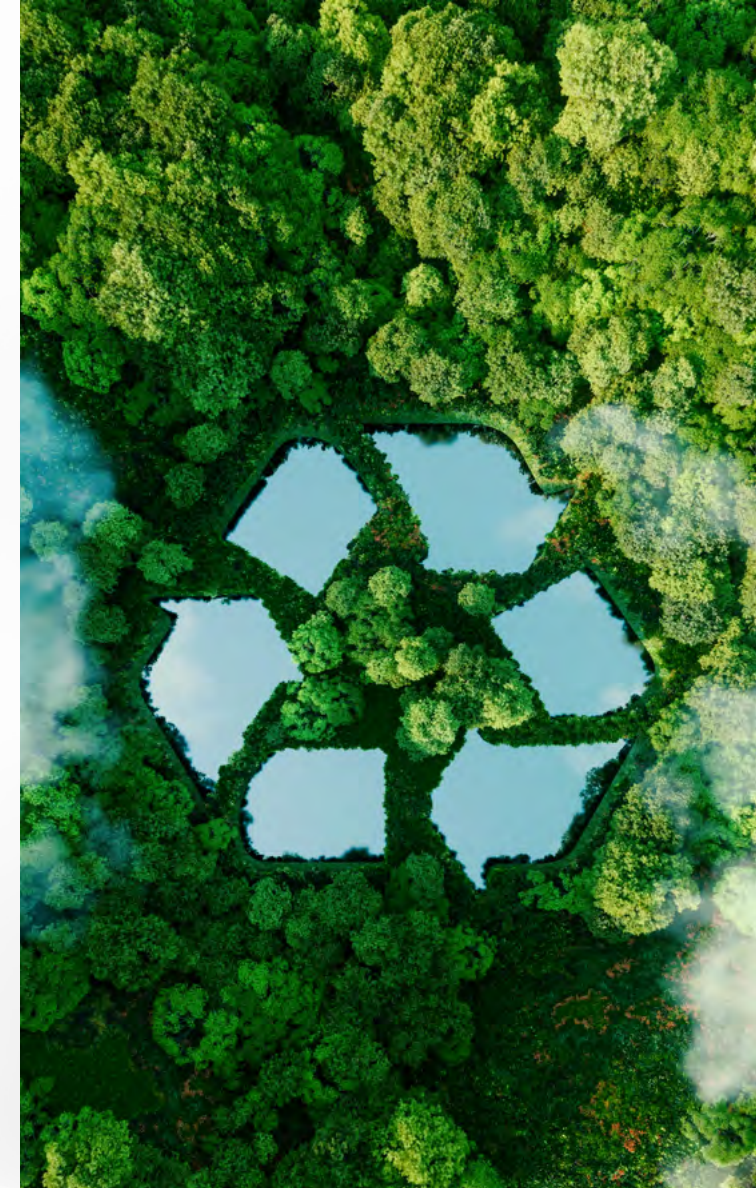
This report was drafted in accordance with the Global Reporting Initiative Standards (GRI Standards) and presents our governance, environmental and social activities to you, our esteemed stakeholders. The report was prepared within the framework of our re-evaluated sustainability priorities and includes our activities for 2023 as well as our goals and progress towards our priorities.

The environmental, social and economic information presented in the report covers SASA's production facilities in Adana in addition to the raw material storage and shipment facilities in Iskenderun for the 12-month operating period between January 1, 2023 and December 31, 2023. To provide measurable and comparable information, the report presents in the relevant sections publicly accessible data from the last 3 years.

At SASA, we intend to report our sustainability efforts annually in the years to come. We aim to regularly share with you, our valuable stakeholders, the sustainability-oriented efforts that we deliver to support our country's sustainable development journey.

This report also considers our collaboration with our stakeholders and the feedback we received. We hereby share in detail SASA's sustainability-themed practices, future goals and participation in various initiatives. This report also discloses our activities contributing to the United Nations Global Compact (UNGC) and Sustainable Development Goals (SDGs), to which we are a signatory.

We believe that comments and feedback on the report are of vital importance for the improvement of SASA's sustainability activities. Accordingly, all relevant questions, comments and suggestions can be sent to sustainability@sasa.com.tr.



MESSAGES FROM SENIOR MANAGEMENT

Esteemed stakeholders,

Since its establishment in 1966, SASA has become Türkiye's and the world's leading producer of polyester, fiber, filament yarn, polyester-based polymers, specialty polymers and intermediate products. In 2023, SASA achieved a sales figure of 1.17 million tons, maintaining its sales volume in 2022. The Company's EBITDA exceeded TL 7 billion in 2023. Operating with more than 4,000 employees and a production capacity of 1.4 million tons/year, SASA increases its production quantity each day thanks to the technological investments it makes. SASA's main goal is to contribute to the sustainable development of Türkiye with the employment opportunities it offers, its share in exports and the products it supplies to multiple sectors for the continuity of industrial production.

As the largest polyester producer in the geographical region spanning from India to the United States, SASA is taking firm and resolute steps towards its goal of becoming a leading petrochemical producer. In 2023,

77% of all sales were destined for the domestic market, with the remaining 23% being offered to the foreign market. In the 9 years from 2015, when SASA was acquired by Erdemoğlu Holding, until the end of 2023, SASA's share price increased 37 times in USD terms. SASA will increase its profitability in parallel with its increasing investments, use such profits primarily for investment and then continue to share them with all SASA shareholders.

The risks and opportunities that the European Union (EU) strategies will present to the organization and the payment obligations arising from the European Green Deal (EGD), Emissions Trading System (ETS) and Carbon Border Adjustment Mechanism (CBAM) are thoroughly evaluated, and preparations are underway based on various scenarios. Furthermore, the SASA Strategic Development Plan was approved by the Ministry of Trade, a most significant highlight from 2023.



Global climate change, limited natural resources and social problems in addition to economic developments are getting increasingly more important for SASA, an organization aiming to exist not only today but also in the future. Therefore, green investments and environmental projects are an integral part of SASA's strategy. SASA focuses on investments that will reduce our country's dependence on foreign energy and raw materials, strengthen the national economy and create new employment opportunities. These are green investments in reducing carbon emissions to actively combat climate change, increasing energy efficiency, implementing circular economy practices, and consuming water and natural resources responsibly.

As part of its energy management approach, SASA began to realize its targets to utilize renewable energy resources in 2023. Solar power plants with an installed capacity of 16.4 MWp were commissioned on trial on the roofs of buildings at Adana headquarters in 2023.

Acting on a mission to support the growth and development of our country, SASA employs a transparent communication methodology to present its economic performance as well as its environmental and social activities to all its shareholders and stakeholders. On an annual basis, the Company issues its sustainability report to share with its stakeholders its sensitivity towards environmental conservation and the protection of natural resources as well as social issues. In addition, SASA issues dedicated Biodiversity and TCFD (Task Force on Climate-related Financial Disclosures) reports covering all facilities of SASA and publicly shares them on its corporate website. As in 2022, SASA completed its Climate Change and Water Security Reporting in 2023 and contributes to the Carbon Disclosure Project (CDP) every year.

SASA continues its sustainability journey by embracing a respectful approach to people and the environment since the day it was founded. In this journey, the health and safety of all our stakeholders, particularly our human resources, investors, customers and suppliers, as well as their development and sensitivity in environmental and social issues are material topics for SASA. We take pride in presenting you, our esteemed stakeholders, our Sustainability Report for 2023 to share our approach to environmental and social issues as well as our sustainability efforts in 2023.

İBRAHİM ERDEMOĞLU
SASA Chairperson

MESSAGES FROM SENIOR MANAGEMENT

Esteemed stakeholders,

As Türkiye's first and largest polyester and polymer producer, the primary objective of SASA is to rank among the top three polyester producers worldwide and thus make Türkiye a global leader in this field. SASA is committed to sustainable growth and aims to achieve greater success in the international market by maintaining its leading position in Europe, the Middle East and Africa as well as making strategic petrochemical investments.

The Ministry of Trade approved SASA's Strategic Development Plan, a key milestone among the highlights in 2023. Furthermore, SASA initiated efforts for inclusion in the BIST Sustainability Index in 2023 and is now listed on the index as of 2024. To contribute to the goal of reducing environmental externalities, a decision was taken to close down the DMT (Dimethyl Terephthalate) Plant by 2024. In addition, the construction of the PTA (Purified Terephthalic Acid) Plant is underway, with plans to commission the plant to provide both economic and environmental benefits by reducing external dependency in the supply of raw materials.

Due to changing global conditions, growing social problems, the negative effects of climate change, increasing environmental pollution and diminishing resources, it is obvious that the way of doing business must be transformed with a focus on sustainability. Accordingly, in addition to its economic objectives, SASA supports Türkiye's sustainable development with its responsible business approach, the employment opportunities it creates and its environmental sensitivity. In all its operations and business relationships, SASA is aware that it has a responsibility to protect natural resources and leave a livable world to future generations. Cognizant of such responsibility, the Company closely follows the SDGs set forth by the United Nations (UN) and takes the 10 principles of the UN Global Compact (UNGC), of which it became a supporter in 2022, as a strong basis.

In line with its sustainability vision, SASA has set long-term goals for the three pillars of sustainability (environmental, social and corporate governance) to protect the environment and generate social value.



The Company employs more than 4,000 people at its 55,625 m² raw material storage facility in İskenderun and its liaison offices in Istanbul and Ankara, in addition to its integrated production facilities in Adana with an outdoor area of 2,181,000 m², thus contributing to numerous global goals, particularly SDG 8: Decent Work and Economic Growth. Thanks to its strategic goals and sustainability-oriented activities, SASA is committed to contributing to SDG 3: Good Health and Well-Being, SDG 5: Gender Equality, SDG 6: Clean Water and Sanitation, SDG 7: Affordable and Clean Energy, SDG 8: Decent Work and Economic Growth, SDG 9: Industry, Innovation and Infrastructure, SDG 12: Responsible Production and Consumption, SDG 13: Climate Action, SDG 14: Life Below Water and SDG 16: Peace, Justice and Strong Institutions.

To achieve the targets set under SDG 13 and contribute to combating against climate change, SASA created the "SASA Strategic Carbon Roadmap" and set a goal to reduce its emissions intensity per ton of product by 2030. Emission and energy management activities are carried out in line with the Strategic Carbon Roadmap, and the Company aims to reduce carbon intensity per each ton of product produced by 69% by 2030 (compared to the base year 2019).

In 2023, a total of 1,424,820 tons of products was produced in DMT, Polyester Chips, Polyester Fiber, Polyester Yarn and POY (Partially Oriented Yarn) product categories. In 2023, Scope 1 and 2 emissions amounted to 579,090.30 tCO₂e while Scope 3 emissions stood at 3,194,195.67 tCO₂e. A reduction of 7,646 tCO₂e was achieved in total emissions compared to the base year 2019. In addition, Carbon Offset Certificates worth a total of 25 VCU (Verified Carbon Unit) were obtained in 2023.

As of 2023, calculations indicated that the emissions intensity per ton of product and the energy intensity stood at 0.41 tCO₂e and 4.93 GJ respectively. In 2023, total energy consumption stood at 7,021,738 GJ, marking a 8.40% decrease in energy consumption year on year (previous year: 7,665,249 GJ). In addition, total water consumption was 1,220,347 m³, reduced by 30.35% year on year (previous year: 1,752,018 m³). In 2023, there are plans to reduce water intensity, which corresponds to the ratio of total water withdrawal to production rate, by 38.77% compared to 2019 levels. In line with this target, water intensity was measured at 3.04 m³ raw water/ton of production in 2023, and SASA aims to reduce this further, down to 2.90 m³ in 2024.

In 2023, a key highlight for SASA was the trial commissioning of rooftop solar power plants (SPPs) with an installed capacity of 16.4 MWp at the Adana headquarters site. In 2023, 6,469.60 MWh (23,295 GJ) of energy was generated as part of the rooftop SPP trial. SASA decided to establish a land-type SPP in Gaziantep in 2023, setting the basis for critical steps towards increasing the use of renewable and clean energy. Such decisions are proof that SASA aims to minimize its environmental impact in all business processes, to protect the natural resources of our planet and to reduce our country's dependence on foreign energy sources. Furthermore, the goals of phasing out coal boilers and switching to alternative systems such as cogeneration and trigeneration by 2025 and of reducing energy consumption from lighting are meticulously pursued.

Maintaining a qualified human capital is of utmost importance for SASA, and the human resources approach is shaped to cater to that goal. In 2023, employees' professional and personal development was supported through a training time of 26.16 hours per person. The diversity of the people working at SASA and participating in decision-making bodies is highly valued, and the organization thus adopts an inclusive attitude.

As of 2023, 18% of the Board of Directors (BoD) (2 out of 11 BoD members) and 3% of blue-collar employees are women. Within the framework of the policy change in 2023, SASA aims to increase the ratio of female members in the BoD to 25% by 2025. Occupational health and safety (OHS), another material item for SASA, is also addressed with an inclusive approach. There are plans to secure equal representation in the OHS Committee as well. As of 2023, 7 out of the 41 employee representatives on this committee are women. At SASA, it is of great significance that female employees not only participate in the labor market but also stay in the market for many years and add value to the organization. Therefore, to support employees with parental responsibilities for continued business performance and to make sure they have a safe place to leave their children during work hours, SASA completed the construction of SASA Mehmet Erdemoğlu Nursery, the foundation of which was laid in 2020 as part of the protocols signed with Adana Metropolitan Municipality and Seyhan Municipality, in addition to Haydaroğlu and Bahçeşehir Nurseries. All three nurseries started to operate actively in the 2022-2023 education year. Moreover, a protocol was signed with Seyhan Municipality for 2 more nurseries and 1 pool complex.

Accordingly, the construction of a day nursery started in 2023. SASA is committed to developing long-term projects that span the entire value chain, including its employees, customers, suppliers and subcontractors working on its site, as well as contributing to society at large.

In 2023, preparations for Smeta SEDEX 4 Pillar audits, which include, inter alia, labor standards, health and safety, management systems, labor rights, environmental assessment and business ethics, aiming to document compliance with ethical trade principles and responsible business practices in the supply chain were completed, and the audit report is delivered as part of the foregoing audit process. Furthermore, in partnership with Mehmet Erdemoğlu Foundation, various social responsibility projects are delivered. Under these projects, scholarship and internship opportunities are offered to students, the construction of a Sports High School to support education and sports is underway, and the career journey of young people is thus supported. To support the delivery of these projects, SASA establishes partnerships with many institutions and organizations, including academic institutions, ISKUR (Turkish Employment Agency), Adana Organized Industrial Zone and Technopolises.

SASA strives to ensure its sustainable business approach is not limited to its own operations but is rather spread throughout the entire value chain. To reflect this effort, green procurement criteria were integrated into the SAP program in 2023. This has facilitated the selection and monitoring of environmentally friendly and highly efficient products and services. Furthermore, in 2023, an application was filed to obtain the Turkish Environmental Label for SASA products. To match the acceleration in digitalization, critical steps were taken to optimize and control business processes, including the transition to QDMS (Quality Document Integrated Management System Software) and the implementation of the 3D&Cobot (Dark Room) Project in 2023.

In line with a sustainable business model, we present SASA's environmental, social, governance and economic performance to our stakeholders in this report. We are immensely pleased to share SASA's sustainability efforts and goals for 2023 with you, our valuable stakeholders.

DR. MUSTAFA KEMAL ÖZ

SASA Board Member, General Director



01. ABOUT SASA

CORPORATE PROFILE

HISTORY AND MILESTONES

VISION, MISSION AND VALUES

PRODUCTS AND SERVICES

GREEN INVESTMENTS AND PROJECTS

MEMBERSHIPS AND PARTNERSHIPS

ABOUT SASA

CORPORATE PROFILE

Headquartered in Adana, SASA Polyester Sanayi A.Ş. (SASA) is a pioneer and global leader in the polyester industry with its wide range of products including polyester, fiber, filament yarn, polyester-based polymers, specialty polymers and intermediates.

SASA's journey over the years has been accompanied by strategic partnerships and significant organizational transformation. In 2000, the company was transformed into DupontSA as a result of its business partnership with Dupont, the chemical giants, but later continued operations under the trade name ADVANSA following the acquisition of Dupont shares by Sabancı Holding in 2004. In 2011, Sabancı Holding acquired all shares of ADVANSA BV and changed the corporate brand name to SASA. In 2015, there was a major change in the shareholding structure following the acquisition of a majority stake by Erdemoğlu Holding A.Ş. Following this change in the shareholding structure and management

Since its establishment in 1966, SASA has been committed to innovation, technical expertise and sustainability in the sector with its state-of-the-art production facilities and innovative perspective.

of SASA, its position in the market has become even stronger. As of 2023, Erdemoğlu Holding holds 55.28% of SASA shares. Following the foregoing change, the Company established its

wholly owned subsidiaries SASA Dış Ticaret A.Ş. and SASA Uluslararası Finansal Yatırım A.Ş. in 2015 and 2022 respectively in order to increase its export and funding operations. In addition, SASA Trading BV

was incorporated in the Netherlands as a wholly owned subsidiary of SASA Uluslararası Finansal Yatırım A.Ş. to offer support in global credit and capital markets.

In 2023, various changes occurred in the shareholding structure of SASA. Erdemoğlu Holding A.Ş. sold 1.26%, 1.1% and 2.5% of SASA shares to qualified institutional investors on June 13, September 14 and December 12 respectively



and later repurchased shares on September 25, November 1, December 19 and December 25 of the same year. Erdemoğlu Holding's shareholding in SASA thus decreased from 62.04% to 55.28%. Merinos Halı Sanayi ve Ticaret A.Ş. took over Dinarsu İmalat ve Ticaret A.Ş. through a merger on December 15, increasing its stake in SASA from 13.19% to 20.71%.

With more than 4,000 employees, SASA has integrated production facilities in Adana on an outdoor area of 2,181,000 m² and a 55,625-m² raw material storage facility in İskenderun as well as liaison offices in Istanbul and Ankara. SASA houses major technologies such as Dynamit Nobel, ICI, Dupont, Udhe Inventa-Fischer (UIF), Oerlikon Barmag, AC Automation and INVISTA and offers innovative products and solutions thanks to the R&D Center established in 2002, thus delivering high-quality production at international standards.

In addition to its leading role in the Turkish market, SASA also holds a key position in export activities to European and Middle Eastern countries, particularly to Germany. SASA is Germany's first choice for the supply of polyethylene terephthalate (PET) chips and is also a supplier to North American and Asian countries. Ranked 29th in 'Türkiye's Top 500 Industrial Enterprises 2023' list prepared by the Istanbul Chamber of Industry (İSO), SASA enjoys a competitive position in both national and global markets. Furthermore, SASA ranks 45th in export rankings under the same list.

Not only SASA is a leading manufacturer in its sector, but it also continues to deliver operations by prioritizing sustainability and social responsibility principles.

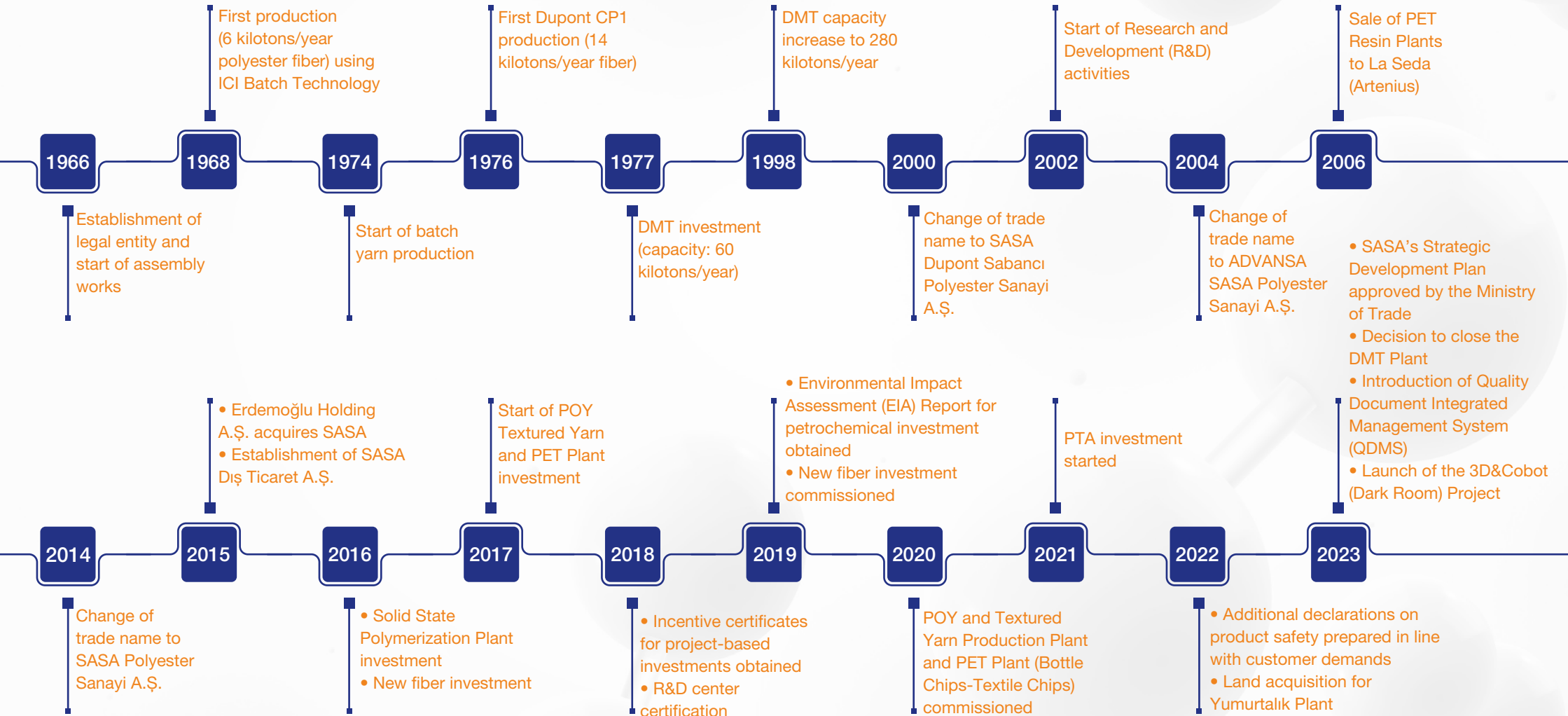
SASA is a company that does not neglect future generations while meeting today's needs in consideration of the increasing world population and demands, and it makes conscious investments to protect natural resources.

1. İSO. (2023). İSO 500: Türkiye's Top 500 Industrial Enterprises 2023
<https://www.iso500.org.tr/sasa-polyester-sanayi-as?yil=2023&birinci500=1&fdld=3>



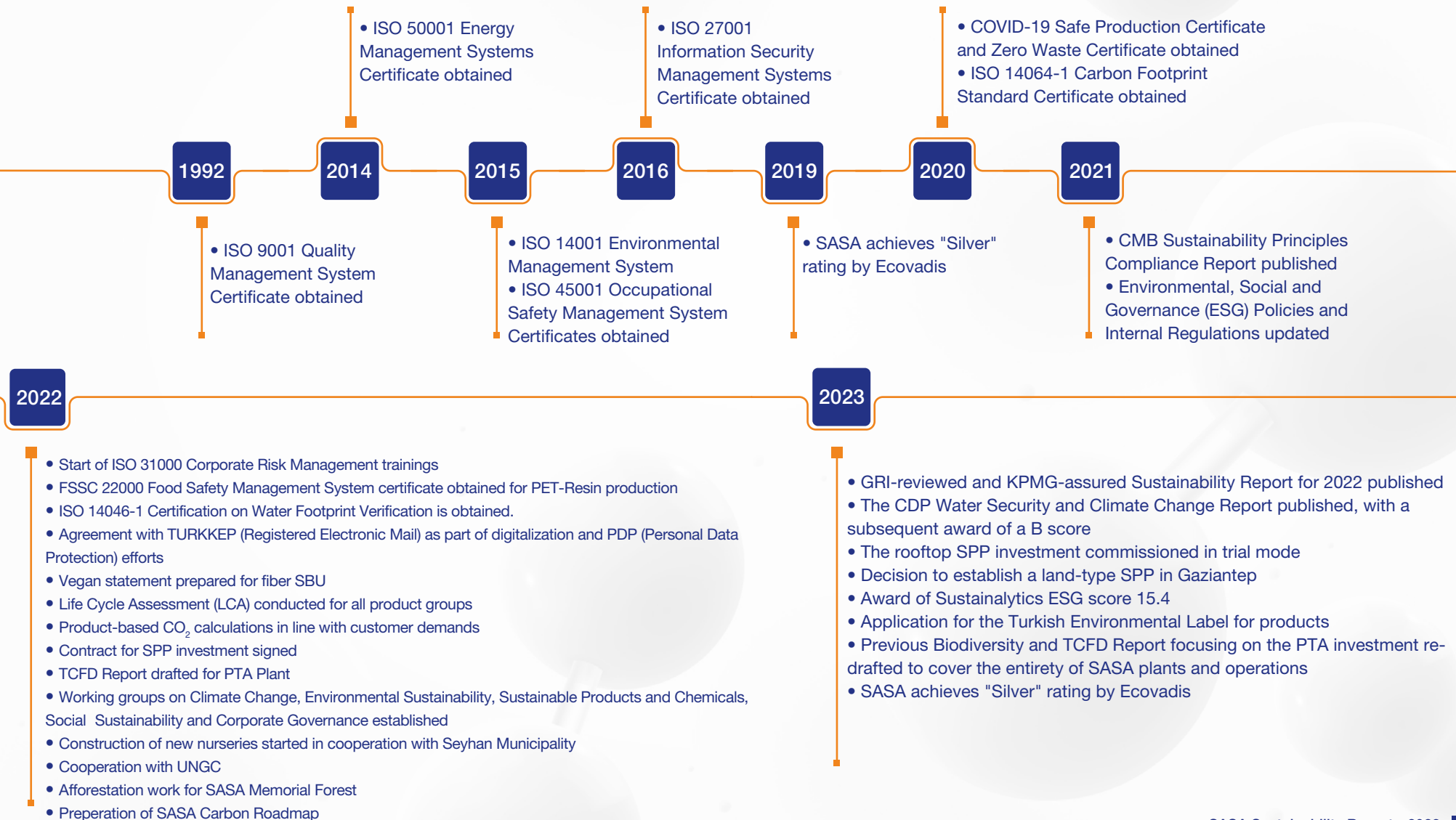
HISTORY AND MILESTONES

HISTORY OF SASA



HISTORY AND MILESTONES

SASA'S SUSTAINABILITY JOURNEY





VISION

As Türkiye's first and largest polyester & polymer producer and the leader of the Europe, Middle East and Africa region, SASA aims to make Türkiye one of the top three polyester manufacturers in the world within a sustainable growth perspective and to become one of the leading players on a global scale through its petrochemical investments.



MISSION

- To ensure sustainable growth,
- To create value for all stakeholders, particularly for employees, suppliers, customers, shareholders and society,
- To share this value fairly with all stakeholders in line with corporate and social responsibility principles,
- To improve continuously by maintaining a spirit of innovation.
- We accept all natural and non-living beings as a respectable whole with the awareness of our responsibility to leave a green and clean world to future generations while meeting the current needs of society.



VALUES

The core guiding values adopted by SASA with the principle of working in compliance with local and global ethical values are as follows:

- Not discriminating on the basis of race, ethnicity, language, religion, opinion, gender,
- Respecting fundamental human rights, children's rights, animal rights and not engaging with parties known to violate these rights,
- Serving the society within a corporate citizenship awareness,
- Observing environmental sustainability in all fields of activity and raising the environmental responsibility awareness of its stakeholders,
- Using environmentally friendly technologies and supporting their development and dissemination,
- Creating the highest value for employees, suppliers, customers, shareholders and society,
- Operating in line with the highest safety standards.

ETHICAL APPROACH



Integrity: Integrity and honesty are prioritized in all business processes and relationships. Employees act with integrity and honesty in their relations with stakeholders.

Confidentiality: Confidential information is used only for the purposes of the Company and shared as particularly authorized. It is absolutely unacceptable to derive any commercial benefit including the trading of shares on stock exchanges.

Protection of Personal Data: Employees shall not share, transfer, disclose or misuse personal data of employees, employers, customers, suppliers and other relevant persons without written consent.

Conflict of Interest: Employees avoid conflicts of interest, do not seek personal gain and do not engage in business activities based on additional financial benefits. In case of a potential conflict of interest, legal and ethical procedures apply.

RESPONSIBILITIES



- Legal Responsibilities: All operations and activities are conducted within the framework of the laws of the Republic of Türkiye and of international law. Regulatory authorities are provided with accurate information. Relations with public institutions are maintained at arm's length.
- Responsibilities towards Customers: The focus is on customer satisfaction. Requests are quickly and accurately responded to. Services are delivered on time. Customers are treated respectfully.
- Responsibilities towards Employees: Employee rights are protected. A fair and safe working environment is provided. Individual development is supported. A work-life balance is observed.
- Responsibilities towards Shareholders: Sustainable profitability is aimed at. Financial discipline is observed. Work is delivered within an awareness of efficiency and savings. Timely and accurate information is provided.
- Responsibilities towards Suppliers/Business Partners: Suppliers are treated fairly and respectfully. Confidential information is protected. Obligations are fulfilled on time.
- Responsibilities towards Competitors: Competition takes place within legal and ethical limits. Unfair competition is avoided. Competitiveness is supported.
- Responsibilities towards Society and Humanity: Democracy, human rights and environmental protection are emphasized. Social issues are handled sensitively. No bribes or excessive gifts are accepted.
- Responsibilities towards the "SASA" Name: Reputation is maintained. Services are offered in accordance with ethical rules and corporate policies. Professional competence is exercised. Company views are represented.

PRODUCTS AND SERVICES

SASA offers high quality products to both domestic and international markets through customized polyester solutions tailored to customer demands.

Maintaining its pioneering position thanks to its 57 years of experience in the polyester industry, SASA is the top manufacturer in Türkiye and one of the largest manufacturers in the world in the field of polymers and chemicals, polyester fiber and polyester filament yarn.

SASA products are transformed into end products in various sectors such as automotive, packaging, medical, hygiene and engineering polymers and hold a common place in every stage of consumers' lives.

Markets Served		
Home Textiles and Clothing (65.51%)	Technical Textiles (15.11%)	Film, Bottles and Packaging (16.28%)
Fiber is subjected to combing, beading or fiber bonding processes and then made into pillows, toy stuffing, quilts, coats, furniture fillings, mattresses and decorative cushions.	Custom solutions and special products such as high viscosity and hydrolysis-resistant PETs are offered to customers in the textile industry.	Film-type PET products are used in the production of films, bottles and packaging materials that may or may not come into contact with food and beverages.
Industrial End Use (1.12%)	Automotive (1.61%)	Plasticizer (0.36%)
High viscosity polyester polymer products are used in industrial applications that require high strength depending on their end use.	Polymer, fiber and filament products are used in the production of automotive parts.	SASA Plus 88, a phthalate-free product, is used as a plasticizer in PVC production.

SASA's end-to-end vertical integration plan in polyester production, coupled with its batch and continuous polymerization lines, state-of-the-art systems and equipment, integrated and functional production tracks, cements its leadership position by providing a competitive advantage over its competitors. In purified terephthalic acid (PTA)-based production, PTA is processed together with monoethylene glycol (MEG) before being sent to

polymerization plants to obtain liquid polymer. The Company has a production capacity of 1.2 million tons/year. The polymer transferred to the fiber, filament and polyester chips plants are then processed into staple fiber, partially oriented yarn (POY), yarn and polyester chips. Part of the POY production is processed as textured yarn in the spinning mill and is then either offered on the market or sold as POY.

The Company's polymerization capacity utilization rate stood at 76% in 2023.

With an annual capacity of 446,628 tons of fiber, 367,500 tons of POY, 218,750 tons of yarn, 1,197,000 tons of polyester chips and 132,300 tons of SSP chips, SASA aims to make Türkiye one of the three largest polyester producers in the world.

SASA PRODUCT GROUPS

Polymers and Chemicals

Sales Volume: 44%

■ Polyethylene Terephthalate (PET) Chips

This is a thermoplastic polymer obtained by the combination of PTA and MEG. The products manufactured in batch and continuous polymerization lines are functionally differentiated by crystallization, drying and solid phase polymerization processes and are tailored to the needs of the market.

Areas of Use

Textiles, Injection, Industrial, Film, Medical



■ Polybutylene Terephthalate (PBT) Chips

This is a thermoplastic polymeric material obtained by the combination of PTA with 1,4 butane diol (BDO) and the subsequent polymerization. PBT amorphous polymer is a crystalline polymer by nature. Thanks to the existing SSP plant, high viscosity products can be produced through solid phase polymerization.

Areas of Use

Textiles, Injection, Industrial, Medical



PET Resin

PTA is a polymer produced from isophthalic acid (IFA) and ethylene glycol (EG) as raw materials. Melt to Resin (MTR) technology is used in the production of bottle-type PET Resin and enables the production of high viscosity products at the desired level in a single stage, unlike the traditional two-stage method.



Areas of Use

Water bottle, Carbonated drink bottle, Mineral water bottle, PET sheet

Advanced Polymers and Chemicals

There are also advanced polymer products (such as flame-retardant polyester, cationic dyeable polyester and low melting point polyester) produced for special purposes in homopolymer and copolymer properties. In addition to polymer products, there are also polyester monomer - dimethylterephthalate and phthalate-free plasticizer - dioctylterephthalate chemicals.



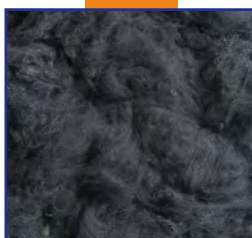
Areas of Use

Film, Plasticizer, Industrial, Automotive

Polyester Fiber — Sales Volume: 31 %

Textile Fiber

High tenacity, low elongation, semi-dull, raw-white fibers with perfect dye take-up properties are produced for open-end, ring and vortex yarn production for the textile industry. Colored/black polyester fibers with high color depth and fastness are also produced.

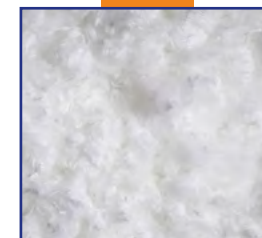


Areas of Use

Home textiles, Ready-to-wear, Denim

Nonwoven Fiber

Superior quality polyester staple fibers with minimum foaming tendency, hydrophilic quality, excellent thermal stability, high combing performance and high cohesion properties are produced for the Nonwoven industry. Production sizes range from 0.9 denier to 15 denier and from 22 mm to 150 mm.



Areas of Use

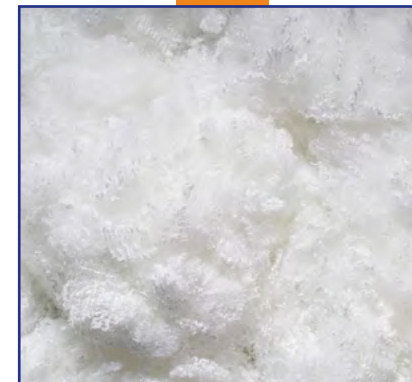
Automotive industry, Filtration, Hygiene and personal care products, Medical textiles, Construction and building materials, Geotextiles

Fiberfill

Fiberfill is an environmentally friendly product that consumes less water and dries faster than natural fibers. SASA offers hollow conjugated silicone, hollow conjugated, hollow and solid products in its fiberfill range and has secured a major place in the sector with the high volume, low weight, heat insulation and flame-retardant properties of its products. SASA is Europe's leading conjugated fiber producer. To meet the needs of the home textiles industry, SASA produces high-quality polyester fiber as part of its wide range of products.

Areas of Use

Shoulder padding, Carpets, Pillows, Quilts, Cushions, Chairs, Couches, Toys, Sleeping bags, Coats



Polyester Filament — Sales Volume: 25%

POY

Produced in fully automated facilities using Industry 4.0 technology, POY has a partially oriented, semi-drawn, non-crimped and non-twisted structure. POY yarns, the so-called primary form of polyester yarn, are used in DTY yarn production.



Areas of Use

Sportswear, Ready-to-wear, Technical clothing, Home textiles

Textured Yarn (DTY)

DTY is obtained as a result of giving false twists to texturized POY by thermal and mechanical processes. The resulting yarn is softer, more flexible and has a higher heat retention capacity than plain yarn. In appearance and properties, it resembles natural fibers such as cotton, wool and linen.



Areas of Use

Outerwear, Underwear, Home textiles, Packaging, Denim, Upholstery, Socks, Automotive industry, Healthcare industry

SASA continues to be a preferred company thanks to its high production capacity, fast shipments, efficiency in production, SASA technical service offering exclusive solutions, solution-oriented services, production in accordance with international certification and supreme customer satisfaction. SASA not only creates added value but also manufactures products that consume low energy and water, emit minimal carbon emissions, comply with the European Union's REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) regulation, successfully undergo allergy tests and have food-safe production certificates, all proof of the Company's keen sensitivity to the environment and human health both during and after production.



Product Group	Production Quantity (tons)		
	2021	2022	2023
Polyester Chips	482,762	495,221	449,466
Polyester Fiber	413,122	418,553	375,653
POY	293,696	352,622	324,094
DMT	231,159	163,288	111,407
Polyester Yarn	134,508	151,438	164,200

GREEN INVESTMENTS AND PROJECTS

SASA operates on a domestic and national mission and continues its investments to reduce foreign dependency, strengthen the country's economy and provide employment opportunities. In line with its sustainability strategy, the Company aims to cement its leading position in the sector through its green investments in emission reduction, circular economy practices, responsible water consumption and energy efficiency. Green investments and projects carried out in 2023 are detailed below.

Rooftop SPP Investment

Setting out to generate free and clean electric power, SASA commissioned rooftop SPPs with an installed capacity of 16.4 MWp at the Adana site in the second quarter of 2023. SASA's sustainability goals include sourcing 2.5% and 4% of its electricity from renewable energy sources in 2023 and 2024 respectively. Current electricity generation is at a level that enables Adana plant to meet 4% to 5% of its needs from renewable energy sources. In 2023, 6,469.60 MWh was generated as part of trial operations. The contribution of the rooftop SPP investment to savings during the trial runs was approximately

USD 1.5/MWh. A savings contribution of around 4% is expected at full capacity.

PTA Production Plant Investment

PTA, the raw material for fibers and polyester, is currently imported mainly from Asia and accounts for 61% of Türkiye's total import volume. The PTA Production Plant investment at Adana site is expected to be commissioned in the third quarter of 2024 with a capacity of 1,750,000 tons/year and aims to reduce foreign dependency on raw materials. The project will involve PTA production using paraxylene and acetic acid. This investment will be crowned Türkiye's largest petrochemical plant and is expected to generate an EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) of around USD 200-250 million. Focusing on Industry 4.0, this giant investment move has an updated investment amount of USD 1.5 billion due to the recent cost increases and the revisions in the production plan and will serve as a concrete indicator of SASA's steady growth. The plant also qualifies as a green investment and will be able to generate its own electricity with high efficiency through waste-to-energy generation, waste gas treatment and

steam turbine technologies. The new technology implemented at the plant is expected to result in 75% less wastewater discharge, 65% less greenhouse gas emissions and 95% less solid waste generation compared to conventional PTA production. Expropriation and construction works for the 154 kV South Adana-SASA Substation Energy Transmission Line (ETL) under the SASA PTA Project are completed by TEİAŞ.

New Advanced Biological Wastewater Treatment and Recovery Facilities Investment

As part of the PTA Production Plant investment, SASA is removing the wastewater treatment plant located within the existing site boundaries and is currently building a central wastewater treatment plant with a water recycling unit for all SASA facilities. The wastewater from operations within the PTA Production Plant will have a high organic pollution rate due to main processes such as oxidation and treatment. Therefore, the new plant will be equipped with tertiary treatment technologies that can both handle the load at the PTA plant and simultaneously treat wastewater from all SASA operations.

About 55% to 60% of the treated wastewater will be reused in cooling towers. The plant was built with state-of-the-art treatment systems at a cost of EUR 32 million and is partially commissioned in 2023. The expected biogas production in the Anaerobic Wastewater Treatment unit stands at approximately 28,900 Nm³/day.

Textile Chips, Bottle Chips, PET Chips (MTR) Production Plant Investment

The Textile Chips, Bottle Chips and Pet Chips Production Plant currently under construction at Adana site will have an annual capacity of 330,000 tons and will be commissioned in the last quarter of 2024. With an estimated investment cost of USD 150 million, the plant's contribution to turnover is expected to stand at an approximate USD 415 million annually at current prices.

Fiber Production Plant Investment

Currently under construction at Adana site, the Fiber Production Plant will be commissioned in the last quarter of 2024 at an annual capacity of 402,500 tons. With an estimated investment cost of USD 400 million, the Plant's contribution to turnover is expected to stand at an approximate USD 510 million annually at current prices

Yumurtalık Petrochemical Plant Project

In order to build one of Turkey's largest petrochemical projects to date, SASA is planning a petrochemical investment in the Adana Yumurtalık region, which will produce petroleum derivative chemicals both imported and used by itself and imported by Türkiye. Land acquisition works are in progress and when the process is finalised, physical investment works will start at the site.

Land-Type SPP Investment

In addition to the current rooftop SPP investment at Adana site, land-type SPP investments have been launched. The land-type SPP investment is planned to have an initial capacity of 40 MWp and is due for commissioning in the last quarter of 2024. Regarding this investment, an agreement has been reached with the contractor company, an EIA positive certificate has been obtained, and excavation operations have been started. To this end, the target is to generate approximately 70,000 MWh of electricity on an annual basis. The investment is located in Arslanbey region by Gaziantep-Nizip Road. There are plans to make additional land-type SPP investments in 2026 and 2027 to increase the total capacity of land-type SPPs to 200 MWp. Relevant feasibility and land research studies are currently underway. These investments aim to realize the target of meeting 50% of energy consumption from renewable energy sources by 2030.



MEMBERSHIPS AND PARTNERSHIPS

As one of the world's leading petrochemical producers, SASA attaches great importance to the partnerships it develops with its stakeholders to contribute to global targets in line with the United Nations Sustainable Development Goals. SASA adopts a participatory approach based on which it develops collaborations. The Company also emphasizes collective action through corporate memberships. To this end, it supports relevant industry associations and professional groups in preparing policies, regulations and information documents. Through memberships and partnerships, SASA not only shares insights and experience in the industry but also as-

sumes an active role in shaping the future of the polyester industry and reducing its environmental footprint.

SASA aims to further expand its partnerships serving SDG 17: Partnerships for the Goals by 2030. As a signatory of the United Nations Global Compact, SASA fully complies with the UNGC's principles on human rights, labor standards, environmental practices and anti-corruption. By integrating these global standards into its core business strategy, SASA creates value for its employees, customers, investors and all other stakeholders. SASA periodi-

cally reports to UNGC and has a UNGC Principles Compliance Index, which is available in the Annexes of this report.

In addition, SASA participates in events organized by Republic of Türkiye Ministry of Environment, Urbanization and Climate Change (MoEUCC) and Republic of Türkiye Ministry of Industry and Technology and closely monitors related developments. The Company actively participated in the Integrated Pollution Prevention and Control (IPPC) Chemical Industry Workshops organized by the Ministry of Environment, Urbanization and Climate Change.

Memberships and Partnerships

United Nations Global Compact (UNGC)	Adana Chamber of Industry (ADASO)	Tobacco and Alcohol Market Regulatory Authority (TAPDK)
Adana Metropolitan Municipality (AMM)	Turkish Chemical Manufacturers Association (TCMA)	Mediterranean Chemicals and Chemical Products Exporters Union (AKMIB)
İskenderun Chamber of Commerce and Industry (İTSC)	Çukurova University	Chamber of Shipping (DTO)
Adana Industry and Business Association (ADSiAD)	Scientific and Technological Research Council of Türkiye (TÜBİTAK)	Turkish Textile Industry Employers' Union (TTSİS)
Borsa İstanbul (BİST)	Mediterranean Exporters' Associations (AKİB)	Responsible Care
Adana Hacı Sabancı Organized Industrial Zone (AOSB)	Adana Chamber of Commerce (ATO)	Boğaziçi University



02. CORPORATE GOVERNANCE

CORPORATE GOVERNANCE APPROACH
GOVERNANCE STRUCTURE
CORPORATE POLICIES
BUSINESS ETHICS
ANTI-CORRUPTION AND ANTI-
BRIBERY APPROACH
RISK MANAGEMENT APPROACH
RISK MANAGEMENT STRUCTURE
BUSINESS CONTINUITY



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CORPORATE GOVERNANCE

CORPORATE GOVERNANCE APPROACH

SASA recognizes the significance of a corporate governance approach that considers the expectations of all stakeholders to maintain a responsible business structure in the long run. SASA takes corporate governance principles as a guide. The Company develops its corporate sustainability approach by integrating environmental awareness, ethical behavior, corporate strategy, compensation and risk management with the principles of accountability, transparency, fairness and responsibility, which are the principles considered as the basis of corporate governance.

At the heart of the corporate governance approach adopted by SASA is the Board of Directors as the top governance body prioritizing the principles of openness, equality and functionality. The organizational structure built on this foundation meticulously works to ensure the continuity of SASA's management approach from a responsible management perspective. The Board of Directors, Senior Management and Committees play a pivotal role in the implementation of ethical principles and the protection of corporate culture within the Company. In line with the significance attached to the

principle of openness as well as ethical principles, the announcement of policies regulating business processes and business relations is among SASA's priorities in the field of corporate governance.

SASA meticulously complies with and effectively implements the mandatory principles set forth in the Corporate Governance Communiqué published in the Official Gazette No. 28871 of January 3, 2014. As a publicly traded company, SASA publishes an annual "Corporate Governance Principles and Compliance Report" on the Public Disclosure Platform (PDP). In 2023, the Company demonstrated its commitment to the principles of fairness, transparency, accountability and responsibility when it posted its Corporate Governance Principles Compliance Report on PDP.

The Company's Corporate Governance Principles Compliance Report is available [here](#). Disclosures under the 'Sustainability Principles Compliance Framework' presented together with the reports on compliance with corporate governance principles are available [here](#). Furthermore, SASA Corporate Governance Approach can be viewed [here](#).



GOVERNANCE STRUCTURE

SASA places great importance on effective communication between senior management and all stakeholders, thus enabling the transfer of accurate information to stakeholders. The governance structure is shaped by the Board members and Senior Management members at SASA and is chaired by İbrahim Erdemoğlu. SASA Corporate Governance Approach detailing information on management and committee selection processes is available [here](#).

SASA's management body consists of the Board Chairperson, General Manager, Deputy General Managers, Group Managers and Group Heads. Most of the members of the Board of Directors are non-executive members as defined in the Corporate Governance Principles.

As of April 7, 2023, SASA Board consists of 11 members including 2 female and 9 male members.

Four of the Board members are independent members. Board members are elected by the General Assembly in accordance with the Corporate Governance Principles.

The Company's Board members continue to work within a governance approach serving the goal of actively and effectively upholding the Company's values. SASA's Board of Directors determines corporate strategies by considering the company's operations and performance as well as the interests of all stakeholders.

Within the framework of the policy change in 2023, SASA aims to increase the ratio of female Board members to 25% by 2025. SASA Board has a Diversity and Inclusion Policy, which can be accessed [here](#).

GOVERNANCE STRUCTURE

SENIOR MANAGEMENT

General Manager

- Dr. Mustafa Kemal Öz

Deputy General Managers

- Şakir Sabri Yener (CFO)
- Güven Kaya
- Abdullah Keleş
- Alper Söğüt
- Ersoy Nisanoğlu
- Hasan Oğuzhan Öz
- Sivakumar Natarajan
- Taşkın Aytekin
- Noyan Ercan



BOARD OF DIRECTORS

Board Chairperson

- İbrahim Erdemoğlu

Deputy Chairperson

- Ali Erdemoğlu

Board Members

- Mehmet Şeker
- Mehmet Erdemoğlu
- İrfan Başkır
- Mustafa Kemal Öz
- Güven Kaya
- Kadir Bal (Bağımsız)
- Hacı Ahmet Kulak (Independent)
- Ayten Topalkara (Independent)
- Servi Sebe (Independent)

Working Groups

- Climate Change Working Group

- Environmental Sustainability Working Group
- Sustainable Products and Chemicals Working Group
- Social Sustainability Working Group
- Corporate Governance Working Group



Early Detection of Risk Committee

Audit Committee

Corporate Governance Committee

Sustainability Committee

Nominates / Appoints
Informs / Reports

BOARD STRUCTURE

Board Members	Executive Committee Members	Industry Experience / Education	Financial Experience / Education	Experience	Role	External Roles
İbrahim Erdemoğlu	Executive	Available	Available	40 years	Board Chairperson	Board Chairperson at Erdemoğlu Holding A.Ş., Vice Chairperson at Merinos Halı San. ve Tic. A.Ş., Board Chairperson at Erdemoğlu Dış Tic. A.Ş., Board Chairperson at Erdemoğlu Proje Müşavirlik İnşaat A.Ş., Board Chairperson at İlke Yer Kap. Mob. ve Teks. Ür. Paz. A.Ş., Board Chairperson at Eryuva Gayrimenkul Yatırımları A.Ş., Board Chairperson at Sasa Dış Tic. A.Ş., Board Chairperson at Sasa Uluslararası Finansal Yatırım A.Ş.
Ali Erdemoğlu	Non-Executive	Available	Available	52 years	Vice Chairperson	Vice Chairperson at Erdemoğlu Holding A.Ş., Board Chairperson at Merinos Halı San. ve Tic. A.Ş., Vice Chairperson at Erdemoğlu Proje Müşavirlik İnşaat A.Ş., Vice Chairperson at Eryuva Gayrimenkul Yatırımları A.Ş., Board Chairperson at Erdemoğlu Havacılık ve Denizcilik A.Ş., Vice Chairperson at Sasa Dış Ticaret A.Ş., Vice Chairperson at Sasa Uluslararası Finansal Yatırım A.Ş.
Mehmet Şeker	Executive	Available	Available	20 years	Board Member	Board Member at Erdemoğlu Holding A.Ş.
Mehmet Erdemoğlu	Non-Executive	Available	Available	13 years	Board Member	Board Member at Merinos Halı San. ve Tic. A.Ş., Vice Chairperson at Erdemoğlu Dış Tic. A.Ş., Board member at Erdemoğlu Proje Müş. İnş. A.Ş., Board Member at Eryuva Gayrimenkul Yatırımları A.Ş., Board member at Sasa Dış Ticaret A.Ş., Board Member at Sasa Uluslararası Finansal Yatırım A.Ş.

BOARD STRUCTURE

Board Members	Executive Committee Members	Industry Experience / Education	Financial Experience / Education	Experience	Role	External Roles
İrfan Başkır	Executive	Available	Available	30 years	Board Member	No external roles
Mustafa Kemal Öz	Executive	Available	Available	27 years	Board Member	No external roles
Güven Kaya	Executive	Available	Available	31 years	Board Member	No external roles
Kadir Bal	Non-Executive	Available	Available	22 years	Independent Board Member	No external roles
Hacı Ahmet Kulak	Non-Executive	Available	Available	27 years	Independent Board Member	İdeal Bağımsız Denetim A.Ş. Board Member
Ayten Topalkara	Non-Executive	Available	Available	27 years	Independent Board Member	No external roles
Sevil Sebe	Non-Executive	Available	Available	22 years	Independent Board Member	No external roles

SENIOR MANAGEMENT STRUCTURE

Senior Management Members	Title	Industry Experience or Education	Titles in the Last 5 Years
Mustafa Kemal Öz	General Manager, Board Member	Chemical Engineer	Head of Investments Group, Deputy General Manager
Şakir Sabri Yener	Deputy General Manager, CFO	Business and Management Professional	Finance Manager
Güven Kaya	Deputy General Manager, Board Member	Chemical Engineer	Head of Polymer Plants Group
Abdullah Keleş	Deputy General Manager	Textile Engineer	Group Manager for Domestic Market Sales for Fiber, Filament, and Chips
Alper Söğüt	Deputy General Manager	Mechanical Engineer	Fiber and Tops Sales Manager, Fiber Domestic Sales Manager, Group Manager for Fiber Sales and Marketing
Ersoy Nisanoğlu	Deputy General Manager	Chemical Engineer	Factory Manager
Hasan Oğuzhan Öz	Deputy General Manager	Chemical Engineer	PET Chips Plants
Sivakumar Natarjan	Deputy General Manager	Textile Engineer	POY Plants Manager
Taşkın Aytekin	Deputy General Manager	Industrial Engineer	Procurement Manager, Procurement and Materials Management Group Manager
Noyan Ercan	Deputy General Manager	Mechanical Engineer	Senior Reliability Manager

COMMITTEES AND WORKING GROUPS

Committees reporting to the Board of Directors at SASA carry out oversight and audit activities for the entire Company. The structure, functioning and performance of these committees are regularly evaluated, and necessary actions are taken to systematically monitor and record the processes. The internal regulations of the Board Committees are available [here](#).

Committees reporting to the Board of Directors are namely the Corporate Governance Committee, Audit Committee, Early Detection of Risk Committee, and Sustainability Committee. As of 2023, the Nomination Committee and the Remuneration Committee are not separately defined in the current structure, and these duties are undertaken by the Corporate Governance Committee.

There are various working groups operating under the Early Detection of Risk Committee and Sustainability Committee. The Climate Change Working Group reports to the Early Detection of Risk Committee, while the Environmental Sustainability, Sustainable Products and Chemicals, Social Sustainability and Corporate Governance Working Groups report to the Sustainability Committee.

SASA's sustainability-oriented working groups include employees from various departments. These working groups are responsible for setting targets for their respective matters, periodically reviewing these targets and taking the necessary action steps. Working groups cooperate on matters affecting multiple groups. The Sustainability Committee reviews the activities carried out by the working groups at periodic meetings and provides feedback based on the evaluation results for these groups. Material issues related to sustainability are discussed and presented to the Board during these meetings, and necessary guidance is provided by the Board. During the General Assembly Meetings, sustainability goals and the planned strategies to achieve them are scrutinized by the relevant committees reporting to the Board as well as the working groups under these committees.



EARLY DETECTION OF RISK COMMITTEE

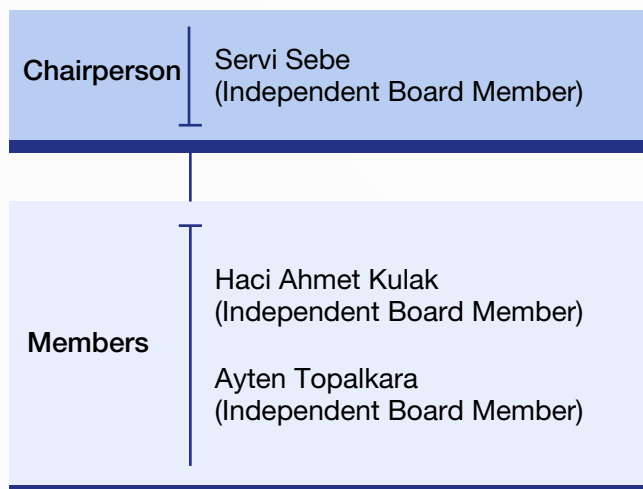
The Early Detection of Risk Committee operates to identify and early detect all kinds of strategic, operational and financial risks that may jeopardize the existence, development and continuity of the Company, take and implement the necessary measures regarding the risks identified and manage the risks. The Committee reviews the risk management systems at least once a year and oversees the implementation of risk management practices in accordance with the Committee's decisions. The Early Detection of Risk Committee convenes at least six times a year.

The Climate Change Working Group was launched in 2021 under the Early Detection of Risk Committee and

meets semimonthly. The main focus areas for this group include supporting the transition to a low-carbon economy, reducing carbon emissions and examining the risks and opportunities brought about by climate change in detail.

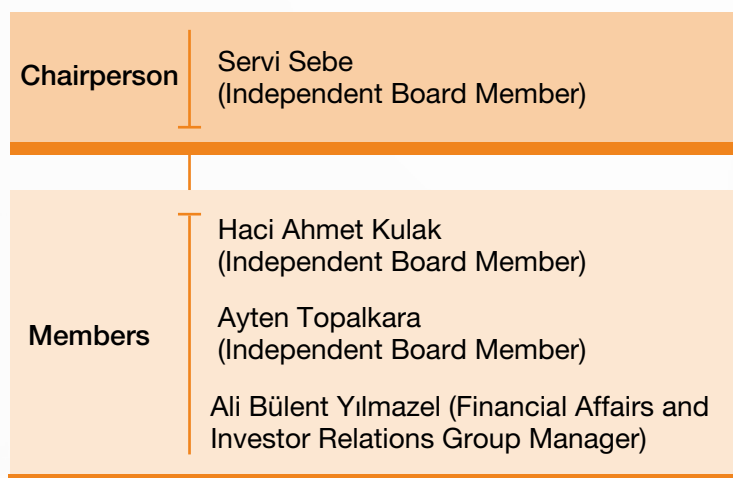
Furthermore, climate-related risks and opportunities, coupled with their potential financial impacts, are regularly reported to the Early Detection of Risk Committee. The Committee aims to extend infrastructure support to ensure the integration of climate change risks into the Company's overall risk management framework.

Establishing processes for the inclusion of these risks in the Company's overall risk database is also among the activities led by the group. In addition, the Annual Integrated Reporting process provides information on the financial impacts of climate-related risks and contributes to increasing transparency and awareness on the matter.



CORPORATE GOVERNANCE COMMITTEE

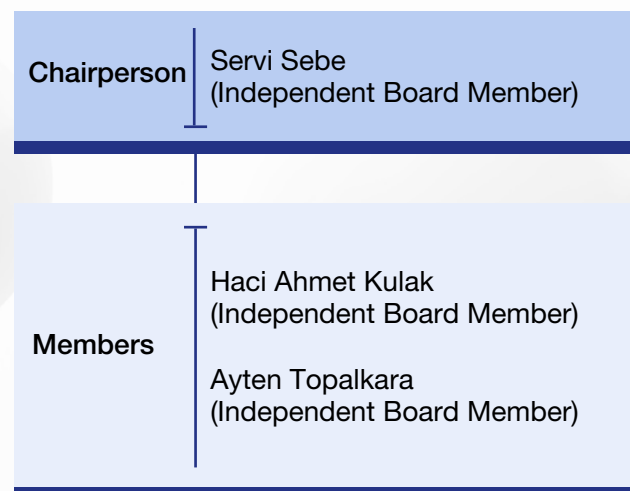
The Corporate Governance Committee was established to help the Board of Directors fulfill its duties and responsibilities vigorously. The Committee submits proposals to the SASA Board in order for the latter to set Corporate Governance Principles in line with those of the Capital Markets Board as well as other internationally recognized corporate governance principles. Corporate Governance Committee meetings are held at least four times a year at a location deemed appropriate by the Chairperson. The Committee met 6 times in 2023. Since a separate Nomination Committee and Remuneration Committee have not been established in the current structure of the Board of Directors, the duties related to these committees are performed by the Corporate Governance Committee.



AUDIT COMMITTEE

The Audit Committee is responsible for informing the SASA Board of Directors about the Company's accounting system, financial reporting, public disclosure of financial information as well as the functioning and effectiveness of the independent audit and internal control system. Furthermore, it is responsible for supporting the Company's efforts to comply with the relevant laws and regulations, particularly capital markets legislation, corporate governance principles and ethical rules, and to fulfill its oversight function regarding these matters. The agenda items of the meetings generally include review of the work done by Internal Audit and of the presentation of the Board of Directors, review of the work of the Independent Audit firm, review of the financial statements, and violations and investigations of Business Ethics and Code of Conduct.

In 2023, the Audit Committee held 5 in-person meetings with the participation of all members and submitted 4 reports to the Board of Directors with its findings and evaluations related to its duties and responsibilities. Review of the work done by internal audit and of the presentation of the board of directors, selection of the independent audit firm and the services to be provided, review of the independent audit work, and review of the financial statements were set as agenda items at the Committee meetings.



CORPORATE POLICIES

SASA's sustainability success is based on a policy structure that is embedded in the Company culture and is rigorously implemented. Developing policies in a wide range of areas from Human Resources to occupational health and safety, and from food safety to supplier diversity, SASA has adopted the principles of excellence and responsibility in all its business processes.

These policies play a critical role in sharing SASA's governance, social and environmental responsibilities with its stakeholders. Each policy shapes the organization's approach and embodies its commitments to employees, suppliers, customers and society. ESG Policies are available [here](#).

SASA employs the foregoing policies to anticipate the needs of not only today but also tomorrow, to nurture future generations and leave them a more livable world.

ESG policies in force at SASA are as follows:

- Human Resources Policy
- Human Rights Policy
- Occupational Health and Safety Policy
- Food Safety Policy
- Supplier Code of Conduct
- Supplier Diversity Policy
- Hazardous Substances and Chemicals Policy
- Energy Policy
- Water Management Policy
- Policy on Diversity and Inclusion in the Board of Directors
- Sustainability Policy
- Environmental Policy
- Business Ethic Rules Policy
- Quality Policy
- Diversity Policy
- Corporate Risk Management Policy
- Corporate Communications Whistleblower Suggestion Policy
- Corporate Governance Approach Policy
- Community Relations Policy
- Social Responsibility Policy
- Conflict Minerals Policy
- Related Party Transactions Policy
- Information Security Policy
- Green Purchasing Policy
- Privacy Policy
- Cookie Policy



BUSINESS ETHICS

SASA attaches key importance to ethical values in the conduct of its operations and is committed to setting the highest standards in business ethics. SASA strictly adheres to its ethical values built on principles such as integrity, transparency, respect, fair behavior, respect for human rights and environmental sensitivity. The organization sees the adoption and implementation of these values as a responsibility for its employees, managers and all stakeholders. To this end, business ethics is recognized as a fundamental element of the organization's way of doing business, and the related rules and policies take their place among the Company's documentation. SASA Business Ethic Rules Policy is available [here](#).

Senior Management is responsible for the proper implementation of SASA's Business Ethic Rules and for creating a supportive culture. These rules and all related policies are regularly reviewed, updated and documented by the Human Resources and Industrial Relations department. These documents are then approved by the Deputy General Managers and announced internally.

When ethical violations require investigation, an Ethics Committee is formed by the SASA Ethics Committee Advisor. This committee consists of a team of three members, chaired by the Ethics Committee Advisor, Human Resources and Industrial Relations Manager, and Audit Manager. The committee takes decisions unanimously and conducts investigations meticulously.

The Ethics Committee carries out its activities within the framework of these principles:

- The identities of whistleblowers are kept confidential, and the investigation of complaints and reports is carried out at the highest possible degree of confidentiality. The committee is authorized to request any relevant information, documents and evidence directly from the relevant units.
- The investigation process is recorded in written minutes from the very beginning. The obtained information, evidence and documents are added to the minutes, which are signed by the chairperson and members of the committee.
- Investigations are handled in an expeditious manner, and the aim is to reach conclusions as soon as possible. Decisions taken by the committee are implemented immediately.
- The results of investigations are reported to the relevant departments and authorities, and the chairperson and members of the committee act independently of their department managers and of the hierarchical structure within the organization without being subject to any external influence in the performance of their duties. It is not possible to exert any pressure on or submit suggestions to the chairperson and members of the committee.
- The committee seeks expert opinion when deemed necessary, and care is taken to protect the principles of confidentiality during the investigation.

Beyond legal obligations, SASA fulfills its responsibilities to customers, employees, shareholders, suppliers and business partners, competitors, society and humanity with great care. In line with the feedback received from these various stakeholder groups, the organization's ethical values are continuously improved. In the process, basic principles such as transparency, fair behavior, respect for human rights and environmental sensitivity are prioritized in all relations, contributing to SASA's leading role in its sector.

Furthermore, in line with sustainability and social responsibility goals, the responsibility to leave a livable world for future generations is at the core of the company's strategic planning mechanism.

Some of these responsibilities are as follows:

- While carrying out all its activities and operations within the framework of its legal responsibilities, SASA stands at an equal distance to all kinds of public bodies, institutions and organizations, administrative entities, non-governmental organizations and political parties without any expectation for benefits and fulfills its obligations within such sense of responsibility.
- It acts with financial discipline and accountability within the framework of its responsibilities towards its shareholders and manages the organization's resources, assets and working time with an awareness of efficiency and economy.
- As part of its responsibilities towards its customers, SASA works within an understanding to respond to their needs and demands as quickly and accurately as possible.
- As part of its responsibilities towards its suppliers/business partners, SASA acts fairly and respectfully as expected from a good customer and displays due diligence to fulfill its obligations on time.
- As part of its responsibilities towards its employees, SASA approaches employees honestly and fairly and is committed to a non-discriminatory, safe and healthy working environment.
- As part of its responsibilities towards its competitors, SASA competes effectively, only within the boundaries of laws and ethics, and avoids unfair competition.
- As part of its responsibilities towards society, SASA attaches key importance to the protection of democracy, human rights and the environment, to education and charity work, and to the elimination of crimes and corruption.

ANTI-CORRUPTION AND ANTI-BRIBERY APPROACH

Anti-bribery and anti-corruption are at the core of SASA's sustainability strategy, along with its code of business ethics. To this end, the Company is committed to combating corruption and bribery by strictly adhering to its ethical values and to focusing on an integrity approach. SASA adopts a preventive anti-bribery and anti-corruption approach through proactive measures and has established the Anti-Bribery and Anti-Corruption Policy.

There is an internal reporting mechanism for possible cases of bribery and corruption. Employees and other stakeholders can safely and anonymously report any ethical violations to the Human Resources and Industrial Relations Department. If necessary, the relevant notification is forwarded to the Disciplinary Board and legal authorities.

SASA's Anti-Bribery and Anti-Corruption Policy is supported by senior management, and relevant decisions and practices are regularly reviewed and improved. The Anti-Bribery and Anti-Corruption Policy is also included in the Business Ethic Rules Policy.

All members of Board of Directors and all employees at SASA have received anti-corruption training. It is reported that no cases of corruption were detected in 2023. Furthermore, SASA stands at an equal distance to all institutions in Türkiye and does not financially support any political view or political organization.



RISK MANAGEMENT APPROACH

SASA considers it critical to identify potential risks early and respond to these risks promptly to maintain the organization's strategies and operational processes without disruption.

Therefore, a management system is implemented in accordance with the requirements of the ISO 31000 Risk Management, Principles and Guidelines Standard and the Corporate Risk Management Policy developed in the light of SASA's past experience. The Corporate Risk Management Policy is available [here](#).

The Environmental, Social and Governance (ESG) risk categories that SASA addresses are as follows:

- Environmental Security and Climate Crisis
- Technological Innovation
- Occupational Health and Safety
- Corruption
- Business Interruption
- Employee Satisfaction
- International Impact
- Ethics

RISK MANAGEMENT STRUCTURE

At SASA, the Early Detection of Risk Committee (EDRC) ensures that risks that may arise in business processes are identified in advance and that the risk assessment is communicated to all relevant parties. The Committee is tasked with mitigating risks that may adversely affect SASA's long-term success and with developing and implementing effective solutions to these risks. The duties of this Committee include the annual review and update of risk management strategies. In addition, increasing transparency and accountability in the overall risk management practices of the organization is also among the objectives of this Committee. This systematic risk management approach, supported by SASA's organizational structure, allows for the continuous improvement of risk management practices and contributes to maintaining corporate sustainability and financial stability.

RISK ASSESSMENT

Effective risk assessment processes play a key role in the success of corporate risk management. Accordingly, SASA accurately identifies, analyzes, assesses, prioritizes and monitors risks in accordance with risk assessment instructions.

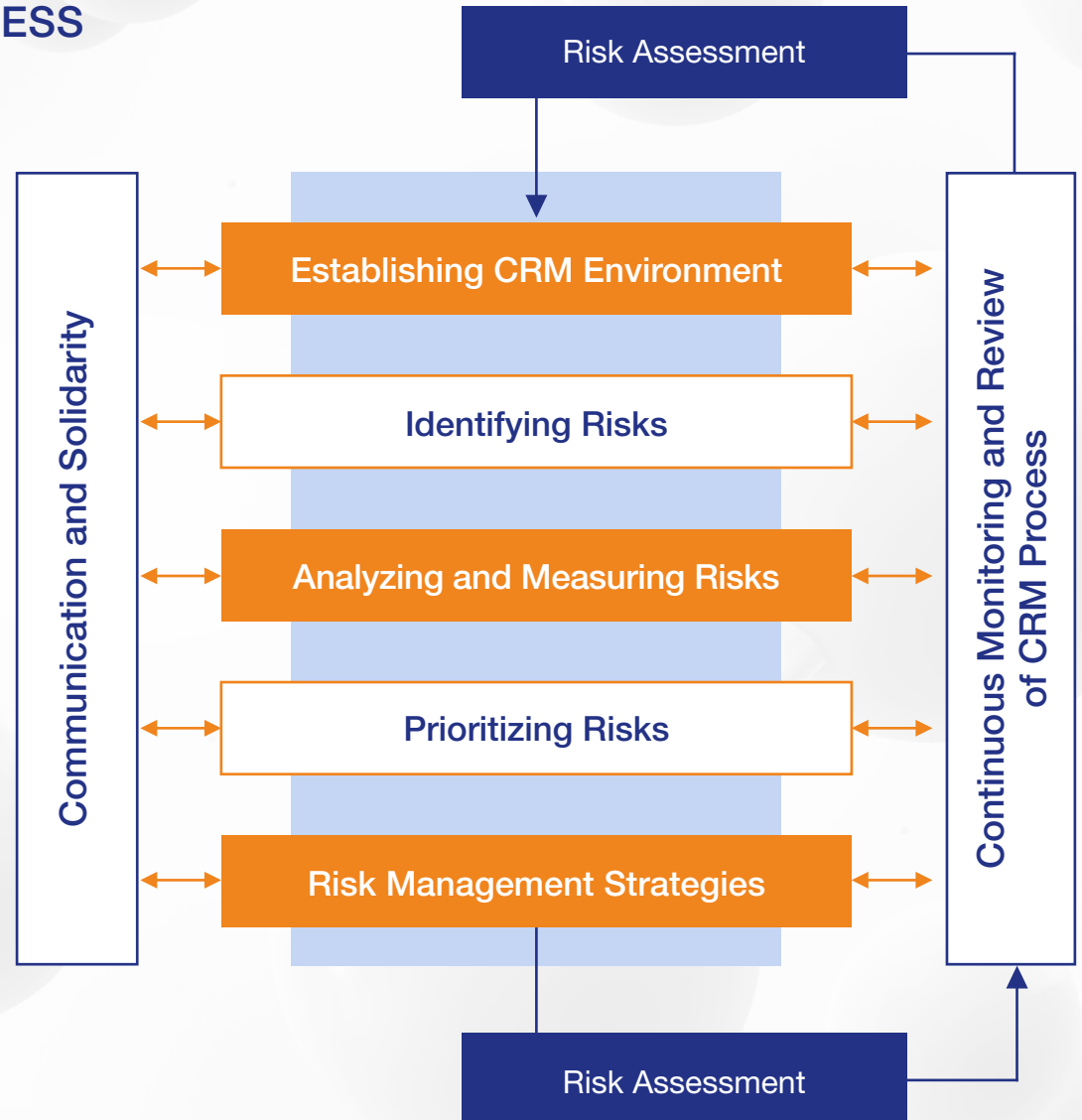
SASA analyzes potential risks under four main categories: financial, operational, strategic and environmental. Environmental, social and governance risks, including climate crisis risks, are managed in an integrated manner within these categories.

In addition, risks and opportunities related to climate change and water management are presented in the annual TCFD reports. A risk impact assessment table that identifies the impact and probability of risks and includes the responsible business units that implement actions to minimize these risks has been created.

CORPORATE RISK MANAGEMENT PROCESS

Risk management processes are handled in detail and effectively with the Corporate Risk Management Procedure prepared based on SASA's Corporate Risk Management Policy. The risk management flow chart in this procedure defines the risk management process and the responsible employees.

Thanks to the risk management process, SASA's risk appetite is considered in decisions to be taken in areas such as investment, financial decisions and business strategies, ensuring that possible surprises are kept to a minimum. The process aims to reduce potential losses and costs associated with risks, stabilize revenues and support sustainable growth. Moreover, enhancing the reputation and credibility of the organization and ensuring continuous compliance with legal regulations are also major outcomes of the corporate risk management process.



CORPORATE RISK CYCLE

SASA continuously strengthens the continuity and effectiveness of its risk management process through comprehensive strategic planning and senior management involvement. The risk management cycle not only ensures a seamless process, but also enables SASA to fulfill its risk management commitments.

At SASA, risk management performance and continuity are measured at regular intervals in consideration of previously set indicators. These metrics play a key role in assessing the effectiveness of the risk management framework. The results of monitoring and evaluation enable decisions to be made on how to improve the risk management framework as well as related policies and plans. The decisions taken to this end aim to continuously improve SASA's risk management processes.



BUSINESS CONTINUITY

SASA adopts a strategic approach to business continuity to realize its long-term sustainability goals and increase its corporate resilience. The Company has developed a detailed Business Continuity and Emergency Plan to prevent emergencies and unexpected situations from adversely affecting the regular functioning of the organization. Business continuity planning includes the assessment of risks related to the continuity of business operations and processes in addition to the measures to be taken against these risks. Such comprehensive planning aims to maintain critical business processes at acceptable levels in the event of disasters or other major service interruptions. When it comes to emergencies such as natural disasters, SASA's priority is to protect the safety of its personnel and customers. In addition, SASA's Business Continuity and Emergency Plans are delivered in accordance with ISO 27001 Information Security Management System and ISO 45001 Occupational Health and Safety Management System standards.

In terms of business continuity, SASA takes comprehensive measures to ensure the uninterrupted

operation of information systems in particular. It places vital importance on information systems recovery planning to protect critical information and data. All records, negotiable instruments and electronically stored data are regularly classified and evaluated. Information classified as particularly valuable is backed up in accordance with regulatory requirements, and this is done under the supervision of the Emergency and Contingency Officer.

SASA conducts scenario-based recovery exercises at least once a year to test the resilience of its information systems in the face of crisis. Such tests are performed weekly, especially for important servers.

Business continuity planning and the Information Systems Department are audited annually by an independent audit firm in compliance with international standards. This approach not only strengthens SASA's commitments and the effectiveness of its processes in business continuity management but also ensures continuity and security in all operations of the organization.





03. SUSTAINABILITY APPROACH

SUSTAINABILITY STRATEGY AND POLICY

SUSTAINABILITY GOVERNANCE

SUSTAINABILITY COMMITTEE

WORKING GROUPS

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MATERIALITY MATRIX

MATERIAL TOPICS

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SUSTAINABILITY APPROACH

SUSTAINABILITY STRATEGY AND POLICY

SASA is aware that sustainability affects multiple areas of activity and business relationships simultaneously. Aiming to create numerous employment opportunities and increase the living standards and welfare of its stakeholders through major investments, the Company has placed its goal of supporting sustainable development at the heart of all its operations and decision-making processes.

SASA's sustainability strategy is based on a comprehensive approach that balances the needs of today with the well-being of future generations and considers conscious production models, clean energy and efficient use of resources. Cognizant of global problems such as the growing world population, destruction of natural resources and habitats, climate change, socio-economic problems, and the common food crisis and biodiversity loss, SASA has shaped its business model to tackle these problems and contribute to the SDGs. It addresses sustainability holistically through its strategic and operational commitments. SASA's sustainability-related activities and achievements are available on the [corporate website](#).

Strategic Commitments

- SASA annually reviews and updates its sustainability approach, which is in line with its mission, vision and overall strategy. This ensures that its growing investments remain relevant and effective in supporting sustainable development, improving social standards and enhancing employee welfare.
- SASA evaluates the environmental, social and governance impacts of its activities by following Key Performance Indicators (KPIs) through regularly published Sustainability Reports and shares its sustainability performance with all its stakeholders. It identifies positive and negative trends through internal and external audits, takes remedial measures and develops initiatives to create a positive impact locally and globally.
- SASA follows national and international standards in its operations and is committed to providing the highest quality products and services by meeting the changing needs of its stakeholders through the best practices it developed. This commitment covers all aspects of SASA's operations from environmental management to social responsibility and corporate governance.

Operational Commitments

- SASA is committed to upholding human and employee rights, social justice and business ethics at all times, and to combating inappropriate social conditions, corruption, bribery and discrimination, including mobbing (efforts to exclude and discredit others in the workplace) and child labor. SASA's approach focusing on diversity, inclusion, gender and equal opportunities in the workforce is an integral part of its operational processes.
- Integrating sustainability values into all its operations and value chain, SASA aims to minimize its ecological footprint. To this end, it continues to work on combating climate change, efficient resource use, water conservation, access to reliable energy, prioritizing efficiency technologies and supporting circular economy principles.
- In the light of global developments, SASA regularly reviews and updates its sustainability policy. It also ensures the active engagement of relevant departments in the Company to ensure that the sustainability strategy remains responsive to emerging challenges and opportunities.

SUSTAINABILITY GOVERNANCE

SASA's sustainability efforts are managed through an organizational structure that is both owned by senior management and supported at the operational level. Working under the supervision of the Board of Directors, the Sustainability Committee plays a key role in increasing the effectiveness and permanence of sustainability efforts in the light of corporate governance principles.

5 different working groups including 4 working groups reporting to the Sustainability Committee (Environmental Sustainability Working Group, Sustainable Products and Chemicals Working Group, Social Sustainability Working Group and Corporate Governance Working Group) and 1 working group reporting to the Early Detection of Risk Committee (Climate Change Working Group) deliver work on sustainability. These working groups are participated by employees working in different business lines to ensure that the sustainability approach is adopted within the company and activities are carried out collectively.

In addition to the Sustainability Committee and working groups, the Sustainability, OHS and Environment Department within SASA is responsible for the coordination of sustainability activities at an operational level.

SASA strengthens its sustainability governance approach through third party monitoring and reporting mechanisms. This ensures that sustainability efforts are transparent, robust and

inclusive. Adopting a dynamic learning process by continuously monitoring and improving these mechanisms, the Company ensures continuous improvement in its sustainability efforts. Through open governance and proactive stakeholder engagement, SASA seeks to cement its role as a leader in sustainable practices in the industry and ensure positive impact and responsible stewardship on the environment and communities served by its heritage.

Strategic Sustainability				Operational Sustainability
Board of Directors				Sustainability, OHS and Environment Department
Corporate Governance Committee	Audit Committee	Early Detection of Risk Committee	Sustainability Committee	
		Climate Change Working Group	- Environmental Sustainability Working Group - Sustainable Products and Chemicals Working Group - Social Sustainability Working Group - Corporate Governance Working Group	

SUSTAINABILITY COMMITTEE

The SASA Sustainability Committee manages environmental and social activities and reports to the Board of Directors to integrate the sustainability approach into the corporate structure and to ensure that it is embraced by everyone. Established in 2021, the Committee was established in response to the Capital Markets Board's (CMB) "Sustainability Principles Compliance Framework" regulation and global sustainability developments such as the Paris Agreement, to which Turkey is a party, as well as the SDGs. This Committee is chaired by an Independent Board Member and has 16 members consisting of Board Members, Senior Management and Managers.

The Sustainability Committee aims to develop sustainability strategies, policies and science-based sustainability goals and to execute, monitor and supervise relevant practices. Thus, it is possible to manage sustainability practices from top to bottom, integrating them at all levels.

Sustainability issues identified in line with the decisions taken by the Committee are accepted as data for SASA's sustainability reports. All resources and support required for the Committee to fulfill its duties are provided by the Board of Directors. You can find the Sustainability Committee Charter [here](#).

In 2023, the Sustainability Committee convened 3 times and evaluated and took decisions on various issues such as Sustainability audits, GRI-compliant sustainability reporting, carbon roadmap, revision of sustainability targets, CDP reporting and LSEG (formerly Refinitiv) work required for BIST listing.

The Sustainability Committee focuses on environmental, social and governance issues and has 4 different working groups, namely Environmental Sustainability, Sustainable Products and Chemicals, Social Sustainability and Corporate Governance, operating to deepen ESG efforts. Working groups work to realize sustainability projects in line with the Company's sustainability goals and report directly to the Sustainability Committee.

SUSTAINABILITY COMMITTEE	
Chairperson	Kadir Bal (Independent Board Member)
Members	Hacı Ahmet Kulak Mustafa Kemal Öz Ayten Döğər Hidayet Gök Ali Öz Şakir Sabri Yener Alper Söğüt Ersoy Nisanoğlu Güven Kaya Sivakumar Natarajan Bülent Yılmazel Hasan Oğuzhan Öz Levent Özgen Mustafa Kemal Yıldırım Taşkın Aytekin Ahmet Atıcı

WORKING GROUPS

Aware of the need for many business lines to work simultaneously on the journey to sustainable development, SASA works to fulfill its sustainability commitments through 5 different working groups. These groups include members from various departments and play a key role in identifying sustainability-related focus areas, reviewing sustainability performance and taking necessary actions. The groups facilitate cross-collaboration on issues of common interest and increase the effectiveness and efficiency of the Company's sustainability efforts. Each working group is responsible for the execution of projects in line with the objectives of the committee to which it reports and supports the overall goal of integrating sustainability throughout the Company's operations.

Coordination of the groups is managed by the appointed Working Groups Coordinator who ensures a smooth flow of information and reports between the groups and the committee. This structured approach not only facilitates the meeting and reporting process but also ensures transparency and accountability by enabling electronic submission of meeting minutes and project reports. The periodic review of working group activities by the committees to which they report ensures that feedback is provided in a timely manner, thus enabling continuous improvement. In addition, major sustainability issues identified by the working groups are communicated to the Board of Directors through the committees to which they report, thereby shaping strategic decisions.

ENVIRONMENTAL SUSTAINABILITY WORKING GROUP

In 2023, the Environmental Sustainability Working Group convened 9 times and completed the following work. The Group submitted its working reports to the Sustainability Committee.

- Implementation of projects for energy efficiency and the use of renewable energy,
- Emission reduction and preparatory work for the ETS,
- Establishment of a carbon roadmap,
- Implementation of digitalization practices,
- Implementation of projects for water and wastewater management and water efficiency,
- Realization of waste reduction projects,
- Conducting biodiversity studies,
- Developing projects for climate change related goals and strategies,
- Development of circular economy strategies.

CLIMATE CHANGE WORKING GROUP

The Climate Change Working Group was established in 2021 within the Early Detection of Risk Committee and delivers work on adaptation to the transition to a low carbon economy, carbon emission reductions, and analysis of risks and opportunities related to climate change. The main duties of the Working Group are to report climate-related risks and opportunities to the Early Detection of Risk Committee together with their potential financial impacts, to take part in the integration of climate-related risks into the corporate risk management structure and to make disclosures about the financial impact of climate-related risks in Integrated Reporting. The Climate Change Working Group convened 8 times in 2023. The activities carried out by the Working Group are as follows. The Group submitted its working reports to the Early Detection of Risk Committee.

- Monitoring the progress of renewable energy investments realized and planned in line with the carbon roadmap, the Company's energy needs and relevant technological developments in the market,
- Following up necessary actions to achieve renewable energy share targets,
- Conducting risk and opportunity analyses for CBAM and ETS,
- Reviewing commitments in the water policy, setting targets and actions to reduce water consumption and verifying them by performing a water footprint calculation,
- CDP Water Security and Climate Change reporting,
- TCFD reporting,
- Working in coordination with the Environmental Sustainability Working Group on energy and water security issues.

SUSTAINABLE PRODUCTS AND CHEMICALS WORKING GROUP

In 2023, the Sustainable Products and Chemicals Working Group convened 11 times and carried out the following activities. The Group submitted its working reports to the Sustainability Committee.

- Conducting R&D projects for the development of sustainable products,
- Conducting research and application studies on the use of alternative/substitute/recycled raw materials,
- Conducting studies for hazardous substance management,
- Implementation of REACH, OEKOTEX and other chemical regulations and standards,
- Realizing sustainable supply chain management,
- Use of environmental labels,
- Implementation of green chemistry projects,
- Conducting studies on chemical inventory,
- Preparation and patenting of product declarations,
- Product design and LCA studies,
- Development of circular economy strategies.

SOCIAL SUSTAINABILITY WORKING GROUP

In 2023, the Social Sustainability Working Group convened 11 times and completed the following work. The Group submitted its working reports to the Sustainability Committee.

- Emergency preparedness for climate crisis scenarios,
- Conducting activities on human rights, employee rights, equality and diversity, code of ethics, anti-bribery and anti-corruption,
- Managing community relations and carrying out social responsibility projects,
- Taking actions for occupational health and safety measures,
- Ensuring employee training,
- Following up on wishes/suggestions,
- Conducting surveys,
- Cooperating with other institutions and organizations,
- Implementing digitalization practices.

CORPORATE GOVERNANCE WORKING GROUP

In 2023, the Corporate Governance Working Group convened 8 times and delivered the following work. The Group submitted its working reports to the Sustainability Committee.

- Implementing green supply chain and green investment projects,
- Developing sustainable corporate communication strategies and meeting stakeholders' sustainability expectations,
- Increasing diversity in governance,
- Delivering social media management,
- Monitoring and assessing compliance with national and international legislation and standards on sustainability, carbon and emissions, and monitoring the targets and strategies developed in relation to climate change,
- Cooperating with non-governmental organizations,
- Developing circular economy strategies,
- Implementing digitalization practices,
- Managing sustainability reporting and sustainability rating processes.

MATERIALITY ANALYSIS

In 2023, SASA closely monitored the rapid developments in sustainability and the global agenda and reviewed its own sustainability strategy and material topics. In the process, key international and national sustainability agenda items such as SDGs, European Green Deal, Carbon Border Adjustment Mechanism, global risks and Turkish Sustainability Reporting Standards (TSRS) were evaluated. In addition, the analysis of ESG performance assessment organizations, the expectations of sustainability indices and the approaches of competitor/peer companies in the sector were carefully examined.

As a result of the relevant reviews, a list of 17 material topics was prepared, and the materiality level of each issue for SASA was presented to stakeholders for their opinion. In the process, a survey was conducted with the participation of internal and external stakeholders to assess the importance of the issues in the eyes of stakeholders, the adequacy of SASA's current work and the degree of materiality for SASA in the future. 555 internal and 101 external stakeholders participated in the survey. The results of the survey were analyzed, a materiality matrix was created, and major material topics were identified.

The materiality analysis demonstrates SASA's determination to identify its focus areas in the field of sustainability and to adopt best practices in the sector through its work on these issues. Through the materiality analysis, SASA aims not only to improve its own sustainability performance, but also to contribute to the development of overall sustainability awareness and practices in the sector and the society at large.

STAKEHOLDERS ANALYSIS

While identifying material sustainability issues, SASA attaches importance to the opinions of its stakeholders as it does in every aspect of its business processes. As the first step of the materiality analysis, the stakeholder analysis identified key stakeholder groups for the Company. These stakeholder groups are as follows.

Internal Stakeholders	
Senior Management	Senior management plays a key role in setting strategic direction and takes important decisions in the formulation and implementation of sustainability policies. This leading group has a great impact on SASA's achievement of its sustainability goals.
Employees	Employees, the linchpin for SASA, play a central role in integrating sustainability into daily operations and making it a cultural item. The engagement and support of employees at all levels are key to the success of sustainability strategies.

SASA will improve its sustainability performance in line with its sustainability priorities and further strengthen its interaction and cooperation with stakeholders.

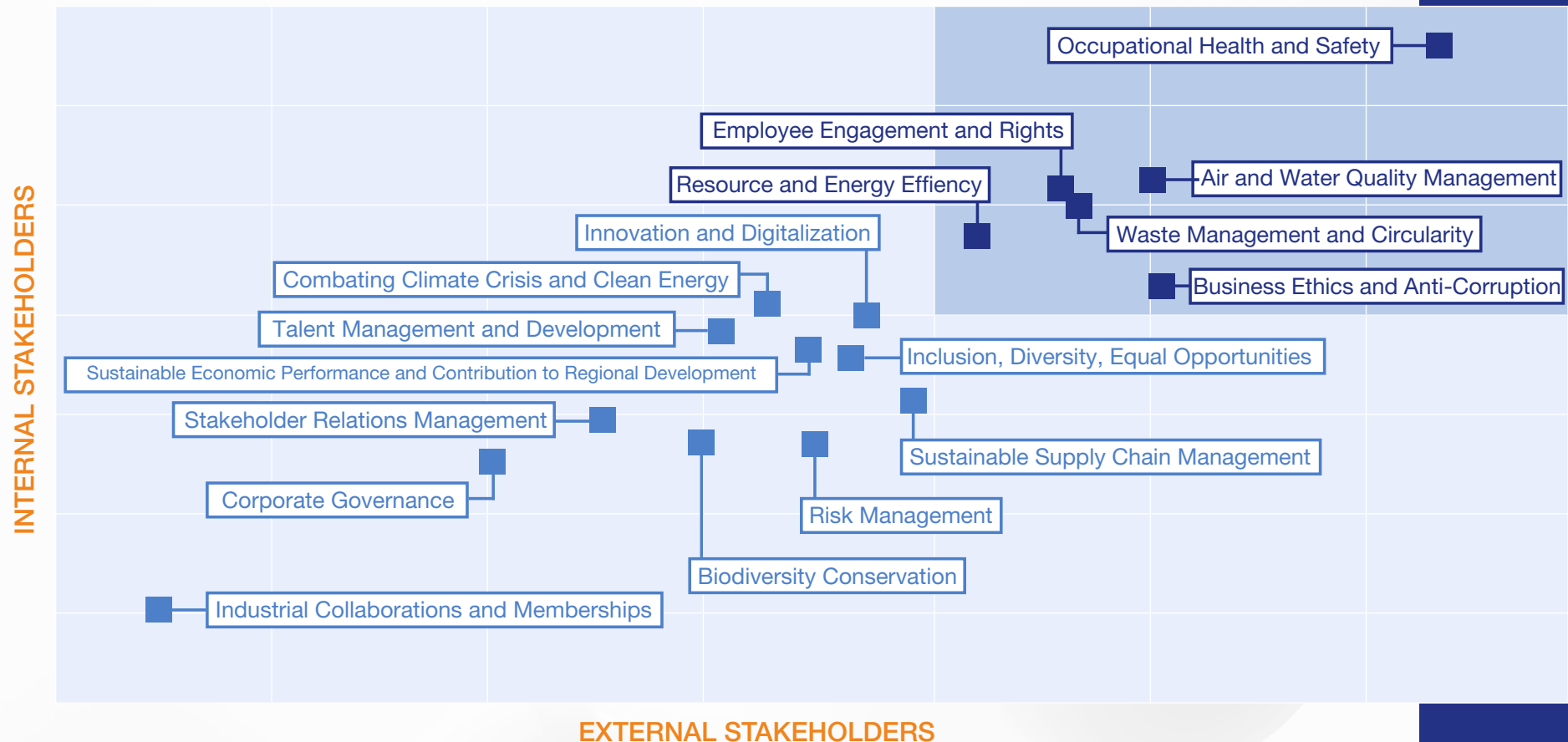
External Stakeholders	
Customers	Customer demands and expectations are the driving force in the development of sustainable products and services. Customer feedback is carefully evaluated by SASA and contributes to the continuous improvement of business processes and solutions offered.
Product and Service Suppliers, Subcontractors and Consulting Firms	Supply chain management is a critical and relatively difficult-to-monitor aspect of sustainability performance. Relationships with suppliers, subcontractors and consultants encourage the use of sustainable materials and services.
Shareholders - Major Shareholders	It is important to create shared values and support sustainable growth in line with strategic goals with major shareholders that influence SASA's next steps.
Non-Governmental Organizations	Partnerships with NGOs contribute to sustainable development by expanding the impact of social responsibility projects. These collaborations prove valuable in raising social awareness and leading social change.
Local Authorities & Mukhtars	Collaborations with mukhtars and other local authorities reinforce community interaction and local sustainability initiatives.
Public Institutions, Audit Firms and Customs Companies	Regulatory compliance and auditing processes help to outperform public responsibilities and industry standards. Effective communication with such institutions ensures that business processes are transparent and accountable.
Media Organizations	Media organizations play an important role in ensuring that corporate activities and sustainability achievements reach large audiences. The opinions of media organizations are important for the protection of brand awareness and public reputation.
Financial Institutions, Insurance Providers and Intermediary Institutions	Financial institutions and insurance providers support the Company's financial resilience by providing risk management and sustainable investment options. Good relations with intermediary institutions reinforce access to financial resources and investment opportunities.
Universities and Academic Institutions	Collaboration with the academic world fosters innovation and research activities while expanding knowledge on sustainability.
Sectoral Organizations	Collaborations with sectoral organizations help raise industry standards and encourage the adoption of sustainability practices across the sector.



MATERIALITY MATRIX

The X-axis of SASA's materiality matrix shows the material topics shaped by the views of internal stakeholders, while the Y-axis shows the materiality of these topics from the perspective of external stakeholders. This two-dimensional approach allows SASA to identify the issues on its sustainability agenda by

considering the views of both stakeholder groups. The materiality matrix is not only a tool for SASA to assess the current situation but also a guide for strategic decisions to come.



MATERIAL TOPICS

As a result of the materiality work, 6 of the sustainability topics set by SASA as focus areas were identified as highly material topics while 12 were classified as material topics. Highly material topics are those most critical to the Company's operational continuity, reputation and market positioning, while material topics are those that need to be focused on to improve sustainability performance in the medium and long term.

HIGHLY MATERIAL TOPICS

- 1  Occupational Health and Safety
- 2  Air and Water Quality Management
- 3  Business Ethics and Anti-Corruption
- 4  Employee Engagement and Rights
- 5  Waste Management and Circularity
- 6  Resource and Energy Efficiency

MATERIAL TOPICS

- 7  Innovation and Digitalization
- 8  Inclusion, Diversity and Equal Opportunities
- 9  Sustainable Supply Chain Management
- 10  Combating Climate Crisis & Clean Energy
- 11  Talent Management and Development
- 12  Sustainable Economic Performance and Contribution to Regional Development
- 13  Stakeholder Relationship Management
- 14  Corporate Governance
- 15  Biodiversity Conservation
- 16  Risk Management
- 17  Industrial Collaborations and Memberships

SUSTAINABILITY GOALS

In line with its sustainability vision, SASA has set goals in 3 key areas of sustainability, namely environmental, social and corporate governance, to create value for the environment and society.

ENVIRONMENTAL GOALS

Environmental sustainability is at the top of SASA's priorities, and the organization's efforts to reduce its environmental footprint are organized under 4 main headings, namely:

- **Climate Crisis and Carbon Management:** Reducing carbon footprint and achieving net zero emissions
- **Circular Economy:** Effective use of resources and minimization of wastes
- **Sustainable Product Management:** Managing products according to sustainability principles from design to disposal
- **Environmental Responsibility:** Conservation of natural resources and mitigation of environmental impacts



Topic	Related SDG	Sub-Topics	Goal	Progress (2023)
Climate Crisis and Carbon Management		Green Procurement Practices	By 2026, ensuring the integration of Green Procurement criteria into the SAP program for the procurement requests created for all materials procurement, including office supplies.	In 2023, due diligence was conducted in terms of procurement dynamics, and the procurement of professional advisory services on sustainable supply chain were started for the creation of green procurement implementation plans and the integration of green procurement criteria into the SAP program.
			Establishing Green Purchasing Implementation Plans by 2026.	Trainings and process improvement activities are ongoing, and the work is planned to be internalized and completed by 2026.
			Replacing all air conditioners in the plants with the most efficient class devices by 2025	By procuring 32 air conditioners, entirely of the A++ energy efficiency class, energy efficiency was improved in 7% of air conditioners.
			Disposing of at least 50% of the printers on the site by 2025, thereby reducing the use of paper and cartridges.	In 2023, the number of printouts from printers in offices was reduced to 155 per person, marking a 51% reduction compared to the base year 2021.

Topic	Related SDG	Sub-Topics	Goal	Progress (2023)
Climate Crisis and Carbon Management		Renewable Energy	Increasing the quantity of steam produced from biogas to 70,000 tons/year in 2025.	Partial commissioning of the advanced biological wastewater treatment plant has started. Once the DMT plant is closed, the target for 2025 is to produce 70,000 tons/year of steam from biogas generated at the wastewater treatment plant.
			Increasing the renewable energy share in total electricity use compared to the base year 2021 (2,204,647 GJ) to: • 2.5% by 2023, • 4% by 2024, • 50% by 2030.	The share of renewable energy in electricity consumption was 1.1%. Since rooftop SPP trials were postponed due to the earthquake, the 2023 target of 2.5% could only be realized as 1.1%.
		Energy Efficiency	By 2026, decommissioning coal boilers, completing efforts regarding alternative energy sources, and setting a road map.	A strategic carbon roadmap has been created. Detailed information can be found in the report section on Combating Climate Change.
			Securing the following savings in energy resource consumption by 2025: • 3,704 tons/year for water vapor, • 74,000 cm³/year for natural gas, • 91,100,000 kWh/year for electricity.	In 2023, in energy resource consumption, the following savings were secured: • 69,947 tons/year for water vapor, • 2,469,450 cm³/year for natural gas, • 6,392,417 kwh/year for electricity.
			Improving energy efficiency work for lighting by 2025, and • Saving 466,560 kWh of electricity, • Increasing lighting fixture life by 85%.	In 2023, 1,146,473.10 kWh of electricity was saved through saving projects for lighting.
				

Topic	Related SDG	Sub-Topics	Goal	Progress (2023)
		Carbon Management	Reducing carbon intensity to 0.21 tCO₂e/ton by 2030, marking a 69% reduction compared to 2019 (0.67 tCO₂e/ton)*. *Scope 1 and Scope 2 emissions are included in carbon intensity calculation.	Carbon intensity stood at 0.4064 tCO ₂ e/ton of production, which represents a 17% improvement compared to 2022 and a 40% improvement compared to the base year 2019.
Circular Economy		Resource Saving	For styrofoam packaging material used in the packaging of POY product, - increasing styrofoam recovery within SASA to 25% by 2025, - increasing non-SASA styrofoam recovery to 10% by 2025.	In 2023, styrofoam recovery in SASA stood at 38%.
			By 2025, for the bobbin material used in POY production,: - recovering 25% of bobbins within SASA by 2025, - recovering 5% of customer-sourced, non-SASA bobbins.	In 2023, in-plant bobbin recovery at SASA stood at 60%.
				
			10% annual packaging savings by increasing the volume of 1,000 kg capacity big bags by 2025.	In 2023, by increasing the big bag volumes throughout the entire site, 10% annual packaging (big bag, PE bag, wooden pallet, pallet intermediate partition) savings were realized throughout the chips plants.

Topic	Related SDG	Sub-Topics	Goal	Progress (2023)
Sustainable Product Management	  	Life Cycle Approach	In 2024, by incorporating the LCA software programme within the institution, conducting a comparative LCA study of products produced using biobased raw materials, recycled raw materials, renewable energy options with standard products	In 2024, it was decided to incorporate an LCA software program as a more sustainable solution instead of the comparative LCA study targeted for 2023. Accordingly, specific carbon footprint values for different product types under these main groups will be calculated in line with the ISO 14040/44 standard, in addition to the LCA reports already available for the main product groups. Simultaneously, it will be possible to evaluate the change in the environmental impact of products produced using bio-based raw materials, recycled raw materials, renewable energy options and standard products throughout their life cycle on the basis of specific product types.
	 	Sustainable Product Declarations	Ensuring the continuity of existing documents. Obtaining FSSC 22000 Food Safety Management System Certificate within the scope of Special Polymers and Chemicals (SPC) Production.	The continuity of existing documents was ensured, and FSSC 22000 Food Safety Management System Certificate was obtained. In 2023, an application was filed for the Turkish Environmental Label for chips and fiber products, in the hopes that the labels will be received at the beginning of 2024.

Topic	Related SDG	Sub-Topics	Goal	Progress (2023)
Sustainable Product Management	  	Green Chemistry	15% of total production to be antimony-free by 2025.	Antimony-free production stood at 5.51% in chips plants and 6.60% in fiber plants.
			Saving 24 tons/year of pure Monoethylene Glycol (MEG) through optimization until 2025.	As a result of optimization, 14,210.70 tons of MEG were purified and used. Annual savings amounted to 57.79 tons. The reason for the reduction from 250,000 tons in 2022 is the phasing out of the DMT plants, where the MEG chemical is produced, and their total shutdown by the end of 2023. With the new PTA investment, no dirty MEG will result from processes, and it will be purified and reused within the system.
			Producing approximately 20% (66,000 tons) of the raw material used in production from recycled PET chips by 2025.	Feasibility studies are ongoing to obtain the raw material required for production from recycled PET chips.

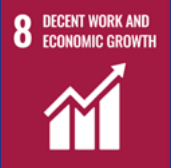
Topic	Related SDG	Sub-Topics	Goal	Progress (2023)
Environmental Responsibility	  	Water Management	Ensuring 55% to 60% recovery of wastewater by 2025 with the wastewater treatment plant and recycling plant under construction.	The advanced biological wastewater treatment plant has been phased in, and 55% to 60% water recovery will be achieved after full commissioning.
			Ensuring that the effluent COD parameter, which is currently below the local legislation threshold (240 mg/L), is below 150 mg/L by 2025 in accordance with international standards.	The average COD effluent value was realized as 78.63 mg/L, which is below the limit.
			Using Hubgrade artificial intelligence technology for optimization of oxygen and nutrient amounts required by the wastewater treatment plant. Savings of 20% to 40% in N and P nutrients compared to the amount that would normally be consumed. Saving 1,255 to 2,330 mWh/year in electricity consumption for oxygen supply.	Partial commissioning of the wastewater treatment plant started in the last quarter of 2023.

SOCIAL GOALS

Social sustainability reflects SASA's responsibilities towards its employees and society and is categorized under three main topics:

- **Rights, Equalities and Ethics:** Prioritizing equality, justice and ethical values in the work environment.
- **Health and Safety:** Taking necessary measures to protect the health and safety of employees.
- **Corporate Social Responsibility and Partnerships:** Contributing to society and actively participating in social responsibility projects.



Topic	Related SDG	Sub-Topics	Goal	Progress (2023)
Rights, Equalities and Ethics	  	Equal Representation in the OHS Committee	Increasing the number of female employee representatives from 2 in 2021 to 5 in total by 2025, with at least 1 from each strategic business unit.	7 out of 41 employee representatives are women.
		Gender Equality	Increasing awareness-raising activities on gender equality. Ensuring that the representation of female executives reaches at least 20% by 2025, up from 15.56% in 2021.	As of 2023, the rate of women in the Board of Directors and Senior Management is approximately 14%.
		Employee Turnover	Reducing employee turnover by 2% each year from 10.45% in the base year 2021 to below 3% in 2025. Developing a circular HR model.	Employee turnover stood at 13.22% in 2023, excluding EYT (victims of delayed pension age) employees. The main reason for the increase in employee turnover was the earthquake disaster that affected the region. As a result of the earthquake, employees left their workplaces and changed cities. Apart from the earthquake, differentiated labor force dynamics, local demographic change and macroeconomic conditions also hindered the realization of the goal. To reduce employee turnover and improve the circular HR model, in-person meetings are conducted, the grievance and suggestions mechanism is rigorously implemented, and the coaching/mentoring system is effectively maintained. In 2023, the Human Resources team participated in the career fairs of 7 different universities, introducing SASA and receiving job and internship applications.

Topic	Related SDG	Sub-Topics	Goal	Progress (2023)
Health and Safety	  	Lost Time Injury Frequency Rate	Reducing the number of occupational accidents by increasing prevention and awareness-raising activities and reducing the LTIR (Lost Time Injury Frequency) rate below 1 for permanent and subcontracted workers.	The LTIR rate was 1.67 cases/200,000 worker-hours for permanent workers and 2.29 cases/200,000 worker-hours for subcontracted workers.
		Supplier Safety Program	Maintaining implementation of supplier safety procedures. Developing a supplier safety program with a monitoring/tracking system.	The health and safety of suppliers are protected in line with supplier safety procedures. 2,972 people were trained on Supplier and Visitor Safety.

Topic	Related SDG	Sub-Topics	Goal	Progress (2023)
Corporate Social Responsibility and Partnerships	     	Professional Training & Development	Ensuring that at least 5% of employees receive professional training certificates each year. Ensuring that at least 10% of employees participate in events such as seminars, organizations and fairs each year.	In 2023, 10% of SASA employees received professional training certificates. The number of employees with professional training certificates exceeded the target. Thus, this target was successfully achieved by 2023. In 2023, 33% of our white-collar employees participated in events such as congresses, fairs and seminars which contributed to their personal and professional development. This target will be pursued in the coming years as well.
		Diversity Program	Ensuring that all new engineers joining the SASA family are inducted into the Mentoring Program.	Through the Mentoring Program, 16 mentors met 186 new engineers.
		Talent Management Program	Increasing the number of people whose performance indicators are monitored under the Talent Program by at least 20% every year until 2025. As of 2023, blue-collar employees will also be monitored for performance indicators.	In 2023, as part of the Talent Program, the performance indicators of 88% of white-collar employees (793 people) and all blue-collar employees (3,310 people) were monitored. Therefore, the performance indicators of a total of 4,103 employees were evaluated in 2023, approximately 8 times the number of employees whose performance was evaluated in 2022.

Topic	Related SDG	Sub-Topics	Goal	Progress (2023)
Corporate Social Responsibility and Partnerships	  	Social Responsibility Projects	Providing scholarship opportunities to a minimum of 200 students each year through the SASA On Campus Project supported by the Mehmet Erdemoğlu Foundation. Continuing the Incubation Center.	In 2023, 198 university students were offered scholarships through the Mehmet Erdemoğlu Foundation. In 2023, a career event was organized for the children of SASA employees preparing to sit the university entrance exam. 50 teachers from the Ministry of National Education received training at SASA and paid technical visits to the plants.
		Social Responsibility Documentation	Establishing the Social Responsibility Management System and obtaining the documentation in 2023.	As part of the Social Responsibility Management System, preparations were completed for SMETA SEDEX 4-Pillar audits, which include environmental and social issues (labor standards, health and safety, management systems, employee rights, environmental assessment, business ethics, and so on) to document compliance with ethical trade principles and responsible business practices in the supply chain in 2023. Audit reporting was carried out as part of the process.

CORPORATE GOVERNANCE GOALS

Corporate governance refers to SASA's commitments in terms of transparency, accountability and interaction with stakeholders and is categorized under three main topics:

- **Corporate Governance Structure:** Establishing a transparent and ethical management structure.
- **Stakeholder Engagement:** Ensuring an active engagement of stakeholders in processes and taking their views into account.
- **Sustainability Governance:** Integrating sustainability issues into management processes.



Topic	Related SDG	Sub-Topics	Goal	Progress (2023)
Corporate Governance Structure		Representation of Women on the Board of Directors	Having 25% women members on the Board of Directors by 2025	There are 2 women members on the SASA Board of Directors, representing 18.18% of the total.
Stakeholder Engagement	 	Identifying Risks and Opportunities for Each Stakeholder	Identifying risks and opportunities for each stakeholder, updating the risk and opportunity analysis every year based on stakeholders' opinions, sectoral changes and SASA's development	The materiality analysis was updated, and the issues that each stakeholder considers important and material in the field of sustainability were evaluated.
		Green Supplier Selection	Updating environmental and social sustainability criteria from a green supplier selection perspective by 2025, and considering the updated criteria in supplier selection	Supplier Preliminary Assessment and Inspection Forms cover quality, OHS, business ethics, environment and sustainability. Environmental and social commitments are increasingly more included in main raw material supplier contracts.
		Green Procurement	Including office products in the Green Procurement Policy, ensuring the use of more environmentally friendly products in office supplies, and preferring highly efficient devices for new office equipment. Integrating Green Procurement criteria for all procurement items with SAP by 2026.	Environmentally friendly and highly efficient devices were preferred in the selection of office equipment. In 2023, due diligence was conducted in terms of procurement dynamics, and the procurement of professional advisory services on sustainable supply chain were started for the creation of green procurement implementation plans and the integration of green procurement criteria into the SAP program. Trainings and process improvement activities are ongoing, and the work is planned to be internalized and completed by 2026.
		NGO & Collaborations	Increasing NGO collaborations, primarily in the sustainability business line	Information on active NGO memberships is provided in the Memberships and Partnerships section of the report.

Topic	Related SDG	Sub-Topics	Goal	Progress (2023)
Sustainability Governance	  	Performing Sustainability Reporting in accordance with International Standards	Regularly publishing sustainability reports every year in accordance with GRI standards. Submitting TCFD reports for all plants, including the PTA Plant, in 2023. Sustaining TCFD and CDP reporting to cover the entire plant range by 2025.	2023 Sustainability Report is published in accordance with GRI standards. In 2023, the TCFD Report was published for all plants, including the PTA Plant. 2023 CDP Water Security Report and Climate Change Report are published.
		ESG Policies	By the end of 2022, establishing policies, in particular the Hazardous Substance Management and Political Participation Policy, and other policies that consider the interests of stakeholders, and make and implement commitments in line with these policies.	In 2023, within the scope of the Hazardous Substances and Chemicals Policy put into effect in 2022, Process Safety Management (PSM) studies were completed in both existing plants and new investments, and potential hazards in the process were identified, understood and controlled to protect stakeholders and the environment. PSM trainings were provided to employees working in chemical processes at SASA.
		Corporate Governance	Publishing the Governance Code Approach by 2025. Identifying and implementing the required work to share the governance approach more transparently with stakeholders.	"Governance Code Approach" document was prepared and published on the website. The document is available here .

These main goals and their sub-topics outline SASA's short, medium and long-term strategic roadmap in the field of sustainability, while providing a framework that is in line with global sustainability standards and developments. The SDGs that SASA contributes to in line with its sustainability goals and activities are as follows:





04. ENVIRONMENTAL SUSTAINABILITY

ENVIRONMENTAL MANAGEMENT APPROACH
COMBATING CLIMATE CHANGE
ENERGY MANAGEMENT
WATER AND WASTEWATER MANAGEMENT
WASTE MANAGEMENT
BIODIVERSITY CONSERVATION
ENVIRONMENTALLY FRIENDLY PROJECTS



01



02



03



04



05



06



07



08



09

ENVIRONMENTAL SUSTAINABILITY

ENVIRONMENTAL MANAGEMENT APPROACH

SASA has an awareness of environmental management that effectively utilizes practices and technologies to reduce environmental impacts. While delivering its operations, SASA cares about leaving a more livable world to future generations. To this end, as a key actor in the polyester fiber, filament and polymer industry, SASA aims to manage the environmental impacts of life cycle stages such as procurement of raw materials, transportation, production processes, distribution and use of products and disposal of end-of-life products in cooperation with stakeholders for a sustainable environment by protecting the integrity of the ecosystem. The Company also aims to continuously improve its environmental performance. It maintains an Environmental Policy to achieve these goals and to make sustainable environmental management effective.

The Environmental Policy can be accessed [here](#).

Within the scope of international sustainability approaches such as the UN SDGs and the European Green Deal (EGC), SASA carries out various activities on monitoring environmental performance, protection and efficient use of natural resources,

sustainable energy management including chemical recovery, energy efficiency and energy recovery, pollution prevention by minimizing the amount of waste as much as possible based on circular economy principles, and protection of biodiversity for ecosystem integrity. It measures the environmental impacts of products using the LCA methodology and develops alternatives to manage these impacts in a sustainable manner.

SASA observes not only the national and international environmental legal frameworks but also the Equator Principles as well as IFC and EBRD standards. The Company commits itself to complying with the requirements of the ISO 14001 Environmental Management System at all its plants in Adana and striving to improve its environmental management performance by continuously reviewing the standard. SASA employs competent environmental engineers for the implementation and follow-up of legal processes and does not have any non-compliance, fines and sanctions within the scope of the Environmental Law and related regulations arising from corporate operations for 2023.

Throughout 2023, SASA spent TL 913,489,113 (approximately TL 913.5 million), including investments

on wastewater management based on sustainable environmental management, biodiversity studies, Environmental Impact Assessment, reporting, emission reduction, measurement devices, waste reduction, consultancy services related to sustainable environmental management, audit services, membership and cooperation with non-governmental organizations and initiatives for sustainability work, and environmental management system. The environmental expenditures of the Company increased by 25% year on year. Furthermore, a budget worth TL 107,414,465 (approximately 107.41 million TL) is allocated for 2024, including environmental investments to meet future environmental liabilities. As environmental investments were nearing completion, this is why there is no necessity to allocate as much budget as in 2023.

SASA has other future activities in the pipeline, which include minimizing the financial impact of environmental risks through renewable energy, energy efficiency and fuel conversion investments, expanding coal-to-biomass transition technologies, increasing energy efficiency through steam saving, sustainable lighting methods, waste heat recovery, and choosing high energy efficient equipment for new equipment to be purchased in office and production plants. There are also plans to establish a senior management incentive mechanism for climate and water issues in the future.

CLIMATE CHANGE WORKING GROUP AND ENVIRONMENTAL SUSTAINABILITY WORKING GROUP

The Climate Change Working Group has 1 leader and 8 members, while the Environmental Sustainability Working Group has 3 leaders and 13 members. These working groups have several common topics as outlined below:

- Combating the Climate Crisis
 - Developing Projects to Achieve Goals and Strategies
 - Strategic Carbon Roadmap

- Sustainable Energy Management
 - Energy Efficiency
 - Renewable Energy

- Sustainable Resource and Waste Management
 - Water and Wastewater Management
 - Waste Minimization
 - Circular Economy Practices

- Biodiversity Studies

- Digitalization Practices

- TCFD and CDP Reporting

In 2023, the SASA Climate Change Working Group carried out activities and set targets related to the Strategic Carbon Roadmap, determined the actions to be taken regarding emission management, waste and wastewater management and protection of biodiversity in line with CDP and TCFD reporting and started to implement them. Furthermore, a total of 2,844 people received environmental training in 2023 to create environmental value and raise employee awareness on environmental issues.

Committing itself to the 10 principles of UNGC in 2022, SASA has set various performance criteria in line with these principles and implements practices accordingly.



COMBATING CLIMATE CHANGE

Since the Industrial Revolution, various human activities have been causing global warming through the rapidly increasing accumulation of greenhouse gases in the atmosphere. As a result of global warming, climate change is observed, with changes in seasonal temperature, precipitation and humidity values. SASA prioritizes combatting climate change to combat the effects of climate change that may occur from its operations and to meet today's needs by considering the welfare of future generations. To this end, SASA published its TCFD report, which details risks and opportunities separately for all SASA plants and the PTA Plant, drafted its CDP report and created its Strategic Carbon Roadmap.

Reporting to SASA Early Detection of Risk Committee, the Climate Change Working Group works on carbon management, water management and drought, climate change management, biodiversity studies and TCFD reporting. To monitor and control greenhouse gas emissions and set emission reduction targets, SASA has been calculating the greenhouse gas

emissions from the operations of all its plants since 2021 in accordance with the ISO 14064-1 2018 Standard, reporting the calculation details at the category level in accordance with the standard. Accordingly, the Company is audited by independent verification bodies. To this end, SASA has its emissions verified through an ISO 14064-1 2018 Greenhouse Gas Emissions Verification Statement.

ISO 14064-1 2018 Greenhouse Gas Emissions Verification Statement is presented in the Annexes section at the end of this report.

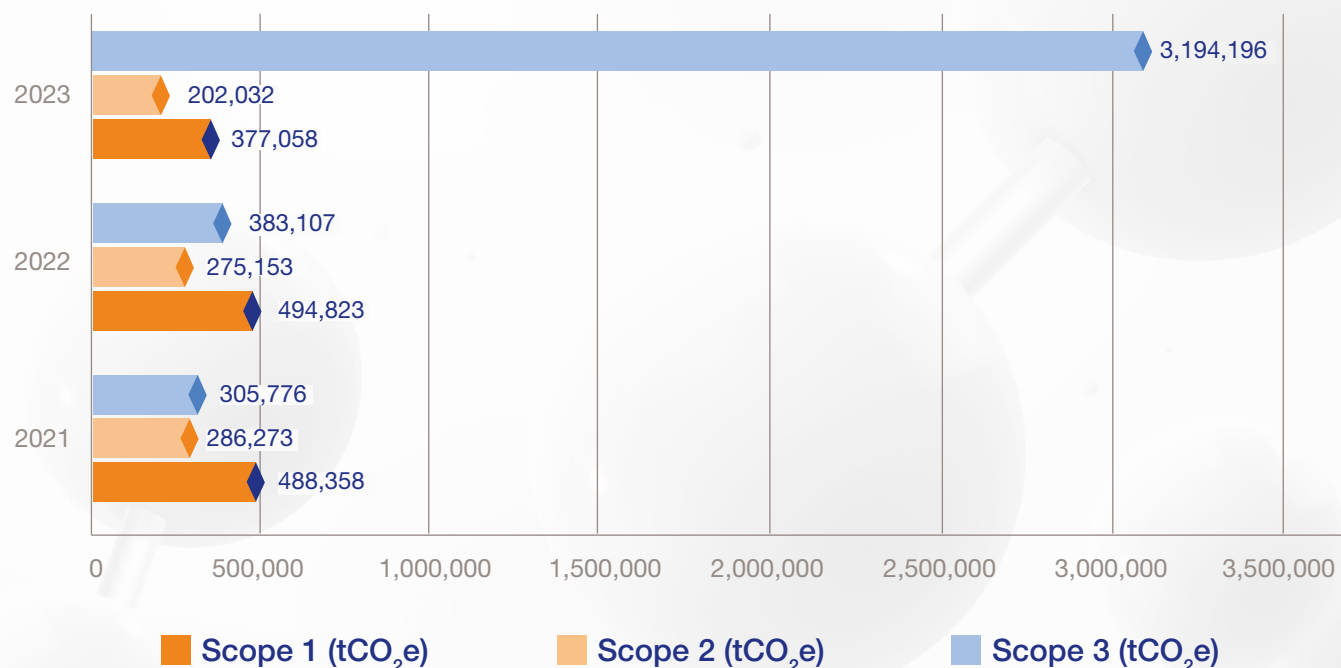
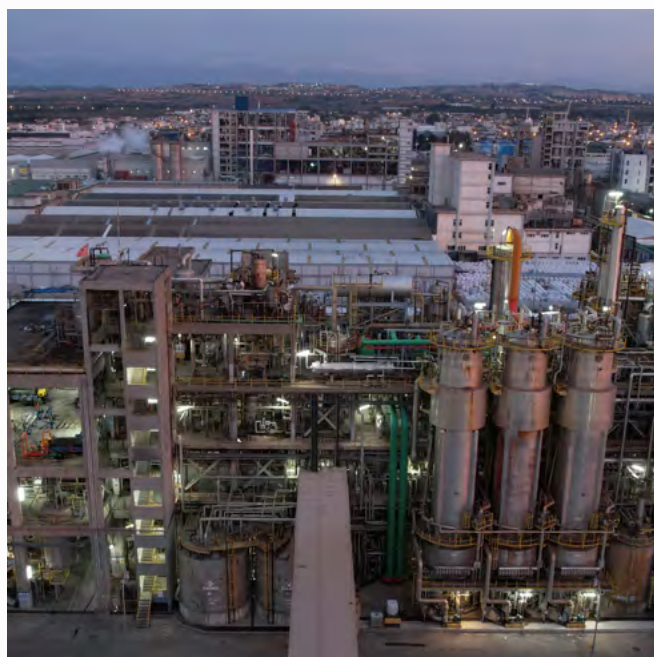
Under the Regulation on Monitoring Greenhouse Gas Emissions, SASA calculates greenhouse gas emissions related to fuel combustion and the production of large volume organic chemicals and annually prepares the greenhouse gas emission report for Scope 1. The report is approved by TURKAK accredited verifiers and submitted to the Ministry of Environment, Urbanization and Climate Change.



SASA's Scope 1 and Scope 2 greenhouse gas emissions for 2023 decreased by 24% and 27%, respectively, compared to 2022.

The reduction in Scope 1 and 2 greenhouse gas emissions is due to clean production practices within the facility. In 2023, Scope 3 emissions were calculated in more detail by including emissions from raw materials in the calculations.

	2021	2022	2023
Scope 1 (tCO ₂ e)	488,358.00	494,823.41	377,058.25
Scope 2 (tCO ₂ e)	286,273.00	275,152.53	202,032.05
Scope 3 (tCO ₂ e)	305,776.00	383,106.60	3,194,195.67
Total Greenhouse Gas Emission Intensity (Scope 1 and 2) (tCO ₂ e/Ton of Product)	0.50	0.49	0.41



01 OPTIMIZASYON

Efficiency Projects: There are plans to save 3,704 tons of water vapor, 74,000 sm³ of natural gas and 91,100,000 kWh of electricity by 2025.

Lighting: Until 2025 there are plans to save 466,560 kWh of electricity and increase lighting fixture life by 85% by improving energy efficiency to reduce the energy consumed for lighting purposes.

Water Use: The ongoing wastewater treatment and recovery plant investment is expected to provide 55-60% water recovery.

Digitalization: Industry 4.0 will be integrated into all processes to improve optimization.

Green Chemistry Practices: There are plans in place to continue to carry out projects that optimize the use of resources in line with the principles of "Waste Prevention" and "Atom Economy".

SASA has identified 3 main themes in line with the goal of reducing carbon emissions under its strategy to combat and adapt to climate change:

02 TRANSITION TO A GREEN ECONOMY

Fuel Switching: SASA aims to phase out the use of coal in all plants with an ultimate coal exit by 2026. To this end, new investments will be based on the widespread adoption of practices such as energy recovery from natural gas and waste heat.

Use of Renewable Energy: To reduce emissions from electricity consumption, SASA aims to increase rooftop and off-road solar energy investments and use biomass energy as an alternative fuel.

03 INNOVATION FOR SUSTAINABILITY

Utilization of Renewable Raw Materials: In addition to the biodegradable polymer groups in its portfolio, the Company aims to continue its R&D studies on the use of bio-based raw materials. Furthermore, SASA plans to comparatively analyze the observed environmental impacts of raw material use through the LCA approach.

Moreover, reduction in Scope-1 and Scope-2 emissions is targeted with the PTA investment and the technologies to be used in the new wastewater treatment plant. At the PTA plant, which will be operated on Invista P8 technology, energy that can meet the entire electricity needs of the plant will be generated through the off-gas from the exothermic reaction during production. In this case, Scope 2 emissions will be reduced by approximately 162,624 tons of CO₂ equivalent per year. Since the electricity needs of the new wastewater treatment and water recovery facilities started with the PTA investment will also be met from the electricity generated from off-gas, the reduction in Scope 2 emissions in the new wastewater treatment and water recovery facilities is estimated at 26,900 tons of CO₂ equivalent. Thanks to the use of biogas from the anaerobic treatment phase of the wastewater treatment plants as an alternative fuel, Scope 1 emissions will be reduced by 10,700 tons of CO₂ equivalent annually.

SASA stated the goals of saving 466,560 kWh of electricity and increasing lighting fixture life by 85% by improving energy efficiency from 2021 to 2025. In 2023, 2.7 times the savings target for 2025 was achieved.

To meet customer expectations and to turn the CBAM-related financial risks, which will involve taxation by 2026, into an opportunity, SASA plans to purchase and use a licensed LCA software in 2024. This will allow SASA to calculate the specific carbon footprint values of different product types under these main groups according to ISO 14040 and ISO 14044 standards and share them with each customer upon request, in addition to the LCA reports already available for the main product groups. Furthermore, SASA will assess the change in the environmental impact of products manufactured using bio-based and recycled raw materials, as well as renewable energy options, and standard products over their life cycle on the basis of specific product types. This will enable the analysis of the estimated environmental impacts of products, particularly those in the R&D phase, in advance and will support the shaping of a sustainable product range.

This project is expected to meet 10.6% of SASA's total electricity consumption from renewable energy sources and prevent 37,179 tons/CO₂ carbon emissions annually.

Increasing its solar energy investments to reach its renewable energy use targets, SASA continues to install a 40 MWp SPP to generate 70,000 MWh of electricity in Gaziantep's Arl quarter as part of the land-type SPP project.



STRATEGIC CARBON ROADMAP

SASA has a Strategic Carbon Roadmap and aims to reduce its carbon intensity by 69% in 2030 compared to the base year 2019.²

To achieve this goal, the following practices are planned:

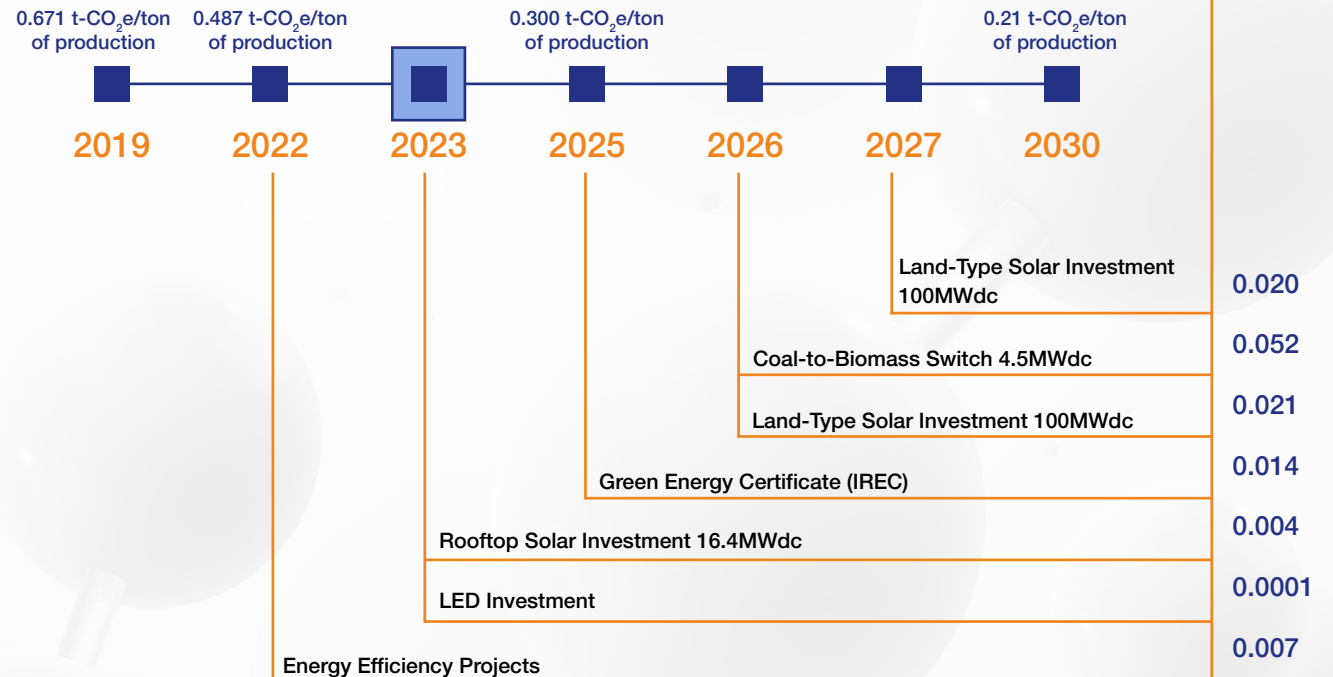
- Realizing 16.4 MWp of rooftop solar investments and 670 MWh of LED investments by 2023,
- Obtaining 97,655 MWh I-REC certificate in 2025,
- Realizing a total of 200 MWp of land-type SPP investments as of 2026 and 2027, and 4.5 MWp of biomass investments starting from 2026.



² Scope 1 and Scope 2 emissions are included in carbon intensity calculation.

"69% reduction by 2030 compared to 2019, the base year"

Annual reduction in emissions intensity (tCO₂e/ton of production)



MANAGEMENT OF NON-GREENHOUSE GAS EMISSIONS

The Continuous Emission Measurement Systems (CEMS) at SASA production plants enable the online monitoring of five emission sources as well as instant data transfer to the Ministry of Environment, Urbanization and Climate Change on CO, NO_x, VOC and dust emissions from chimneys. Furthermore, SASA stated that cumulative impacts were recorded by air quality modeling for emissions from the production plant and undertakes that there are no ozone depleting CFC gas emissions from the plant. SASA aims to reduce SO_x emissions by 50% by 2030 compared to the base year 2021. SASA has emission confirmation measurements done every two years, and its emissions other than greenhouse gases in 2023 are provided in the table and chart below.

In this context, the amount of dust emissions, SO_x, NO_x and volatile organic compounds decreased by 81%, 12%, 44% and 47% respectively in 2023 compared to 2021.

	2021	2023
Dust Emission Quantities (tons)	232.00	43.39
SO _x (tons)	834.00	734.51
NO _x (tons)	1,423.00	801.49
VOC (Volatile Organic Compounds) (tons)	8.50	4.48

SASA was awarded a 'B' rating according to the 2023 evaluation of the CDP Climate Change Report, which it has been drafting since 2022.

SASA 2023 CDP Climate Change Report is available [here](#).

The Climate Change Working Group, which conducts analyses to determine SASA's climate change-related risks and opportunities, published the TCFD Report covering the SASA PTA Production Plant in 2022 and all plants in 2023.

The TCFD Report for 2023 covering all SASA plants can be accessed [here](#).

SASA's TCFD Report for the PTA Production Plant is available [here](#).

CLIMATE CHANGE RISKS

Climate change makes environmental, social and economic impacts on SASA Production Plants as it does globally. Such impacts were analyzed separately for all SASA plants and the PTA Production Plant under two main headings: physical and transition risks. The impact of the physical and transition risks identified in the foregoing reports were assessed as a whole, together with the TCFD, EP4 and Equator Principles Climate Change Risk Analysis standards.

Physical Risks: These are divided into ‘acute risks’, which include weather events such as tornadoes, hailstorms and floods, and ‘chronic risks’, which include events such as long-term temperature increase and sea level rise as a result of long-term changes in the climate.

Transition Risks: The organization's work towards a low-carbon and greener future is affected by policy and legal, technology, market and reputational risks. Transition risks are not only interrelated but also affect the organization's financial standing and operational processes.

The risk factors that will guide the determination of climate strategies in the 2023 TCFD Report, which covers all SASA plants, were evaluated according to the materiality analysis. To this end, the highly material risks in the organization were identified as fire, long-term droughts and technology risk. Analyzing climate change risks included a study of temperature, precipitation and drought projections in Adana according to RCP 8.5 and RCP 4.5. The report includes the following goals to mitigate the identified risks:

- Reduce the emissions intensity of Scope 1 and Scope 2 emissions to 0.30 tons CO₂ equivalent/ton of production by 2025 and 0.21 tons CO₂ equivalent/ton of production by 2030,
- Reduce water consumption by 200,000 m³ by 2024 through efficiency projects,
- By 2023, reduce the water intensity, which corresponds to the ratio of total water withdrawal to production, by 38.77% compared to 2019 and reach 3.19 m³/ton of production,
- Acquiring 1.2 pj (Petajoule) of energy from waste heat by 2023,
- Reaching EUR 42.8 million in technology and green (solar energy, water recovery, treatment plants) investments as part of emission reductions by 2023,
- Ensuring 55-60% of water recovery in 2024 compared to 2022 to reduce the use of cooling, process and drinking water,
- Increasing the share of renewable energy in total electricity consumption by 50% by 2030 compared to 2019,
- Preventing all industrial fires, which could also be caused by an increase in hot days, by 2040,
- Ensuring 100% rainwater collection via collection channels throughout the plant by 2040.

The Climate Change Working Group considers the climate-related risks and financial impacts identified in the TCFD reports, creates strategic action plans and takes the necessary actions as a result of the reviews. In order to manage climate risks more effectively and develop its adaptation strategy, SASA updated its carbon targets in 2022, determined its Strategic Carbon Roadmap and started feasibility studies for related investments.

In addition to TCFD reports, the Company conducted a CBAM Risk Analysis for PET chips and fiber, taking into account the scope of CBAM emissions, which is one of the transition risks within the scope of climate-related risks. In 2023, SASA obtained Carbon Offset Certificates worth approximately 7,671 VCU for its related products in accordance with sustainability requirements by supply chain and logistics stakeholders as part of international partnerships.



ENERGY MANAGEMENT

Aware of the importance of energy consumption for the polyester fiber, filament and polymer industry, SASA Energy Management Committee aims to develop sustainable energy management strategies such as energy efficiency and renewable energy use to improve energy performance in all processes of SASA by monitoring energy consumption. To this end, SASA has published an Energy Policy.

SASA Energy Policy is available [here](#).

Energy consumption is routinely monitored on a daily, monthly and annual basis at plants, each holding ISO 50001 Energy Management System certification. In addition, thanks to the 'SASA Energy Map', which is updated every year, intensive energy use points are identified, and energy efficiency projects are prepared. For instance, the new wastewater treatment plant that will be commissioned will both help secure energy and cost savings and create an environmentally friendly structure. This will help save between 1,200 MWh and 2,200 MWh of electricity annually by 2025.

SASA's target for the share of renewable energy in total electricity consumption is set at 2.5% by 2023, 4% by 2024 and 50% by 2030. In the second half of 2023, approximately 6,469.6 MWh (23,295 GJ) of electricity was generated from rooftop SPP as part of trial operations.

Increasing its energy supply through new investments and adopting the principle of ensuring resource efficiency throughout its operations, SASA carries out various studies on energy efficiency to manage energy consumption effectively and sustainably as part of its sustainability strategy. This saves both cost and energy. To this end, total energy consumption decreased from 7,665,249 GJ in 2022 to 7,021,738 GJ in 2023.

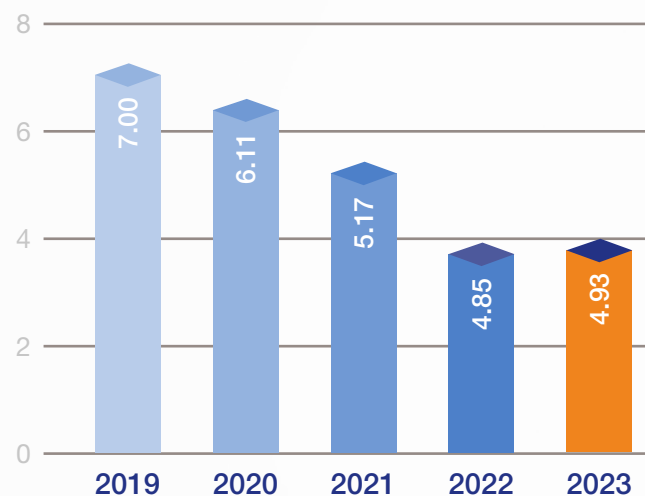
2,031,923 GJ (29%) of energy consumption in 2023 will come from electricity consumption. Electricity consumption was reduced by 23,011 GJ compared to 2022.

SASA's energy intensity goal for 2030 is to reach 3.5 GJ/ton of production. Thus, the goal is to reduce energy intensity by 40% in 2023 and by 50% in 2030 compared to the base year 2019. SASA's energy intensity of 4.85 GJ/ton in 2022 corresponds to 4.93 GJ/ton of product in 2023. The reason for the increase in energy intensity, which stood at 4.85 GJ/ton in 2022, is both the greater production quantity in 2022 and the increase in the number of commissioning and decommissioning activities for a certain period of time due to the earthquake in 2023.



SASA Reliability Center conducts condensate measurements, air leakage measurements, thermal measurement and insulation practices to ensure energy efficiency

Total energy intensity (GJ/ton of product)



Our Energy Intensity decreased by 30% in 2023 compared to 2019.

Our 2030 energy intensity target is 3.5 GJ/tonne production according to 2019 base year 2030 — 50% reduction

The left-handed natural gas, steam and energy savings are achieved through efficiency projects. In addition to these projects, the teams affiliated with SASA Reliability Center secured the following savings as a result of predictive maintenance activities:

Steam Trap Measurements: Steam trap measurements are carried out quarterly in all operating plants. According to the measurements in 2022, 1,505 tons of steam was saved from the repaired steam traps, while a total of 1,967 tons of steam was saved in 2023. This increased steam savings by 30.7% in 2023 year on year.

Air Leakage Measurements: 949,315 kWh of energy savings were secured in 2023 according to quarterly leakage measurements on air lines. Thus, energy savings increased by 93.3% in 2023 year on year.

Thermal Measurement and Insulation Practices: According to the results of quarterly thermal measurements, lines with unsuitable insulation are identified, with subsequent insulation renewal and installation works. These efforts helped save 56,401 Sm³ of natural gas in 2023.

Oil Analysis and Oil Filtration: Dirty oil and unused oil from SASA plants are analyzed, and inappropriate oil is filtered. In 2023, hydraulic, gear and cone oils were analyzed, and 7 IBCs were filtered and recovered for use.

ENERGY MANAGEMENT AT PTA PLANT

Thanks to the INVISTA P8 technology at the PTA Production Plant, 65% less greenhouse gases will be emitted compared to conventional PTA plants through waste-to-energy approach. In addition, SASA is committed to meeting the entire electrical energy needs of the PTA Production Plant via its own steam turbine technologies and aims to generate 1.2 PJ (1.2 million GJ) of electricity required by the plant by utilizing the waste gas from exothermic reaction during production.

WATER AND WASTEWATER MANAGEMENT

Factors such as industrialization, urbanization, rising world population and climate change, which gets more severe each day, cause disruption of the global water cycle, pollution of water resources and difficult access to clean water. SASA is aware that clean water resources are limited and that water scarcity can have negative impacts on daily life and industrial processes. Water supply is planned in consideration of sustainable water management for process water consumption and process wastewater treatment.

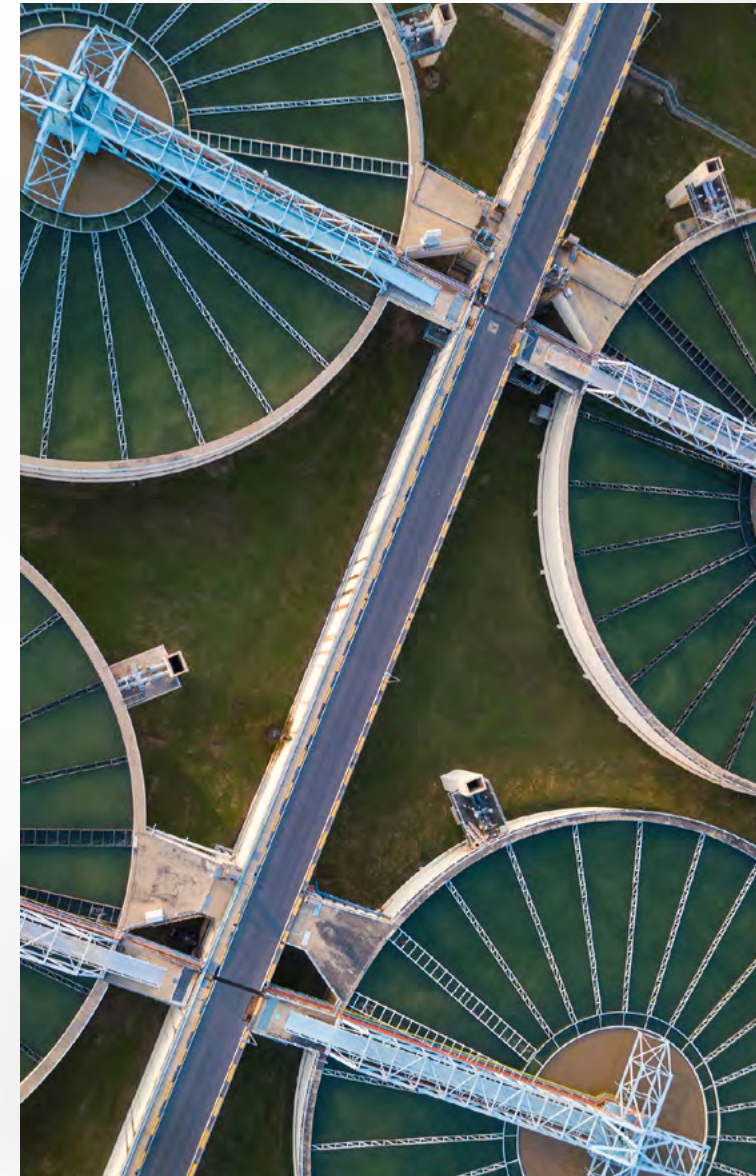
SASA monitors water consumption data on a monthly basis and ensures that leakages are prevented by conducting water leakage controls. It carries out optimization and recovery projects to reduce water consumption.

To this end, the total amount of water withdrawn from underground, discharged to surface water and consumed decreased by 13%, 3% and 30% respectively in 2023 year on year.

The studies in the project area included the use of techniques to create a Digital Elevation Model (DEM) of the land, determine the flow directions in the field, calculate cumulative flow and determine the basin area. In the modeling study, aquifer boundary conditions were loaded into the model network in accordance with the geological structure. The flow model was calibrated using borehole data in the free aquifer.

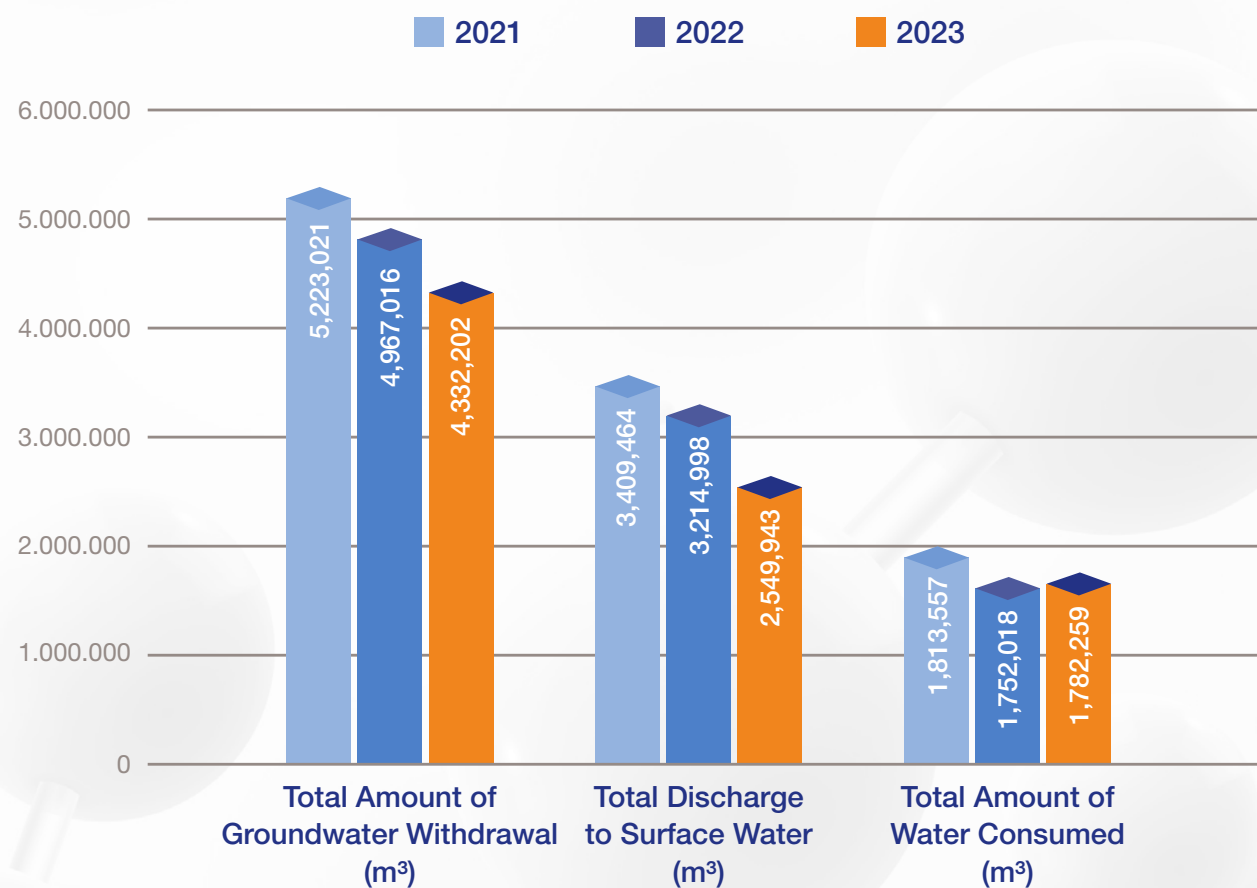
Since 2019, SASA has been working to reduce the consumption of water resources by recording the total amount of water withdrawn from underground, discharged to surface water and consumed.

Considering the amount of water withdrawn and discharged, the total amount of water consumed by SASA in 2023 was measured to stand at 1,782,259 m³

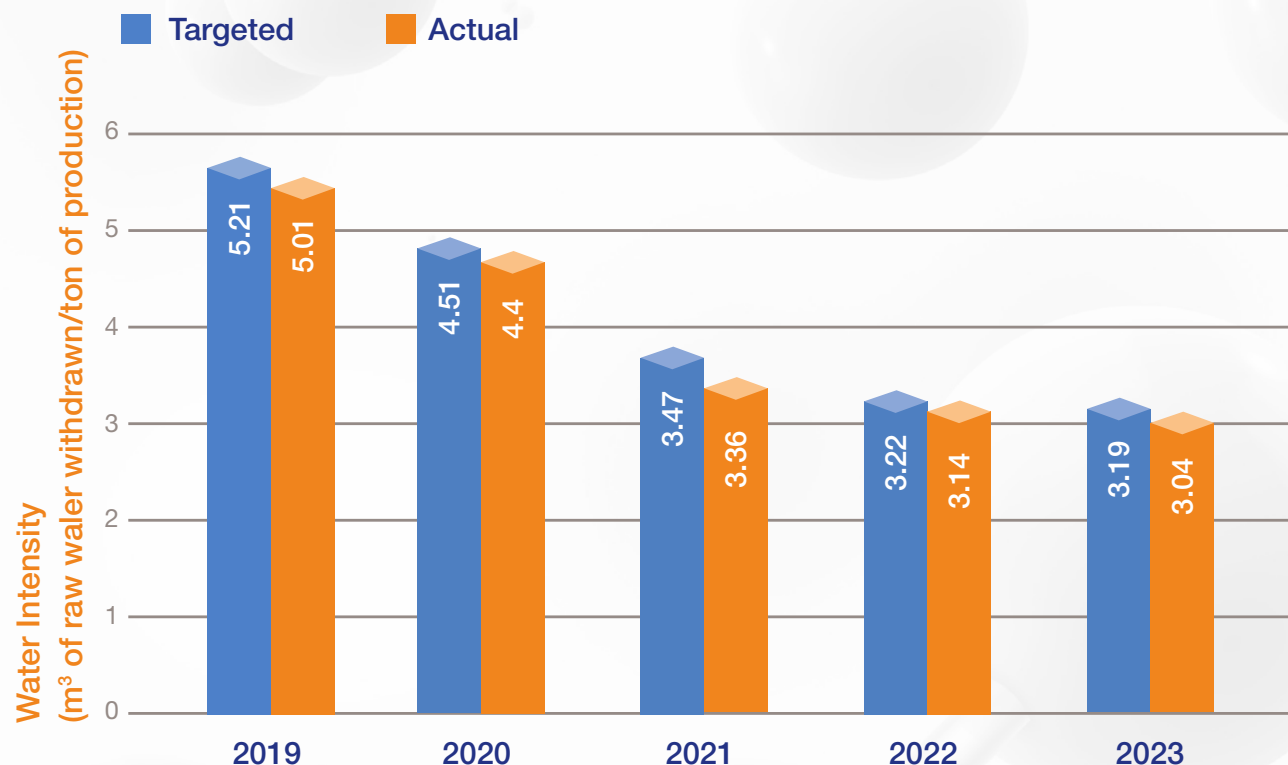




SASA aims to reduce water intensity to 3.19 m³/ton of product for 2023, and as a result of the water consumption realized in 2023, the water intensity value was determined as 3.04 m³/ton of product. Therefore, actual reduction was more than the targeted reduction.



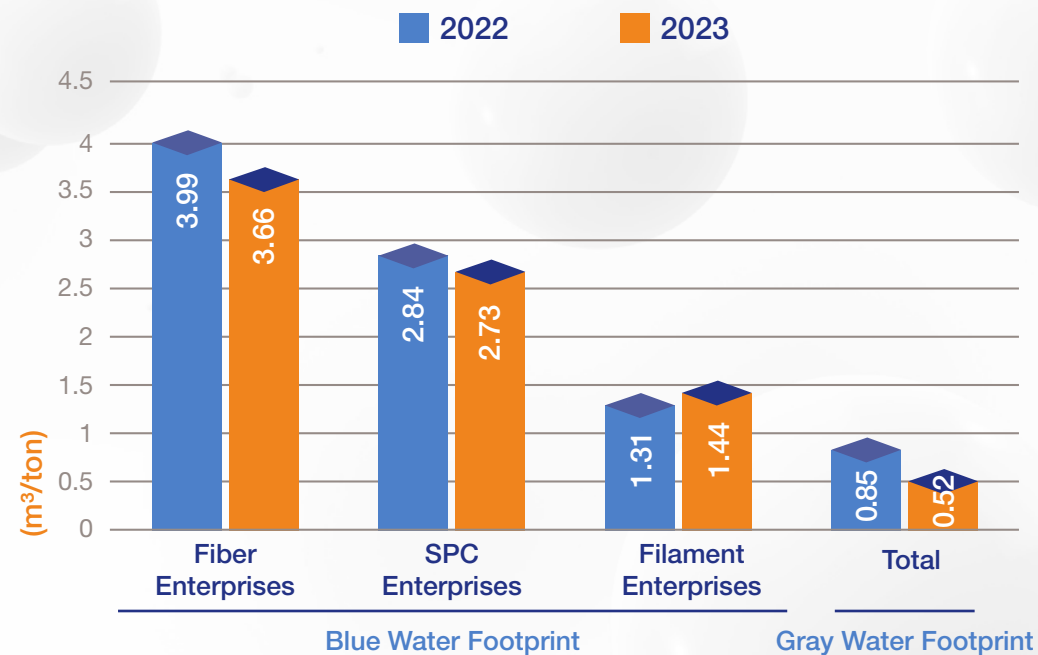
SASA calculates and verifies its water footprint in accordance with ISO 14046 requirements as well as national and international legal regulations in order to ensure water security, develop sustainable water management and achieve the targets it has set regarding water consumption. To this end, the Water Footprint Inventory Report for 2023 was published in compliance with ISO 14046. Under the report, all SASA plants in Adana have been identified as the system boundary, and an operational control approach has been adopted since SASA controls all of the operations carried out within the organization. The water consumption data in this report was collected from meters. As indicated in the table and chart below, the blue water footprint of fiber and SPC enterprises decreased by 8% and 4% respectively in 2023 year on year, while the blue water footprint of filament enterprises increased by 10%. In addition, SASA's gray water footprint decreased by 39% in 2023 year on year. In general, the decrease in water footprints is because the capacities of the DMT plant, former SPC plants and former fiber plants has been reduced and production has mostly shifted to new technology plants in 2023. The reason for the increase in the blue water footprint in filament enterprises is that the air handling units use chiller water in winter months as well, causing more evaporation and consumption at the cooling tower.



**42% reduction
in water intensity
compared to 2019**

It is targeted to reduce water consumption in existing facilities by 200,000 m³/year through improvements to be made in 2023 and 2024. In 2023, 531,671 m³ of water consumption was reduced.

		2022	2023
Blue Water Footprint (m ³ /tons)	Fiber Enterprises	3.99	3.66
	SPC Enterprises	2.84	2.73
	Filament Enterprises	1.31	1.44
Gray Water Footprint (m ³ /tons)		0.85	0.52



The calculated water footprint for 2023 is provided below:

Blue water footprint;

Total: 3,609,726 m³

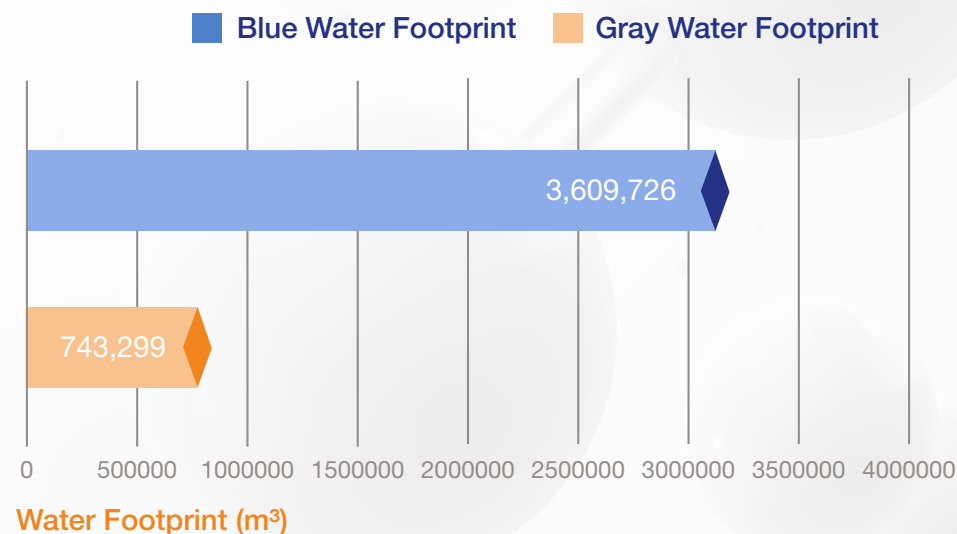
Blue water consumed per
product: 2.53 m³/ton of product

Gray water footprint;

Total: 743,299 m³

Gray water occurring per
product: 0.52 m³/ton of product

2023 Water Footprint Verification Statement is
presented in the Appendices at the end of the report.



WASTEWATER MANAGEMENT

Industrial wastewater, process wash water and domestic wastewater resulting from SASA's production processes are treated at the in-house Wastewater Treatment Plant. Physical, biological (anaerobic and aerobic), chemical and advanced treatment processes are applied in this plant. In addition to the inspections conducted by the Republic of Türkiye Ministry of Environment, Urbanization and Climate Change, sample analyses are carried out daily in the environmental laboratory of the plant, thus monitoring the plant performance continuously.

In addition, the wastewater generated at the plant is treated and discharged into the State Hydraulic Works (DSİ) drainage channel in accordance with the discharge limits under the Water Pollution Control Regulation and IFC Environmental Performance Standards. Certain parameters of the discharged effluent (suspended solids, conductivity, dissolved oxygen, pH and chemical oxygen demand) are monitored online by the Ministry of Environment, Urbanization and Climate Change through the Continuous Wastewater Monitoring System (CWMS).

The features of the wastewater treatment plants commissioned within this scope are as follows:

COD	NH ₄ -N	PO ₄ -P	Sulfur	Sulfite	T.Chromium	
114,771.70	887.92	2,767.74	41.37	491.94	1,064.21	(kg/year)



The wastewater from the PTA Production Plant will have high concentrations of chemical oxygen demand due to PTA production. Therefore, the wastewater generated from PTA production will be treated anaerobically in the new wastewater treatment plants with a biobed expanded granular sludge bed (EGSB) and then subjected to biological treatment in the new wastewater treatment plants using all the best and advanced treatment technologies together with all wastewater from existing and upcoming polyester plants as part of new investments. In the wastewater recovery unit, where wastewater treated in accordance with local regulatory limits and IFC standards will be re-treated using advanced treatment technologies, 55-60% of the treated wastewater will be recovered and reused in cooling towers. The plant will produce 1,206 Nm³/hour of biogas through anaerobic treatment. SASA aims to save 1,200-2,200 MWh of electricity annually by automating the air blowers in the biological treatment unit using Hubgrade Technology with Industry 4.0 features. Furthermore, by using Koch (INVISTA) licensed P8 technology as the production technology in the PTA Production Plant, the Company expects to generate 75% less wastewater compared to conventional PTA production technologies.

The wastewater treatment plant commissioned as it is:

- The first anaerobic wastewater treatment plant of the PTA Production Plant,
- The largest industrial moving bed biofilm reactor wastewater treatment plant,
- The first Industry 4.0 artificial intelligence-controlled plant to save energy and chemicals,
- The highest capacity (45,600 m³/day) anaerobic treatment plant producing drinking water quality process water from the treated wastewater.

SASA was awarded a B score as a result of the 2023 evaluation of the CDP Water Security Report, which was first prepared in 2022 and is part of its sustainability journey. Aiming to expand the practice of water recovery, SASA plans to further improve its future scores.

The CDP Water Security Report, which explains SASA's current water-related situation, risks and measures in detail, is available [here](#).

In 2023, SASA assessed water risk indicators such as water stress, seasonal variation, water supply and water demand, taking into account the years 2030 and 2040, according to the methodology developed by the World Resources Institute (WRI).



WASTE MANAGEMENT

While ensuring resource and raw material efficiency in line with its Environmental Policy, SASA also implements practices in parallel with the principles of circular economy by aiming to reduce, recycle and recover the wastes generated within the plant respectively. To this end, SASA is committed to applying clean production technologies and best available techniques for sustainable waste management. If the waste cannot be recycled into the economy, it is disposed of without harming the environment. The responsibilities which are required to ensure that the waste management process in all the aforementioned activities is carried out in a sustainable manner are defined in the Waste Management Procedure, which is also described as an implementation guide. The senior management monitors waste management and provides qualified human resources in this field. It is also responsible for the development and use of clean technologies that reduce waste generation and encourage recovery, and for the marketing and technical development of environmentally friendly products.

SASA Environmental Management Unit has received the Certificate of Competence by the Republic of Türkiye Ministry of Environment,

Urbanization and Climate Change and follows the available legislation and legal regulations. The Unit is also tasked with the identification, definition, control of waste sources, recovery and disposal of wastes in accordance with the regulations followed in order to prevent direct and indirect damage to the environment from all kinds of wastes from operations. To this end, SASA Environmental Management Unit reports to the Sustainability, Environment and OHS Directorate and is tasked with the following responsibilities:

- Performing activities to obtain and renew environmental permits and licenses for SASA, which is listed in Annex-1 of the Environmental Permit and License Regulation, in accordance with the Environmental Law and related regulations, and to make sure practices are aligned with the relevant laws and regulations,
- Inspecting the enterprise according to the environmental legislation,
- Offering training to employees to raise environmental awareness,
- Drafting necessary declarations and notifications,
- Monitoring EIA processes for investments,
- Working to ensure compliance with IFC Standards, Equator Principles and other environmental standards, and considering the sustainable supply chain in such work,
- Working to ensure the continuity of the ISO 14001 environmental management system,
- Calculating carbon and water footprint in accordance with ISO 14064-1 and ISO 14046-1 standards and getting them verified by independent verification bodies,
- Managing wastewater, waste and emissions in accordance with the environmental legislation.

Hazardous and non-hazardous industrial wastes from SASA operations are collected in the temporary storage area and sent to licensed recycling plants. In addition, wastes are separated and collected according to waste types in containers identified by different color codes within the plant. This is support extended to make sure wastes contribute to the circular economy. Hazardous wastes are disposed of by sending them to authorized plants with licensed vehicles and drivers identified on MWTS (Mobile Waste Tracking System). Medical wastes (masks and gloves) are considered hazardous wastes and can also be generated in the infirmary. They are managed under the Waste Management Plan and disposed of as medical wastes. SASA was entitled to receive the Basic Level Zero Waste Certificate issued by the Ministry of Environment, Urbanization and Climate Change for its effective waste management practices.

As an example of circular economy, PET wastes from processes are used as raw materials at the

Merinos Carpet Plant following the necessary processes at the licensed recycling plant of Merinos Carpet, a subsidiary of Erdemoğlu Holding.

The estimated hazardous waste density for 2024 is expected to be 4.48 kg hazardous waste/

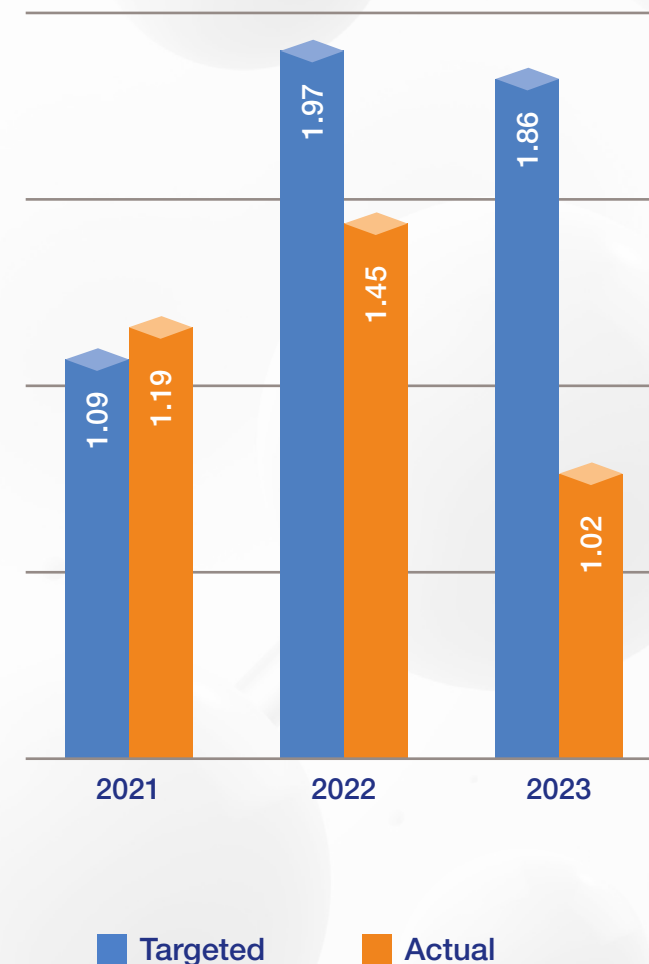
ton of production due to the decommissioning of SASA's DMT production plant. In 2024, hazardous wastes will be disposed/recycled in line with national and international legislation. In 2025, when this dismantling

situation, which may lead to an increase in the concentration of hazardous waste, is eliminated and the increase in the amount of production in SASA's newly commissioned facilities is realised, our targets will be re-set.

In 2023, the amount of hazardous and non-hazardous wastes decreased by 37% and 7% respectively, while the total amount of wastes decreased by approximately 8% (from 64,334 tons to 59,078 tons) year on year.

We take pride in having produced less hazardous wastes than expected in 2023.

Hazardous waste intensity (kg hazardous waste/ton of production)



BIODIVERSITY CONSERVATION

SASA is aware that the loss of biodiversity is another problem brought about by the environmental degradation that has been frequently observed in recent years and is aware of its responsibility in reducing such degradation and improving the adaptation of living species to ecological change. It has therefore defined responsibilities for biodiversity at senior management level.

Recognizing that necessary actions must be taken to prevent biodiversity loss, even if it does not have a devastating impact in the short run, SASA sensitively carries out operations to reduce its impact on biodiversity and protect natural resources. Accordingly, SASA conducts environmental impact analyses, measures the impacts of its projects and operations on biodiversity and takes measures to address these impacts. As part of these measures, SASA published a Biodiversity Report for all plants in 2023. It has also established a Biodiversity Management Plan and KPIs for biodiversity, which are observed particularly for new investments. In order to have more detailed information on invasive species, negotiations have started with the Ministry of Agriculture and Forestry of the Republic of Turkey.

SASA has identified the following APGs in support of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and International Union for Conservation of Nature (IUCN) initiatives to promote the conservation of endangered species.

Key Performance Indicators	Goals
Biodiversity Accidents	Minimize the number of reported biodiversity-related incidents and continue to improve biodiversity.
Habitat Degradation	Minimize direct and indirect impacts of field work on habitat.
Wildlife Mortality on Access Roads	Minimize the number of traffic-related incidents and ensure their continuous improvement.
Uncontrolled Release of Oil, Wastewater, Waste, and Dust	Minimize uncontrolled releases of oil, wastewater, waste, dust, etc. and ensure that these releases are managed in a controlled and environmentally friendly manner.
Community Grievances	Minimize the number of biodiversity-related grievances from neighboring communities in the operational area.
Employee Training	Ensure that all employees receive training according to their competencies, including environmental management practices.

ENVIRONMENTALLY FRIENDLY PROJECTS

SASA attaches importance to ensuring raw material efficiency through the use of wastes and valuable secondary products during the production phase of products and to ensuring natural resource efficiency through process evaluations. It takes into account the circular economy principles based on environmental benefits as well as economic gains. To this end, SASA includes circular economy components such as reduced use, reuse, re-design, repair, re-production and recycling in its practices, which also contribute to waste reduction. The environmentally friendly projects by SASA and the savings achieved through these projects in 2023 are summarized in the table below.

In 2023, sustainable products account for 7.2% of all products, and SASA aims to further increase the demand for environmentally friendly and sustainable products as they will be more preferred in the market.

Productivity Topic	Savings/Earnings Item	Savings/Gain Quantity	Unit
Energy Efficiency	Electricity	8,359,173	kWh/year
	Natural Gas	4,699,537	m ³ /year
	Fuel	61,500	lt/year
	Steam	68,633	tons/year
	Compressed Air	19,175,307	m ³ /year
Raw Material Efficiency	Packaging Material	6,826,621	units/year
	Chemical	276.836	tons/year
	Consumables	470,265	units/year
	Raw Materials	784	tons/year
Water Efficiency	Water	534	lt/year

Name of Enterprise	Name of Project	Circular Economy Component	Clean Production Practice
DTY	Preventing Unnecessary Lighting in the Enterprise by Using Lighting Mechanisms with Relays or Motion Sensors	Reduction of Use	—
	Ensuring Water Saving by Making Sink Faucets with Sensors (implemented in the second half of the year)		—
Chips	Optimising the Air Conditioning System in the Plant		■
	Controlled Reduction of the Pressure Set in the Chips Transfer Line		■
	Reduction of Nitrogen Amount in Pump and Mixer Area		■
POY	Ensuring Packaging Saving by Sending POY Products Sent to DTY Enterprise without Packaging		■
	Reducing the Use of Silicone Spray		■
	Reduction of DEG Consumption		■
Fiber	Reducing Electricity Consumption in the Production Line by 5% per Tonne by Making an Energy Map of the Enterprise	Reduction of Use/ Redesign	■
	Reduction of Electricity Consumption of Chilled Water Unit in Production Line		■
Chips	Making Illuminations with Sensors in Business		—

Name of Enterprise	Name of Project	Circular Economy Component	Clean Production Practice
Chips	Reducing Heat Transfer Fluid Utilisation by Reducing Reflux Ratio	Reduction of Use/ Redesign	■
	Shutdown of Feed Steam in Textile and Film Projects in the Production Process		■
	Larger Volume of Product Packaging		■
	Reducing Chemical Consumption by Cancelling Some Production Lines by Performing Line Monitoring		■
Fiber	Increasing Raw Material Efficiency in Production Line by Prioritising Parameters Affecting Product Quality		■
	Reduction of Finish Active Ingredient Usage in Production Line		■
	Üretim Hattında Ham Madde Veriminin Artırılması Increasing Raw Material Yield in the Production Line		■
	Reduction of Steam Consumption in the Production Line by 75% per Tonne		■
Chips	Improvement of the Polymer Filter Furnace	Repairing	■
	Reducing Monomer Filter Change Frequency by Improving Filters in the Production Process		■

Name of Enterprise	Name of Project	Circular Economy Component	Clean Production Practice
POY	Re-collection of the tubes in the DTY Plant and Re-use in the POY Plant	Reuse	
	Recycling and Reuse of Pallets Used in the Transfer of Some Products through Licensed Companies		
	Ensuring Reuse of Sieves by Improving Dirty-Clean Sieve Separation Performance		
DTY	Recycling of Unqualified Texturising Pulp		
	Reducing the Waste Amount by Changing the Transport Method of Scrap Rolls		
	Reuse of Aggregate Discs in the Bottom Row		
	Reuse of Shipped Pallets by Collection from Customers		
	Cleaning and Reuse of Machine Filters		
POY	Increasing Insulation Measures to Reduce Heat Losses and Improving Air Conditioning Systems with Engineering Measures	Redesign	
	Reducing Natural Gas Consumption by Improving Engineering Design Practices		
Chips	Reducing the Number of Pumps Used by Revising the DMT Feeding Process		
	Optimisation of Gearbox Oils of Equipment		

Name of Enterprise	Name of Project	Circular Economy Component	Clean Production Practice
Chips	Optimising Column Pressure in the Production Process	Redesign	
	Reducing Natural Gas Consumption by Reducing the Air Temperature Transferring Between Units		
	Reducing Natural Gas Consumption by Adjusting Off-Gas Temperature		
	Ensuring Effective Use of Compressed Air in Packaging Plant		
POY	Cancellation of Forklift Use in Pallet-Product Separation by Designing Pallet Roller Assembly		
	Reduction of Fuel Consumption and Traffic Congestion by Designing a Mobile Ramp Arrangement		
	Recovery and Reuse of EG Exiting the System		
DTY	Reducing the Use of Stretch Film in the Packaging Unit		
Chips	Improvement of Nitrogen Utilisation by Automation of Column Peak Pressure		
	Reducing Transfer Pump Speed by Changing the Control System	Redesign/ Repairing	



05. SOCIAL SUSTAINABILITY

HUMAN RESOURCES MANAGEMENT

HUMAN RIGHTS APPROACH

EMPLOYEE RIGHTS AND WORKING CONDITIONS

TRAINING AND DEVELOPMENT OPPORTUNITIES

EQUALITY, DIVERSITY AND INCLUSION

OCCUPATIONAL HEALTH AND SAFETY



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09

SOCIAL SUSTAINABILITY

HUMAN RESOURCES MANAGEMENT

Together with its employees, SASA has the vision to carry its corporate heritage, knowledge and values into the future. Since its establishment, SASA considers human capital as its most fundamental value and adopts the mission of continuing operations by providing equal and fair opportunities for every employee. SASA's human resources approach aims to have qualified human resources and to retain its qualified workforce for years to come. Investments in human resources contribute significantly to SASA's growth and long-term success.

To ensure that it has an organization that will create a competitive advantage in line with the goal of securing sustainable success in its strategies and goals, SASA:

- Continuously reviews and structures its human resources systems and processes as needed,
- Recruits talents that will develop SASA in a way that also supports cultural diversity,

- Organizes personal and professional development activities to ensure the continuous development of employees' competencies, knowledge and skills related to their positions,
- Runs an effective performance management to support corporate and individual development targets,
- Houses platforms where employees can express themselves openly,
- Applies SASA Business Ethics Values, which also include rules for ensuring an equal (no discrimination based on gender, religion, language, etc.) and fair working environment, to all employees,
- Develops practices and approaches to increase the corporate engagement of employees in a safe and healthy working environment where they can display their potential and are open to change.

As of 2023, SASA employs 4,208 people. 99.9% of employees fulfill their duties on a full-time basis. While 22% of employees are at specialist level and above, 78% work at operational level.

SASA's sensitivity in OHS issues minimizes the risks that business processes may bring, thereby enabling the Company to offer a healthy and safe working environment for employees. Employee satisfaction and development are prioritized through fair and equitable human resources practices.

The basic principles of recruitment, performance evaluation, training and development, orientation, talent management, labor relations, payroll, timekeeping and all other processes related to human resources and industrial relations practices are set in the SASA Human Resources Policy. The policy text is available [here](#). In addition, the policy articulates commitments to create and maintain a working environment based on the principles of diversity and equality.

SASA values all its employees equally and conducts its recruitment processes within this approach without discriminating on the basis of personal qualities such as race, color, belief, ethnic and national origin, religion, gender, marital status, age and physical disability. In 2023, 292 employees started work, and 583 employees left SASA.

SASA's aim is to encourage behavior in accordance with SASA Business Ethics Values in a safe and healthy working environment where employees can use their potential in the best way possible. In addition, SASA offers training and capacity building activities to support the personal and professional development of employees.

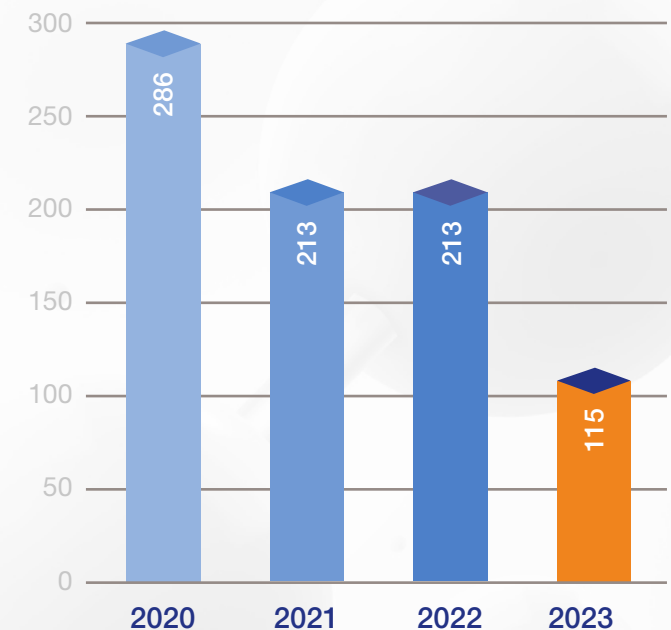
The management of remuneration policies, which are a major part of the human resources approach, is based on the principles of transparency and fairness. The policy aims to encourage the continuity of success and to reward employees. White-collar employees, particularly new hires, provide feedback on SASA's conditions, opportunities for improvement and best practices

through regular weekly meetings with the human resources department. Relevant managers also provide feedback on career plans at least once a month. This is regularly reported to the General Manager. Working hours are regulated in accordance with the International Labor Organization (ILO) Working Hours Conventions and local legislation requirements, and overtime work is possible in line with the requirements of the Labor Law No. 4857.

SASA allows its employees to submit their wishes, suggestions and grievances to the organization 24/7 and anonymously. Communications are transferred to the system in Turkish and English. Each application received is evaluated in line with the organization's code of ethics and sustainability approach, with subsequent action as necessary. There is no retaliation for any wishes, suggestions or grievances received from internal or external stakeholders. To ensure transparency and open communication, great importance is attached to the Corporate Communication/Whistleblower/Suggestion Policy. The relevant policy text is available [here](#).

The wishes, suggestions and grievances collected through this system are evaluated by the SASA Board of Directors every 15 days. In 2023, all of the notifications received were meticulously reviewed and successfully resolved.

Number of Wishes/Grievances/Suggestions



HUMAN RIGHTS APPROACH

SASA is aware that the protection of human rights in working life is an essential matter and acts in line with the importance it attaches to the fundamental rights and freedoms of its employees. To this end, the internationally recognized and respected UNGC, the European Convention on Human Rights, the Universal Declaration of Human Rights, the OECD (Organization for Economic Cooperation and Development) Guidelines for Multinational Enterprises, and the ILO's Declaration on Social Justice in the context of globalization are deemed as guidelines for SASA. The Company also endeavors to take an active role in tackling issues such as poverty, hunger, gender inequality, climate change and injustice in line with the SDGs set by the United Nations.

SASA's human rights commitments include prevention of child labor, equitable recruitment processes, appropriate working hours, wages and payments, prevention of discrimination, protection of the right to organize and collective bargaining, prevention of harassment and ill-treatment, combating bribery and corruption, ending forced and compulsory labor, and training.

SASA's principles for the protection of human rights are as follows:

- Within the framework of respect for human rights, operations are delivered to ensure that working hours and overtime periods are in compliance with applicable laws and regulations and to maintain a productive working environment.
- Corruption and/or giving, receiving or offering bribes and/or kickbacks is not accepted under any circumstances. To this end, SASA acts in line with SASA Business Ethics and Code of Ethical Conduct Policy.
- Based on the assumption that the education and training level of employees determines the general level of the company, trainings are organized to increase employees' awareness on occupational health and safety and to support their professional and personal development, thus ensuring the continuous development of the company.
- The minimum wage is based on the minimum wage that employees can afford to live on, and overtime is paid with additions as provided by law.

- In order to ensure the persistence of ethical criteria, technical and professional know-how, compliance with Company rules and the Company's social compliance requirements are recognized as major criteria in recruitment. Starting from the recruitment stage, policies to prevent discrimination, harassment and ill-treatment are implemented.
- Promotions are made once a year in January, based on the Promotion Procedure as well as the employee's contribution and performance.
- Verbal, physical, psychological harassment or coercion is strictly prohibited in order to ensure the peace of the working environment and to ensure that employees work happily.
- Safeguards are in place to ensure that there is no contractual obligation to work or there is no work against liability, and that work is voluntary.
- In terms of hiring, compensation, access to training and promotions, there is no termination or retirement based on race, social class, religion, national origin, gender or political affiliation.

The approach to fulfilling these commitments is defined in SASA's Human Rights Policy. The relevant policy text is available [here](#).

Through coordination between the Sustainability Committee and the Human Resources Department, the implementation of this policy is supported by regular meetings and efforts to inform relevant personnel and raise corporate awareness.

For the healthy development of children and within the framework of respect for the right to education, child labor is strictly prohibited; the procedures and principles of employment of young workers are complied with; and forced labor against the will of individuals at any stage of production is prevented.

Protection of human rights is prioritized in supplier and subcontractor selection processes. In addition to its employees, SASA expects its business partners and all stakeholders to pay attention to the protection of human rights and act in line with these principles.

Security personnel play a critical role in protecting human rights. Therefore, SASA regularly trains its security personnel on this subject every year.

In 2023, the rate of security personnel trained in human rights policies or procedures was 100%, with a total of 104 hours of human rights training provided.

Human rights training programs are regularly updated in line with the views and suggestions of stakeholders, and efforts are underway to expand the scope of such training programs.



EMPLOYEE RIGHTS AND WORKING CONDITIONS

SASA is aware that its employees will be highly motivated in an organization where appropriate working conditions are provided, and employee rights are protected. Accordingly, the Company attaches great importance to employee rights and develops practices to improve working conditions.

Fringe Benefits

SASA offers its employees various benefits such as private pension and health insurance. Employees who have completed six months of service can participate in the Company-Supported Private Pension System with an amount corresponding to 2.25% of their gross salary. In terms of health services, a healthcare unit operates at the workplace, and there are agreements with a private dental polyclinic.

Employee Support Programs

SASA attaches importance to supporting its employees in their private lives and personal development as well as their professional life. Work and private life balance is emphasized, and this balance is supported with special days off. In addition, bonuses are paid on holidays. Employees are also supported in the event of adverse events such as death, health problems or work accidents.

Remuneration, Reward and Suggestion System

Encouraging sustainable success through a transparent and fair remuneration and reward system is the main element of SASA's remuneration policies. To add value, support employee initiatives and encourage various project ideas, employees are rewarded every year in line with performance reviews.

SASA has a Remuneration Policy for Board Members and Senior Management in accordance with CMB regulations. This policy defines the remuneration system and practices for board members and senior management with administrative responsibilities.

The relevant policy can be accessed [here](#).

TRAINING AND DEVELOPMENT OPPORTUNITIES

SASA attaches key importance to the personal and professional development of its employees. SASA provides training opportunities for employees to improve their skills and increase their competencies in professional matters and also implements a talent management system within the organization. Pursuant to SASA's Talent Management Regulation, employees' career management is supported by defining their knowledge, skills, experience and competencies, and training programs are offered to people selected from within the organization for management positions.

In addition, through the SASA Academy, employees' skills are reinforced, their strengths and weaknesses are identified, and their development is honed. Through the SASA Academy, training programs are offered to employees to improve their technical, professional and personal skills. As part of such programs, courses are organized to develop professional skills in specific areas such as production, engineering and auditing. In addition, trainings on topics such as quality assurance, process technology, engineering integrity and operating procedures aim to increase the professional skills of employees. Furthermore, the Company organizes Personal and Professional

Development Trainings in areas such as decision-making, taking initiative, goal management, Industry 4.0, creative and effective presentation techniques, and customer relationship management in order to contribute to both the personal and professional development of its employees.

In 2023, SASA provided a total of 68,342 hours of training to employees, excluding mandatory OHS trainings. When OHS trainings are included, a total of 116,072 hours of training was provided.

The average training hours per employee is calculated as 27.58. Female employees received 26.32 hours of training on average, while male employees received 27.62 hours of training on average.



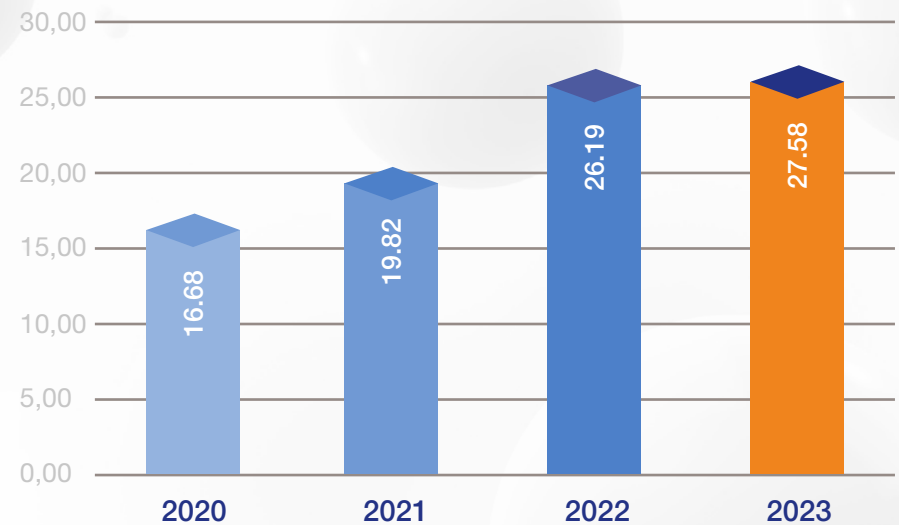


The trainings in 2023 are offered under the following headings:

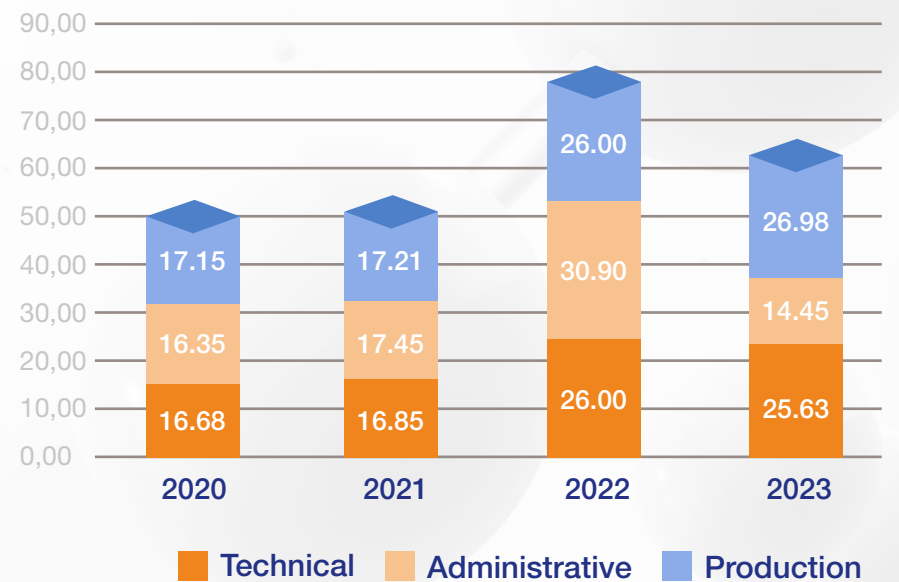
- Administrative Trainings
- Personal Development Trainings
- Professional Development Trainings
- ISO Management Systems Trainings
- Process Safety and Risk Management Trainings (PSRM)
- Occupational Health and Safety Trainings
- Technical Trainings



Duration of Training to Employees (Employee/Hour)



Duration of Training by Work Category (Employee/Hour)



EQUALITY, DIVERSITY AND INCLUSION

SASA believes that an equality, diversity and inclusion approach will create a respectful working environment and increase productivity. SASA is committed to providing an inclusive working environment that creates equal opportunities for all.

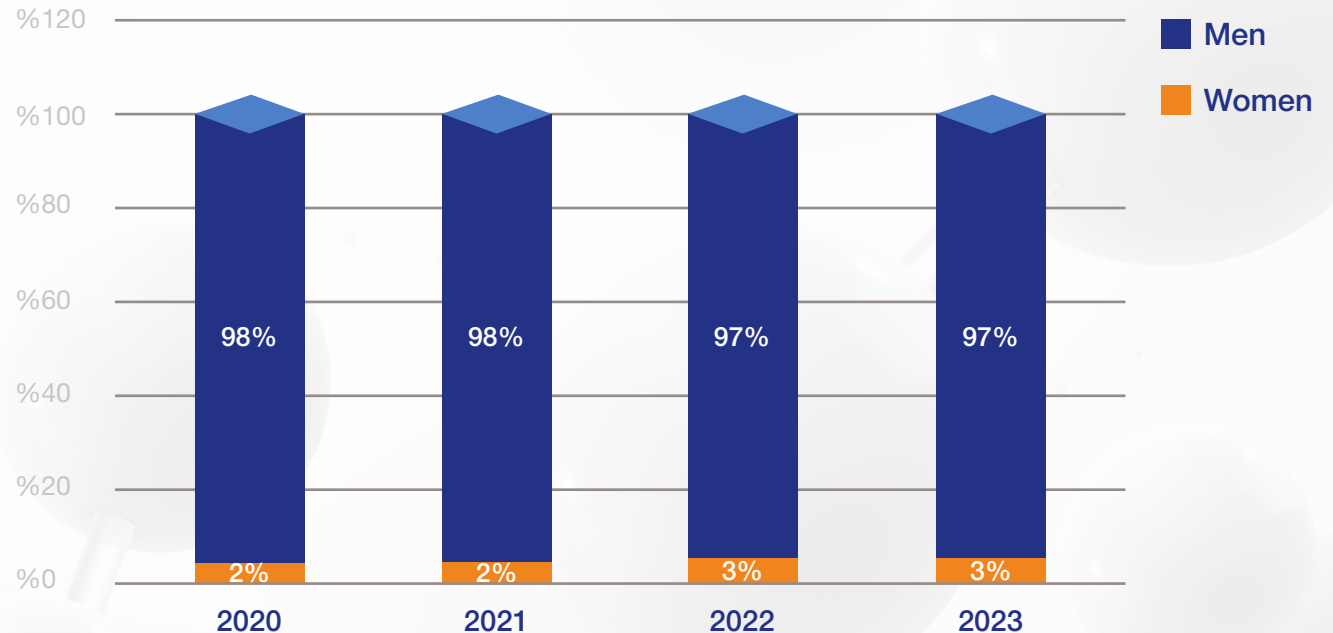
Embracing gender equality as a critical component of sustainable growth, SASA does not allow discrimination among its employees and strives to create a fair and respectful working environment for everyone. The principles set out in the SASA Diversity Policy, which was established to increase diversity within the organization, are observed. This policy can be accessed [here](#).

The organization attaches importance to women's participation in labor markets and their access to equal opportunities and resources.

As of the end of 2023, the percentage of women working at SASA was 3%. 38.2% of the employees are under the age of 30, 59.6% are between the ages of 30-50, and 2.2% are over the age of 50.

Of the 292 people who started working at SASA in 2023, 10% (29 people) are women. This is an indication that the organization is pursuing its future goals.

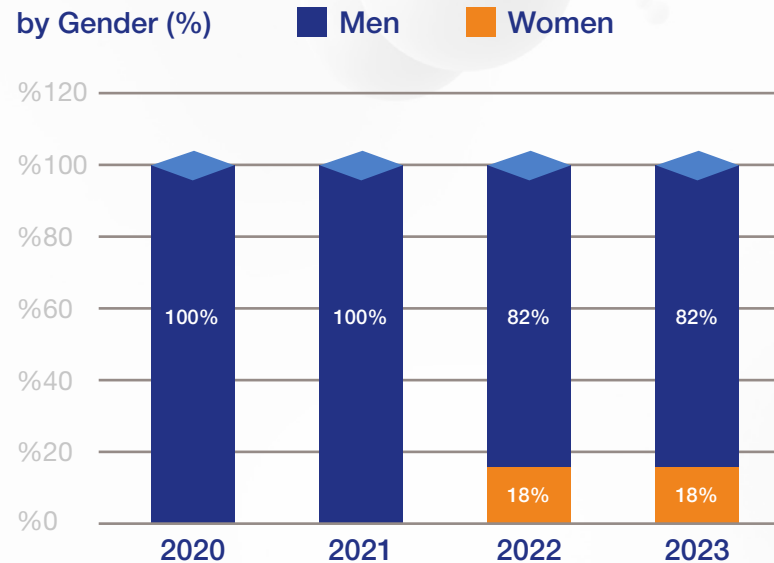
Percentage of Employees by Gender (%)



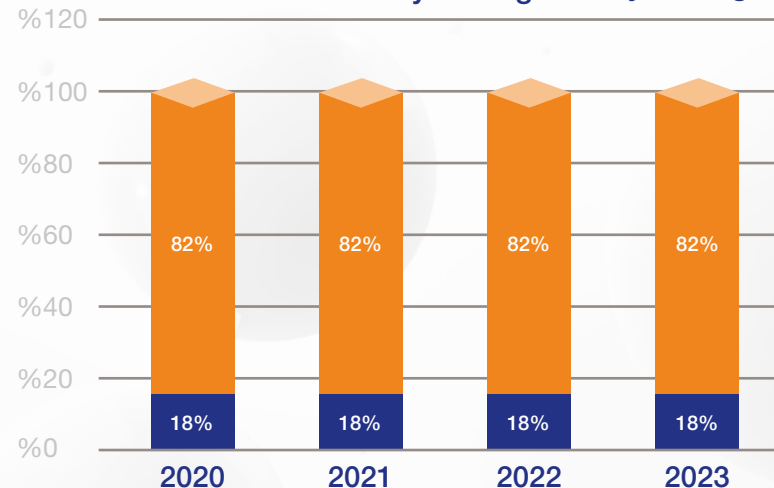
Moreover, SASA adopts a participatory, solution-oriented Board of Directors approach that takes into account different opinions and suggestions. The Company attaches importance to the fact that the members of the Board of Directors come from different areas of expertise and experience, have diverse viewpoints, geographical experience and origins, and professional backgrounds. In order to support diversity in the composition of the Board of Directors, the Company encourages the participation of individuals with different knowledge, education, experience and qualifications in the Board of Directors. As part of this approach, we aim to have at least 25% female representation on the Board of Directors, which includes members from various age groups.

In order to increase the proportion of women in decision-making positions, the Company implements the Board Diversity and Inclusion Policy. The main purpose of this policy is to demonstrate the diversity of the organization's decision-makers, gain the trust of shareholders and all stakeholders, improve decision-making processes and promote inclusiveness within an effective corporate governance framework. This policy text is available [here](#).

Percentage of Board and Senior Management Members by Gender (%)



Percentage of Board and Senior Management Members by Age Distribution (%)



SASA supports its female employees to continue working life after becoming parents and to have access to equal opportunities. Pursuant to the Labor Law No. 4857, leave periods granted to employees with parental responsibilities are applied as 5 weeks for paternity and 16 weeks for maternity. In 2023, the number of male employees on parental leave was 344, while the number of female employees on parental leave was 4. 100% of female employees who went on maternity leave returned to work at SASA. In addition, SASA Mehmet Erdemoğlu Nursery, which was established in 2020 to support parent employees, enables employees to leave their children in a safe environment during working hours.



OCCUPATIONAL HEALTH AND SAFETY

For SASA, the health of employees and a safe working environment are of the highest priority. SASA considers OHS issues as an integral part of its business and aims to eliminate any harm to its employees and all other stakeholders in all areas of operations. Continuous improvement of health, safety and environmental performance is shaped under the goal of 'Zero Accident, Zero Risk', aiming to protect against injuries, occupational diseases, accidents and environmental pollution risks that may occur due to occupational accidents.

In line with its sensitivity on OHS issues, SASA acts within the framework of legal requirements and relevant standards in all its operations. Compliance with the Turkish Occupational Health and Safety Law No. 6331 and all national and international OHS requirements is SASA's priority, and the Company's relevant commitments are stated in the Occupational Health and Safety Policy. The relevant policy can be accessed [here](#).

In addition, OHS management systems are regularly reviewed and improved in accordance with ISO 45001 certification standards. All OHS risks and potential occupational accidents that may arise as a result of the activities carried out at the plants are identified early, and these risks are continuously evaluated.

SASA complies with OHS rules in accordance with the ISO 45001 Occupational Health and Safety Management System it has. The Company makes maximum efforts to minimize the safety risks that may arise from business processes. 4,208 SASA permanent employees and 10,843 subcontractor employees working in SASA's field of activity are subject to the OHS Management System.

SASA aims to reduce occupational accidents and occupational diseases by taking all necessary measures, and targets are set in consideration of the physical and mental health of employees in this process. The Company also intends to reduce the number of occupational accidents by increasing OHS measures and awareness-raising activities and to reduce the LTIR rate below 1 for permanent and subcontracted workers.

At SASA, matters such as emergency preparedness, ensuring, protecting and improving occupational safety and raising awareness for emergencies are handled meticulously. Employees are offered training opportunities based on best practice techniques, and necessary resources are provided. Employees and all stakeholders are encouraged to participate in



the implementation of the OHS management system and the assessment, continuous improvement and development of OHS performance.

In accordance with the Occupational Health and Safety Risk Assessment Regulation, OHS practices are integrated into risk management principles. Regular risk assessments are performed as part of the occupational health and safety management system, and these assessments vary according to the hazard class of the workplace.

In line with the requirements of the Occupational Health and Safety Risk Assessment Regulation, SASA has a Risk Assessment Team consisting of the employer or employer's representative, occupational safety experts, occupational physicians, employee representatives, support team and SASA unit representatives. In addition to risk assessments, the relevant team also undertakes process management. Responsible persons and deadlines for preventing the risks identified in the risk assessment report are determined and closely monitored. Furthermore, in accordance with the 'Regulation on Occupational Health and Safety Committees', trainings are organized, and assignments are made for SASA OHS Committee members. The meetings of the 36-member OHS Committee are held at legally prescribed periodic intervals, and members are notified at least 48 hours prior to the meeting.



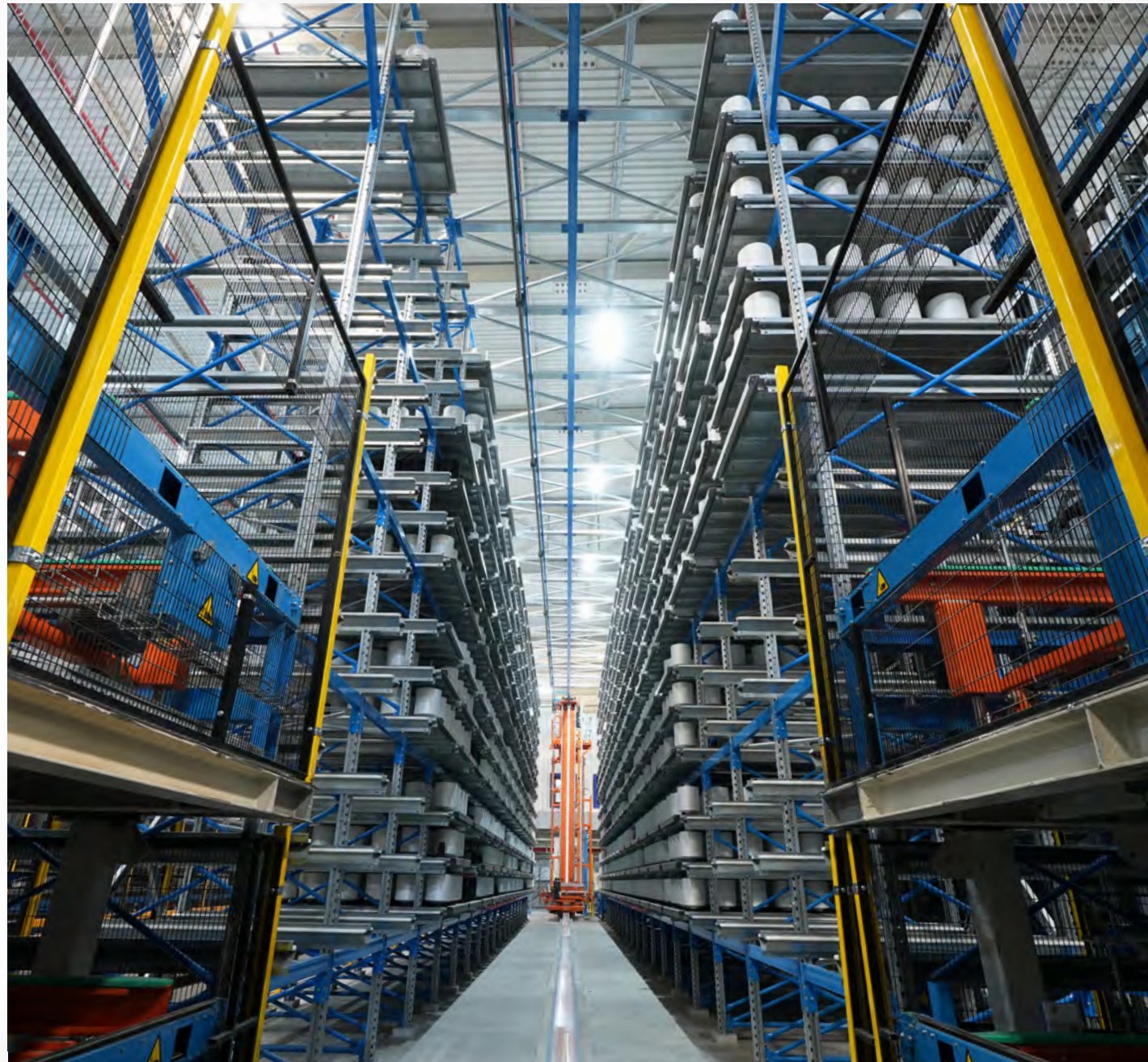
OCCUPATIONAL HEALTH AND SAFETY

OHS practices completed in 2023 are as follows:

- The number of horizontal and vertical lifelines to prevent falls from height has been increased.
- On-vehicle safety system is used in 5 different shipment areas in order to prevent falls from the vehicle.
- Loading ramp safety system application is used to ensure safety in loading ramps.
- A blue light system is used on forklifts in order to prevent accidents with material damage and injuries.
- To ensure traffic safety, traffic signs have been erected in the plant.
- A pilot radar is being used to ensure traffic safety, and a second radar is planned for installment in 2024.
- A suction fan system has been installed in the welding workshops to protect against harmful fumes generated during welding works.
- A red-green light system is used in industrial doors to ensure entry-exit control and prevent accidents.
- Television screens playing OHS awareness videos have been installed in all our enterprises.
- PTA construction site was audited with DSS+, and Process Safety Standards were subsequently prepared.
- PSM (Process Safety System) field and desktop trainings were provided by Dupont DSS team.
- Online Disaster Awareness Trainings for Workplaces were organized for blue-collar employees in cooperation with TOBB (Union of Chambers and Commodity Exchanges of Türkiye) and AFAD (Republic of Türkiye, Ministry of Interior, Disaster and Emergency Management Presidency).
- In addition to forklift driver certificates, certified trainings were obtained from the Ministry of National Education and private training institutions for employees using scissor lifts (manlift, octopus crane).



- Electrical High Current Plants (EHCP) trainings and energy manager trainings were organized according to the Electricity High Current Regulation.
- Lighted poles are used to raise awareness in emergency assembly areas.
- The Republic of Türkiye Ministry of Labor and Social Security and the General Directorate of Occupational Health and Safety (ISGUM) conducted best practices at SASA, which was selected as a pilot plant as part of occupational hygiene improvement efforts.
- AFAD Urban Search and Rescue Training was provided to 50 employees in the search and rescue team.
- All work equipment is controlled by third parties.
- NEBOSH (International General Certificate in Occupational Health and Safety - National Examination Board in Occupational Safety and Health) training was provided to occupational safety specialists.
- A digital wind meter system has been installed to provide a safe working experience in windy weather.



OHS TRAININGS

At SASA, all necessary trainings are provided in order to ensure employees have OHS awareness and to provide a safe working environment. In accordance with the 'Regulation on the Procedures and Principles of Occupational Health and Safety Trainings', SASA employees and subcontractor employees are provided with Safety Culture training on general, health, technical and job-specific issues before starting work and at legally determined periods. Basic Occupational Health and Safety Training is provided to employees before they start work. Furthermore, training on procedures and instructions for relevant duties and responsibilities is provided.

In 2023, 2,983 SASA employees received 47,730 hours of Basic Occupational Health and Safety Training, and 12,148 contractor employees received 194,338 hours of Basic Occupational Health and Safety Training. Thus, in 2023, a total of 242,066 hours of Basic Occupational Health and Safety Training was provided, with 16 hours per employee on average.

In line with the needs of employees, periodic trainings are provided on 5S Occupational Safety, Emergency Response, OHS Supervision, Radiation Protection, Working at Height, Work Permit System for Special Works, Environment, Personal Data Protection, and Work Discipline. In accordance with the Occupational Health and Safety Risk Assessment Regulation, information is provided on health and safety risks that may be encountered in the workplace.

Furthermore, all information and documents related to OHS practices can be accessed through the SASAİLE information system. In line with the Regulation on the Duties, Authorities, Responsibilities and Training of Occupational Physicians and Other Health Personnel, employees are informed about the risks, health surveillance, and the initial and periodic examinations. Employees are regularly subjected to examinations.

The Process Safety Management (PSM) system helps identify, understand and control potential hazards in the process, thus aiming to protect employees, bystanders and the environment. At SASA, employees working in chemical processes receive PSM training.

OHS trainings provided to SASA personnel and subcontractor employees

Total number of people trained on OHS	SASA	SUBCONTRACTOR
	2,983	12,148
Total OHS training (hours)	SASA	SUBCONTRACTOR
	47,730	194,338
OHS training hours per person	SASA	SUBCONTRACTOR
	16	16

Legislation training topics are as follows:

General topics

- Information on labor legislation,
- Legal rights and responsibilities of employees,
- Workplace cleanliness and organization,
- Legal consequences arising from work accidents and occupational diseases,

Health topics

- Causes of occupational diseases,
- Principles of disease prevention and application of prevention techniques,
- Biological and psychosocial risk factors,
- First Aid
- Hazards of tobacco products and passive exposure,

Technical topics

- Chemical, physical and ergonomic risk factors,
- Manual lifting and transportation,
- Flash, explosion, fire and fire protection,
- Safe use of work equipment,
- Working with screen tools,
- Electricity, hazards, risks and precautions,
- Causes of work accidents and the application of protection principles and techniques,
- Safety and health signs,
- Use of personal protective equipment,
- General rules of occupational health and safety, and safety culture,
- Evacuation and rescue,



Other topics

(working at height, working in closed environments, working in environments with radiation risk, working with welding machinery, working with equipment posing special risks, possible health risks caused by carcinogenic substances, etc.)

SUPPLIER SAFETY PROGRAM

As part of the Supplier Safety Program, the health and safety of suppliers is protected by supplier health procedures. Continuous OHS trainings are provided for suppliers operating in the field, and exams are organized following the trainings. In addition, continuous monitoring is ensured by conducting OHS audits.

Contractor Safety Procedure

The Contractor Safety Management System implemented at SASA is supported by rules and guidelines to guide contractors' operations in accordance with health, safety, environmental and performance standards. In this system, the contractor selection process is based on health and safety performance, and a detailed review of the past performance of companies is performed. The necessary organizations, activities and trainings on health and safety issues are delivered before the start of the work, and the necessary measures are taken as a result of the assessment of the hazards and risks in the work area, and it is ensured that employees start work safely. Trainings organized for employees include theoretical knowledge as well as hands-on practices, and a continuous improvement and compliance process is run through daily audits on occupational health and safety. As part of emergency management, drills and trainings are organized for predetermined response teams. The health and safety of employees are of paramount importance, and contractors are obliged to make the necessary arrangements.

Among the measures taken to proactively manage risks, Toolbox meetings held before the start of work hold an important place. In order to meet employee needs, modern social facilities are provided in the work areas as well as all necessary facilities to meet personal needs. Performance and safety reports are regularly shared with senior management when making strategic decisions. Thanks to the measures and awareness programs developed for employee safety, we aim to minimize occupational accidents and reduce the LTIR ratio to below 1.

With Contractor Safety and Performance Management Program;

- It is ensured that the contractor employees comply with the rules determined according to EBRD, IFC standards and other legal regulations.
- Health and safety issues are prioritized in the selection of contractors, and their past health and safety performance is examined.
- Occupational health and safety inspections are carried out on a daily basis during the working period.



Life-Saving Golden Rules Procedure

The Life-Saving Golden Rules Procedure is a safety measure that covers SASA's employees, contractors, visitors (suppliers, vendors, delivery drivers, customers and regulators) and all third parties acting on behalf of SASA. The main purpose of this procedure is to ensure that the health of all employees is protected, injuries are prevented, a safe environment is provided and developed in the workplace, hazards are eliminated, and OHS risks are minimized. These objectives are realized by raising awareness and supporting continuous development through trainings.

The Life-Saving Golden Rules clearly define the serious injuries or fatal consequences that can result from non-compliance with OHS rules. In 2023, a total of 2,972 suppliers and visitors received trainings organized within the scope of Supplier and Visitor Safety.



Emergency and Fire Safety System

An Emergency Procedure has been established at SASA in order to prepare emergency plans, to carry out the necessary work for protection, evacuation, firefighting, first aid and other interventions, to manage these situations safely and to determine the personnel to be assigned. This procedure includes procedures and principles such as managing the risks identified within the framework of the OHS management system and determining responsibilities. As part of the Emergency Procedure, the responsibilities of the relevant employees in each department have been determined for possible emergencies.

SASA has a fire safety system based on automatic detection, automatic extinguishing and human intervention, managed by a young, dynamic and trained team. SASA increased the staff of its Emergency Response Team (ADME) from 67 to 134, with 17 employees in this team. In addition, support units such as Search and Rescue and Evacuation, Fire Fighting and First Aid teams carry out activities in a coordinated manner.

The fire brigade has all necessary licenses, certificates and training. 4 full-fledged fire trucks, 2 10,000-ton fire water storage tanks, over 7,800 fire extinguisher cylinders, automatic fire detection and alarm systems, automatic fire extinguishing systems with gas and foam, SOEs and other equipment that can intervene in chemical leaks are ready for any emergency situation.

The fire safety system is monitored 24 hours a day via a computer software. In addition, frequent drills are conducted for readiness for emergencies at any time.

	Planned Drills	Completed Drills	Percentage of Completion
2020	56 Drill Plans	56 Drills completed	100%
2021	52 Drill Plans	52 Drills completed	100%
2022	51 Drill Plans	51 Drills completed	100%
2023	55 Drill Plans	55 Drills completed	100%



06. RESPONSIBLE SOURCING AND SUSTAINABLE PRODUCT DEVELOPMENT

RESPONSIBLE SOURCING PRACTICES
SUSTAINABLE PRODUCT DEVELOPMENT

CIRCULAR ECONOMY AND
LIFE CYCLE PERSPECTIVE
GREEN CHEMISTRY
ECO-INNOVATION AND R&D
R&D COLLABORATION



01



02



03



04



05



06



07



08



09

RESPONSIBLE SOURCING AND SUSTAINABLE PRODUCT DEVELOPMENT

RESPONSIBLE SOURCING PRACTICES

SASA supports the implementation of a sustainability approach throughout the entire supply chain, not limited to its own operations and business processes. The supply chain is a critical element that directly affects the success and competitiveness of a business. From production to distribution, this process encompasses the flow of materials and information as well as environmental and social considerations. SASA approaches procurement processes from an integrated perspective in terms of efficient use of resources and compliance with ethical standards throughout the value chain. The adopted sustainable and responsible supply chain approach is supported by various policies and procedures and has become a corporate culture. For detailed information on SASA's responsible procurement approach, the Green Purchasing Policy is available [here](#) and the Supplier Code of Conduct can be found [here](#). In addition, SASA's Supplier Diversity Policy was established to provide opportunities to a variety of suppliers that comply with the responsible sourcing approach and can be accessed [here](#).

In line with corporate governance principles, the Company became a member of the EcoVadis global platform to strengthen the supply chain and reduce its environmental footprint. The EcoVadis platform guides SASA to increase responsible sourcing and accelerate processes. Awarded with a Silver rating by EcoVadis in 2023 following 2019, SASA continues to develop strategies that will take supply chain management to higher levels.

5 procedures were developed to improve the effectiveness of supply chain management. These procedures reinforce the responsible supply chain approach by supporting close collaboration with suppliers, continuous communication and an effective feedback system. Established in 2022, the Supply Chain Deputy General Manager's Office now manages procurement processes at the senior management level, thus ensuring that processes are handled via a more strategic and integrated approach.



Procedure	Scope
Approved Supplier Selection Procedure	This covers the selection of suppliers in line with certain criteria such as quality, ethical rules, environmental management and sustainability to ensure quality continuity and improvement.
Supplier Performance Evaluation Procedure	This covers the assessment of the performance of existing suppliers in addition to their classification or delisting.
Supplier Audit Procedure	This includes the drafting of annual audit plans for existing suppliers and the inclusion of suppliers in the audit process.
Supplier Non-Conformity Management Procedure	This covers the notification, recording, permanent resolution and improvement processes of supplier non-conformities.
Purchasing Procedure	This covers the procurement of the necessary goods and services in accordance with standard procurement specifications and OHS rules within the framework of specified authorities and responsibilities.



On the environmental side of its sustainability approach, SASA plans to implement the Green Logistics Program. Under the program, measures will be taken to save fuel in transportation, storage and distribution processes, increase recycling practices and minimize environmental impacts. In the implementation phase of the program, the environmentally friendly practices of existing logistics partners are assessed, and the search for new logistics companies that meet the environmental criteria continues. In 2023, logistics companies in the supply chain were categorized according to their annual transportation capacities that they serve SASA, and green procurement practices, route optimization, and intermodal transportation options were evaluated, starting with high-capacity companies. Approximately 80% of all logistics companies SASA works with were queried about their emissions and the mitigation measures they implemented.

In 2023, suppliers were categorized starting with raw material suppliers, and Ecovadis ratings of all suppliers in Category 1 were questioned according to their importance particularly in terms

of greenhouse gas emissions. Supplier evaluation forms were used to query Category 2 suppliers (auxiliary chemicals and packaging suppliers) on environmental and social criteria (e.g. whether they have ISO certificates, carbon and waste reduction targets, environmental accidents, LCA studies, ecological impacts, environmental and social policies, sustainability reports, approaches to forced labor, women's rights, freedom of association, human rights). The relevant suppliers were also informed and made aware on these matters. In addition, environmental and social criteria have been included in supplier master agreements, starting with raw material suppliers.

SASA's supply chain is international, multi-stakeholder, complex and integrated. The process starting from the entry of the raw material into the system until it is delivered to the end user is monitored. This monitoring covers both upstream and downstream information and material flows. The supply network, consisting of pre-process, process and post-process main chains, involves different approaches at each step.

PRE-PROCESS

- Raw materials
- Energy
- Water
- Supply Partners

PROCESS

- Design
- Marketing and Sales
- R&D
- Operations

POST-PROCESS

- Customers
- Consumers

PRE-PROCESS

SASA's entire production and purchasing operations are carried out at the Adana Central Plant, while storage needs are met at the Iskenderun Tank Field. The raw material storage plant is located on the seafront and is used for receiving and storing raw materials arriving in bulk by ship. With 89,000 m³ of tank storage area, the plant has an annual blending capacity of 270,000 tons. Raw materials at the plant are transferred to Adana Integrated Production Site by land tankers.

Operating on a global scale, SASA purchases from 35 different countries around the world for the continuity of its operations and increases the number and diversity of its suppliers day by day. With the technological infrastructure in place, container movements related to international purchases are continuously monitored through the online system. As of 2023, according to the global breakdown of total purchases, the highest number of purchases were made from the People's Republic of China, followed by South Korea, the United States of America and Germany.

For the six main raw materials used in production (PX, MEG, PTA, MeOH, 1-4 BOD and 2 ETH), we work with 21 suppliers from 20 different countries. Among these suppliers is a petrochemical company based in Türkiye. SASA continues its operations with significant resources from the Middle East, Europe, America and Asia. The commissioning of the PTA Plant will not only bring economic and environmental benefits but also reduce external dependency in raw material supply. The following table details the raw materials supplied as well as their countries of supply.

Raw materials	Number of suppliers by 2023	Names of countries of supply	Number of countries of supply
PX	4	Türkiye, Kuwait, India	3
MEG	2	USA, Kuwait	2
PTA	8	South Korea, China	2
MeOH	1	Egypt	1
1-4 BOD	4	China, S. Arabia	2
IPA	2	Korea, Spain	2

SASA has adopted the principle of creating a value chain that prioritizes the environment, human rights, working conditions and ethical values and complies with internationally recognized standards. ISO 14001 Environmental Management System and ISO 45001 Occupational Health and Safety Management System certifications are of critical importance in supplier selection. Deficiencies of suppliers who fail to submit the aforementioned documents are considered major deficiencies, and this leads to the direct termination of relations with the supplier.

The environmental management approaches and sustainability performances of suppliers are also evaluated through on-site audits and Supplier Audit Evaluation Forms, and business relations with suppliers that work on these are prioritized. The questions directed to suppliers aim to maintain high standards. In line with the answers to the questions, the Supplier Classification and Action Table is used to assign classes to suppliers with points and to ensure that necessary actions are taken.



Supplier Classification and Action Table

Total Score	Class	Action
90-100	A	No action is required.
70-89	B	It is SASA's choice to go for an audit or not, and its suggestions to improve the supplier are being explored.
50-69	C	Audits are mandatory, and work is initiated to eliminate the nonconformities identified in the audit.
0-49	D	The supplier is removed from the 'Approved Supplier List'.

PROCESS

The inter-operational supply network within the Company is effectively managed by SASA's in-house Design, R&D, Marketing, Sales and Operations Departments. The Company maintains its administrative, operational and support processes under 19 main process categories. These processes are divided into sub-categories and detailed processes and make it possible to manage the complex transaction network in an integrated and effective manner within a deductive approach. Through Process Tracking Forms, developments in the process are recorded, necessary information is collected, and improvements are made.



POST-PROCESS

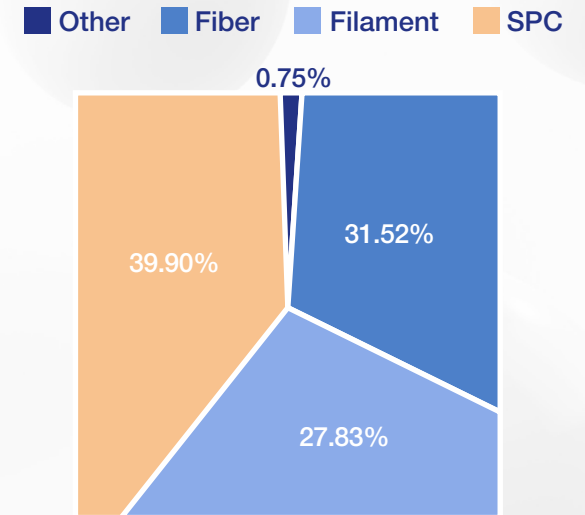
Thanks to its wide product range, SASA reaches both national and international markets and brings quality and safe products to its customers. It supports its customers in achieving their sustainable development goals through transparent information sharing, annual reports, sustainability and impact management studies, cooperation opportunities and continuous communication.

The principles regarding the receipt of customer requests and orders, the planning and realization of the production and shipment program, and the execution of sales and post-shipment services are defined in the Customer Marketing Relations Procedure. Through the Customer Service, Grievances and Compensation Procedure, fast and effective feedback is provided to customer grievances, root causes are investigated, and corrective and preventive actions are quickly implemented. The fact that the grievance management system is defined by procedures ensures that grievances are not repeated, and customer satisfaction is increased. The Sales and Shipment Procedure defines the duties, authorities

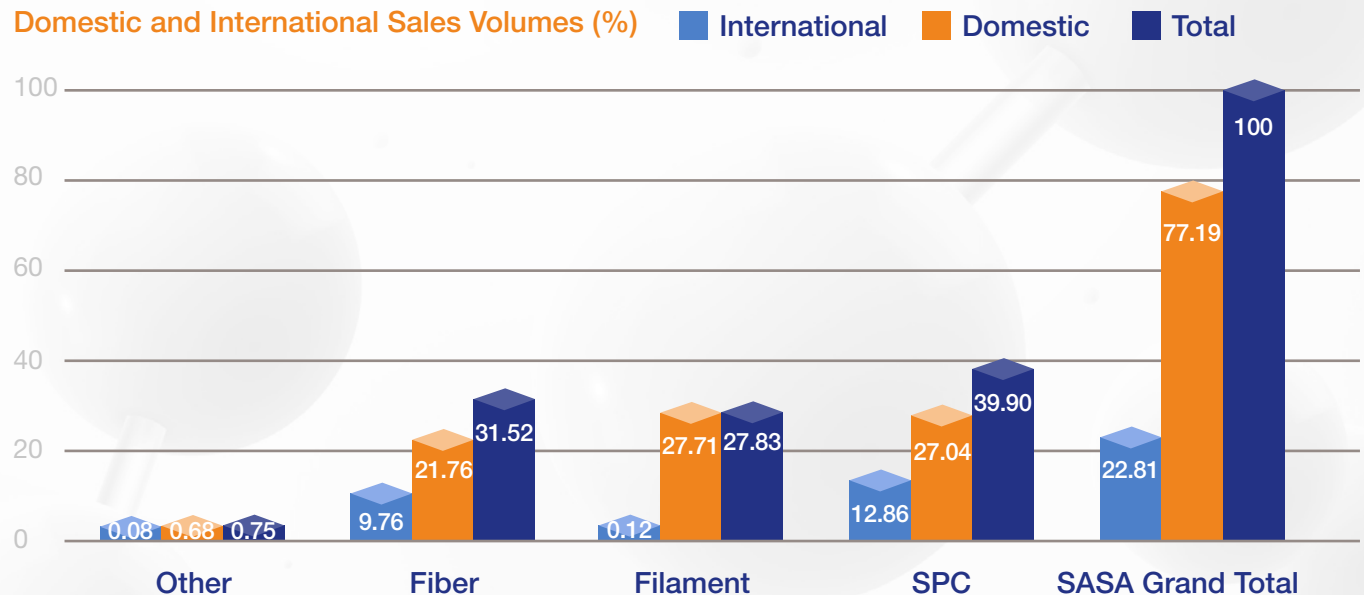
and responsibilities in the sales and shipment processes, while ensuring the safe delivery of products to customers.

In 2023, SASA products were delivered to customers through spot sales in domestic and international markets. Of the total sales volume, 31.52% was polyester fiber products, 27.83% came from polyester filament products, 39.90% was SPC products, and the remaining 0.75% came from other products. 2023 sales rates in domestic and foreign markets are detailed in the chart.

SASA TOTAL



Domestic and International Sales Volumes (%)



SUSTAINABLE PRODUCT DEVELOPMENT

SASA takes major steps to reduce its environmental footprint and maximize social benefits by placing sustainability at the heart of the product development process. Circular economy principles, life cycle approach and green chemistry practices form the basis of the sustainable product management strategy, and product and process designs are shaped within this perspective by including the entire value chain.

SASA conducts meticulous work on the reliability of its products and compliance with relevant regulations and shares safety data sheets and analysis certificates with its stakeholders, thus prioritizing transparency. Product and process quality is continuously improved in line with customer demands and feedback. Aiming to raise quality standards through innovative and environmentally friendly production methods, SASA increases customer satisfaction each day.

While developing its products in accordance with needs and demands, SASA strengthens its technological infrastructure through R&D and P&D activities and closely monitors scientific developments in Türkiye and around the world.

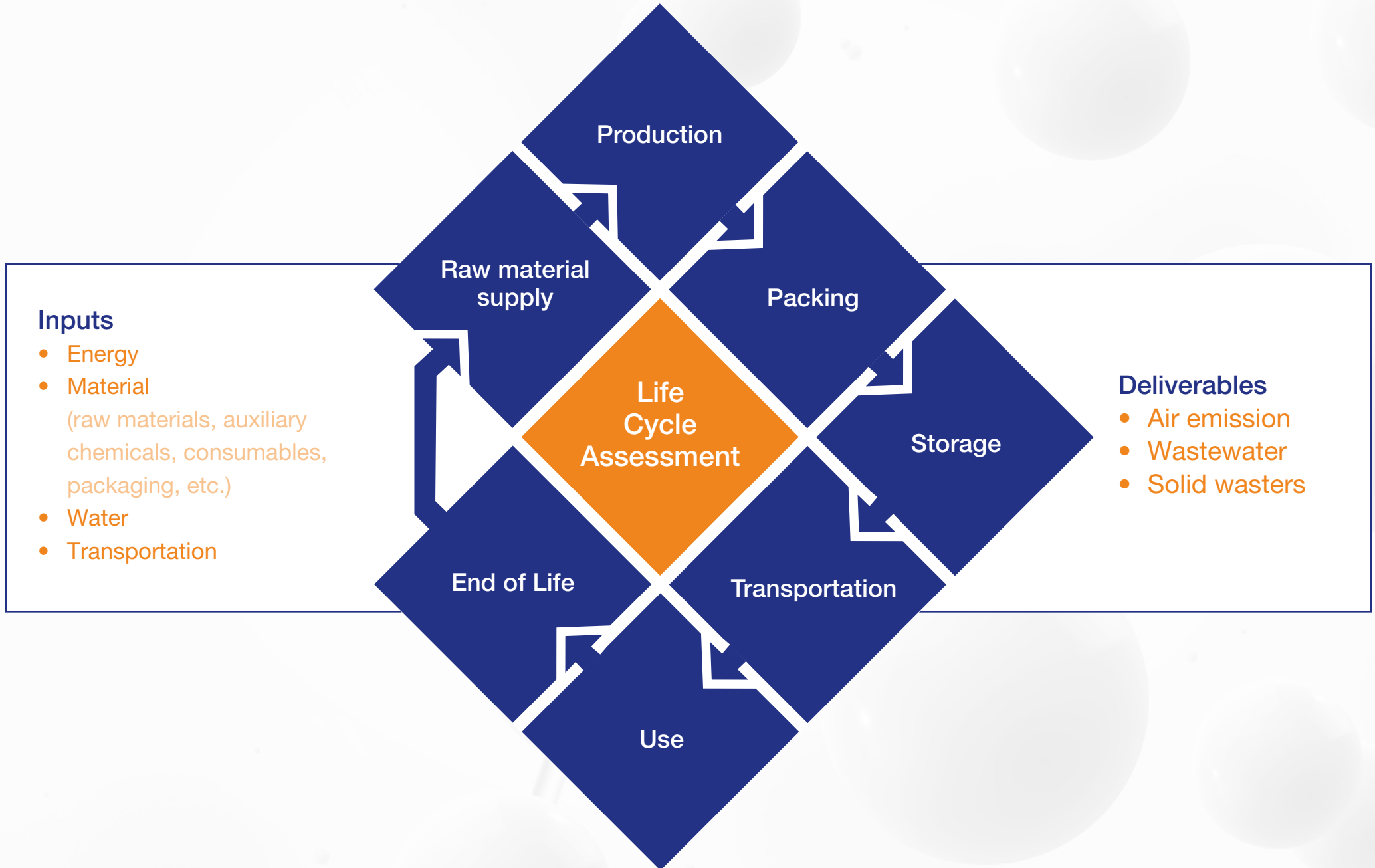
It collaborates with leading universities and research centers, supports industry-academia partnerships and enables the development of innovative ideas to contribute to the country's progress.



CIRCULAR ECONOMY AND LIFE CYCLE PERSPECTIVE

SASA acts in line with the Circular Economy Action Plan set forth in the European Green Deal to address product development processes on the sustainability axis. Adopting basic principles such as waste reduction and efficient use of resources under the plan, SASA is determined to base its business processes on a sustainable foundation. To meet the circular economy principles, life cycle assessment work is carried out specific to product groups. These approaches are integrated into business processes to reduce the environmental impact of products and benefit the economy.

Circular Economy	Life Cycle Assessment (LCA)
Circular economy is an understanding of an economic system in which products, materials and resources are used at maximum value, and wastes and wasting of resources are minimized. This approach encourages the continuous circulation and reuse of materials rather than the 'buy, use, dispose' logic in the linear economic model.	Life cycle assessment is a comprehensive approach that analyzes the environmental impacts of a product across its entire life cycle, starting from raw material extraction through production, storage, transportation, use and eventual disposal or recycling.
■ SASA reshapes its business processes in line with the circular economy principles and carries out studies on in-plant recycling and waste management. ■ Through projects based on a 'Zero Waste' policy, the amount of wastes is reduced, and resources are reused/recycled. ■ SASA contributes to the circular economy with projects such as the establishment of Europe's first PET bottle recycling plant and obtaining a patent for the world's first direct PET bottle recycling. ■ R&D efforts on recycled PET production using chemical recycling practices are underway. ■ PET wastes from processes are processed at the licensed recycling plant of Merinos Carpet, transformed into raw materials and reused in Merinos plants.	■ SASA conducts LCA within a cradle-to-cradle approach for all product groups and offers customers the opportunity to evaluate products and strategies from a broad perspective by completing analysis and reporting. ■ In 2024, SASA plans to purchase an LCA software and carry out studies for different product types under the main groups in addition to the LCA reports for the existing main product groups. ■ In line with the results of the LCA, factors such as energy and material consumption, waste management, emissions and energy recovery will shed light on process improvements. ■ Applications have been filed for Turkish Environmental Label, an LCA-based program, and work is underway to document the environmental performance of products.



GREEN CHEMISTRY

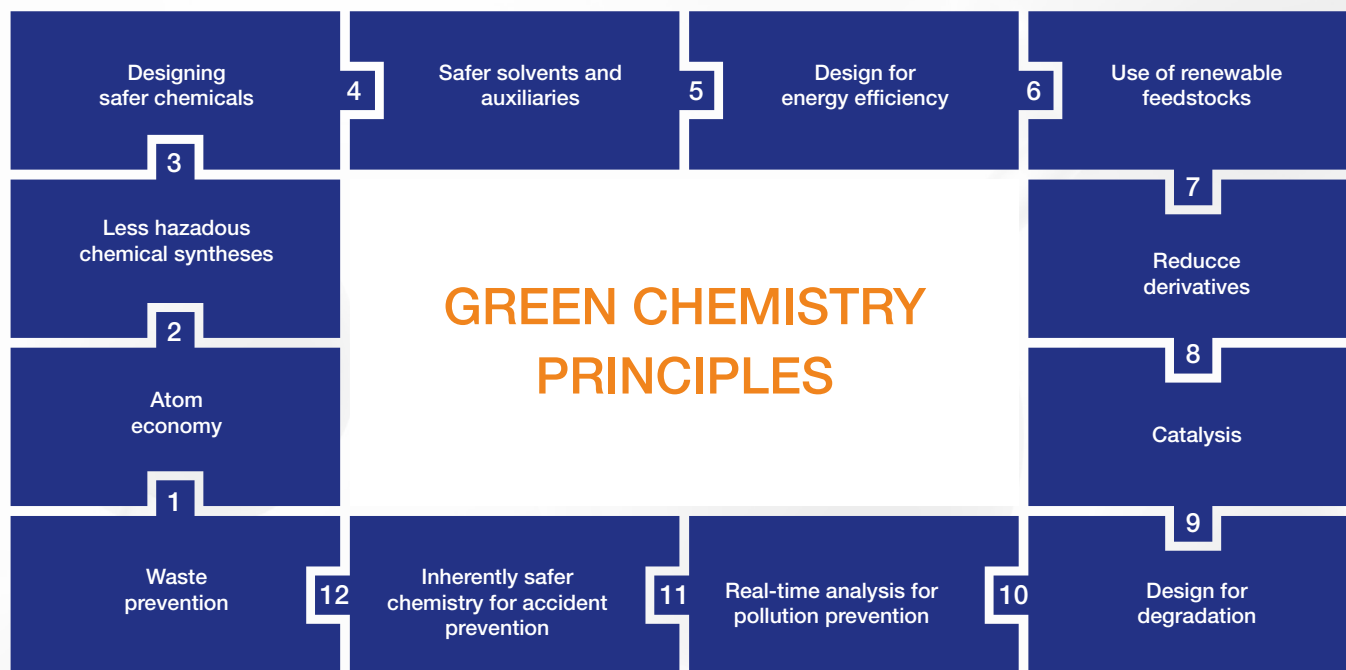
As an integrated chemical and polyester producer, SASA adopts Green Chemistry principles in its sustainable product management approach. These principles underline SASA's commitment to minimize or, where possible, eliminate environmental, natural and biotic hazards in chemical production and application processes. With a management principle that prioritizes eco-design initiatives as an integral part of its strategy, SASA incorporates these principles in all business processes.

You can find the Hazardous Substances and Chemicals Policy, which provides detailed information about SASA's stance and initiatives on hazardous substances and chemicals, [here](#).

The 12 principles of Green Chemistry are guidelines designed to minimize the negative impact of chemical production on ecosystems and living things. It focuses on the safety and sustainability of chemical production processes and products, emphasizing the design of chemicals that protect living health, the use of renewable raw materials, and the reduction of waste and energy consumption.

SASA is making improvements to new investments and existing plants in the light of these principles and uses these initiatives as a means to lead by, for instance, promoting a more safety- and health-conscious industry.

SASA's approach to compliance with Green Chemistry Principles and related actions are summarized in the following table.



GREEN CHEMISTRY

Principles		Approach	SASA's Actions
01	Waste prevention	Minimizing the generation of wastes by preventing waste generation in production processes and using raw materials efficiently.	Along with the PTA investment, a benzoic acid production plant will be built to reduce the amount of chemicals in the wastewater. There are plans to use benzoic acid in this plant instead of sending it to wastewater.
02	Atom economy	Designing synthetic methods to maximize the conversion of all materials into products and reduce wastes.	SASA uses an Automated Control System (DCS) in all operations. PTA/MEG ratios are continuously controlled by DCS and kept at optimal rates. By the end of 2023, dirty MEG was being discharged from the closed DMT plants. Following the termination of DMT production, thanks to the high technology of PTA production plants, there is no dirty MEG output from the process, and MEG is purified and reused within the system.
03	Less hazardous chemical syntheses	Developing less hazardous chemical synthesis methods using materials that are harmless to human health and the environment wherever possible.	In PET production with DMT in the existing plant, methanol is produced as a result of the reaction. With the commissioning of the PTA Production Plant, which is currently under construction, production will be realized from PTA and water will be released, most of which will be reused within the system thanks to the new wastewater treatment plant.
04	Designing safer chemicals	Prioritizing the design of chemicals that do not harm human health and the environment by reducing toxicity in a way that maintains functional efficiency.	Diocetyl phthalate (DOP) containing bisphenol A (BPA), which has environmental and human health impacts, is widely used in the sector. Diocetyl terephthalate (DOTP) was first produced by SASA in Türkiye for BPA-free products, and production capacity is increased each year.
05	Safer solvents and auxiliaries	Rendering the use of auxiliaries unnecessary where possible and ensuring that they are harmless when used.	The previously used polymer solvent orthochlorophenol (OCF) was replaced by a more reliable solvent, dichloroacetic acid (DCA).
06	Design for energy efficiency	Performing chemical processes at room temperature and atmospheric pressure, if possible, aiming to use energy efficiently in terms of environmental and economic impacts.	Energy efficiency projects are continuously monitored, and new projects are developed both by the Working Groups and within the scope of ISO 50001 Energy Management Systems. The PTA Plant will use off-gas to generate the electricity it needs. The wastewater treatment plant will be supplied with electricity from the PTA Plant and is expected to save 1,200-2,200 MWh of electricity annually by 2025. A portion of the steam supply required for the PTA Plant will be met from biogas from the wastewater treatment plant.

GREEN CHEMISTRY

Principles		Approach	SASA's Actions
07	Use of renewable feedstocks	Supporting sustainable production processes by maximizing the utilization of technically and economically feasible renewable feedstocks.	Projects on the use of renewable feedstocks are being developed. With the LCA software planned for purchase in 2024, modeling studies will be performed on the use of renewable feedstocks in products.
08	Reduce derivatives	Avoiding or minimizing as far as possible the use of unnecessary derivatives (use of blocking groups, protection/deprotection, temporary modification of physical/chemical processes) that generate additional reagents and wastes.	The hazardous methanol formed during reaction in PET production with DMT in the existing plant will rather be produced as water during production with PTA, thereby avoiding derivatives.
09	Catalysis	Reducing the amount of wastes in processes and increasing reaction efficiency by using selective catalytic reagents as much as possible instead of stoichiometric reagents.	Efforts are underway in R&D laboratories to investigate the effectiveness of catalysts.
10	Design for degradation	Taking care to design products in such a way that they do not persist in the environment at the end of their function and decompose harmlessly.	Efforts are underway to increase the quantity of biodegradable products.
11	Real-time analysis for pollution prevention	Developing analytical methodologies to enable real-time, in-process monitoring and control of hazardous substances prior to their formation.	SASA continuously conducts wastewater analysis and emission monitoring. The new wastewater treatment plant to be commissioned will feature the Hubgrade technology. Inlet and outlet parameters will be measured automatically, and oxygen and nutrients will be supplied to the system as much as the system needs.
12	Inherently safer chemistry for accident prevention	Selecting the substances used in a way that minimizes the potential for chemical accidents, including releases, explosions and fires.	Commitments to accident prevention and safer chemistry are included in SASA's Hazardous Materials and Chemicals Policy.

ECO-INNOVATION AND R&D

Eco-innovation and R&D approach makes SASA a leader in providing sustainable and innovative solutions that can meet not only today's needs but also those of the future. SASA plays a pioneering role in its sector with an R&D strategy centered on innovation and sustainability priorities. This strategy focuses on meeting customer needs via fast and environmentally friendly solutions, while exploring new markets and maintaining existing leadership. This approach is integrated with corporate sustainability goals and is continuously updated to adapt to dynamic market needs. SASA has achieved many groundbreaking firsts in production by emphasizing its innovative approaches in innovative product development processes.

Eco-innovation is a key cornerstone of SASA's R&D strategy. It aims to develop innovations that are environmentally sensitive and increase energy and resource efficiency. It is an initiative that extends across the entire value chain, aiming not only to reduce the environmental impact of products but also to promote sustainability practices in the supply chain and production processes. In addition to high quality

SASA's Firsts	Holder of the world's first direct PET bottle recycling patent	Europe's first PET bottle recycling plant	Türkiye's first phthalate-free plasticizer manufacturer
	Türkiye's first PET resin producer	Türkiye's first biodegradable polymer producer	Türkiye's first PET bottle and baby bottle manufacturer

and environmentally friendly products, the development of quality and reliable products in line with the brand strategy strengthens SASA's competitive position in the market.

Through its R&D Center, SASA creates market-oriented strategies by analyzing sectoral trends and customer expectations in detail. Domestic and international fairs are considered as important platforms to monitor and follow innovations. Information from sectoral journals, publications and Internet sources provides a valuable contribution to new product design and development processes. In coordination with supply chain management, innovative raw materials are evaluated, and the product range is diversified and developed.

The P&D process at SASA is managed end-to-end within the framework of relevant procedures and systems. The process is run within a systematic approach covering all product groups and stakeholders and is managed in line with SASA's vision of innovative and sustainable product development. The P&D strategy is designed taking into account existing capabilities, positioning of competitor products, market analysis and customer-oriented approaches. The strategy also covers major issues such as product lifecycle management and product portfolio and reinforces the contribution of products in line with the corporate approach.

SASA R&D CENTER

SASA considers the R&D Center it established in 2002 as a leverage to carry forward the experience and know-how it has gained in the production sector for more than half a century. Approved by the Republic of Türkiye Ministry of Industry and Technology, this center was established specifically to develop innovative production processes. A team of 30 specialists - 1 holding a PhD degree, 4 holding master's degrees and 22 bachelor's degrees - support SASA's innovation journey while strengthening its technical infrastructure.

In 2023, resources were allocated for the development of new 'friendly' products that are particularly sustainable and sensitive to the environment and people in line with new local and international regulations, and efforts were continued to commercialize and offer many exclusive products in the special polymers class to our customers throughout the year.

In this context, as of the date of the report, the share of the products developed in SASA's total revenue is approximately 7.2%.

As in previous years, in 2023, in line with new local and international regulations, efforts continued to develop sustainable products that are sensitive to the environment and people, and many innovative products in the special polymers class were commercialized and offered to customers. In 2023, the share of turnover generated from sustainable products in total turnover is as follows.

Thanks to the contributions of the R&D Center, SASA will continue to play a leading role in the innovation and sustainability journey in the industry.

SASA R&D Center budget is increased regularly every year. In 2023, a budget of TL 27,014,000 was allocated for R&D and P&D activities, which is 260% higher year on year (2022 budget: TL 10,429,000).

New Product Group Developed as a Result of R&D and P&D Activities	Turnover from New Product (TL)	Share in Total Turnover (%)
Fiber	3,272,509,721.96	7.06
SPC	69,076,849.65	0.15
2023 Total Turnover (TL)		46,316,693,000.00

Technological Infrastructure and Laboratories

SASA has high-capacity production plants equipped with leading technologies such as Dynamit Nobel, ICI, Dupont, UIF, Oerlikon Barmag, AC Automation and INVISTA. These plants are spread over a large area and include the most up-to-date equipment. In order to support R&D and P&D studies, there are special equipment and capabilities such as pilot production plant with 5 L capacity, furnace SSP and filter test equipment.

SASA's polymer, fiber and yarn production plants include 5 laboratories that are equipped with high-tech equipment and perform chemical and physical analyses:

- Chemistry Laboratory,
- Physics Laboratory,
- Yarn Laboratory,
- Wastewater Laboratory,
- Water Treatment Laboratory.

These laboratories enable the development of higher quality and long-lasting products using the latest technology.



Intellectual Property and Patents

SASA works intensively on innovative production processes and practices, resulting in significant intellectual property gains. Since 1996, the Company has held patents. It continues its efforts to expand its patent portfolio and takes a rigorous approach to consolidate its innovative position in the industry. In addition to existing patents, 1 new patent application was filed in 2023, and there are 4 patents in the application stage.

Innovative Products and Development Activities

Thanks to its long years of production experience and expertise, SASA develops innovative solutions in fiber, filament and SPC product groups. R&D and P&D teams continue working in these areas by creating innovative products for various applications. While closely following the latest developments in the sector, the teams feed the process of continuously developing new products through active participation in innovation-oriented events.

Patents owned by SASA

You can reach from
the link below:

<https://www.turkpatent.gov.tr/arastirma-yap?form=patent>



SASA's Innovative Products

Black Fiber	Flame Retardant Polyester (FR)	Cationic Dyeable Polyester
SASA is the first company in Türkiye to produce black fiber using carbon black. This property increases the fastness of the fabric and reduces the cost of the fiber. The product is polymer dyed (dope-dyed) and has a vivid and deep black hue as well as excellent thermal stability, high cohesion and low fiber-metal friction.	Flame retardant copolymer pet product flares much later than standard pet product when exposed to flame, and the flame generated does not tend to spread. It is used as flooring material in public transportation vehicles such as buses, trains, planes and in public places such as shopping malls, cinemas and theaters.	Standard pet polymer can only be dyed with dispersion dyes after it has become a polymer. Dyeing with dispersion dyes is costly, requires high-pressure dyeing equipment and has a limited color palette. The cationic dyeable copolymer PET product was developed to overcome this disadvantage.
Low Melting Polyester	Polyethylene Naphthalate (PEN)	Water Soluble Polyester
The SASA product portfolio includes both PET and PBT based copolymer products with reduced melting point compared to standard polymers. They are used mostly as mono-component or bi-component binder fibers in non-wovens.	PEN is a thermoplastic polymeric material which is formed by polymerization of naphthalate dicarboxylic acid (NDC) with monoethylene glycol MEG. PEN has a higher glass transition temperature (Tg) than PET. Thanks to its high heat resistance and high mechanical properties, PEN is used in the production of flat screen TVs, printed circuits and reusable food packages.	Water-soluble polyester is a wax-like product. It does not have a properly cut shape due to its low glass transition temperature. Water-soluble polyester is used as a coagulator in stone washing of denim products and in dyestuffs, binders and cosmetics.

SASA's Innovative Products

Hydrolysis Resistant Polyester	Flame Retardant Plasticizer	Polyester Fiber Suitable for Vortex Spinning Technology
After the polymerization of polyester, carboxyl end groups remain in the structure of polymer chains. These carboxyl end groups cause hydrolytic degradation when the product is exposed to humidity or water for a prolonged time. SASA's hydrolysis-resistant polyester product in its product portfolio does not undergo hydrolytic degradation.	Products manufactured with flame retardant plasticizers ignite much later than standard products when exposed to flame, and the flame generated does not tend to spread. They are used in transportation vehicles, in products used in public places, in home textiles, garden products, insulation and electrical materials.	It has been observed that the standard recipes applied in fiber production are not suitable for the fibers to be used in the vortex spinning system and cause problems such as winding, contamination and quality loss. With the studies carried out on the process and product properties that can be used for this purpose, a product with high operating performance in vortex spinning machine has been developed.
Polyester Fiber with High Shrinkage Ratio, Alternative to Acrylic Fiber Used in High-Density Yarn Production	Polyester Fiber Suitable for Food Contact	Flame-Retardant Antimony Free Polyester
Under this project, a more environmentally friendly polyester fiber product with high bulk properties that can be an alternative to acrylic fiber which meets the needs of carpet industry and similar sectors has been developed.	We produce polyester fiber that meets both national and international legal requirements for use in applications with food contact.	In addition to its flame-retardant properties, this product group is antimony-free and is thus superior to standard products in terms of environmental and human health impact.

In addition to existing innovative products, various development activities are actively underway.

Transition from DMT-Based Production to PTA-Based Production

PET production is industrially performed by two methods, namely DMT-based and PTA-based methods. While methanol is released in DMT-based production, water is released in PTA-based production. Methanol is a toxic, easily flammable, volatile and environmentally harmful chemical compared to water. In contrast, water from PTA-based production can be reused in the process, which is a significant advantage in terms of waste management. Therefore, PTA-based production stands out as a more sustainable and environmentally friendly option than DMT-based production. SASA will take a major step in this regard and will transition from DMT-based production to PTA-based production with the giant PTA Production Plant that will be commissioned shortly. This strategic transition makes a significant contribution to the Company's environmental sustainability goals. There are also various projects that will enable the PTA-based production of products currently manufactured with DMT.

Biodegradable PET Fiber Production

Properties such as biodegradability and biosolubility are of great importance for sustainability in today's world. Biodegradable polymers have a critical place for the ecosystem due to their advantages such as causing less waste generation, being derived from natural resources, contributing to the reduction in carbon dioxide emissions, and reducing soil and water pollution. From an environmentalist perspective, SASA continues its research on the matter.

In today's world, properties such as biodegradability and biosolubility are of great importance for sustainability. Biodegradable polymers are vital for the ecosystem as they cause less waste generation, can be derived from natural resources, reduce carbon dioxide emissions and minimize soil and water pollution. Biodegradable PET fiber production has been identified as an important R&D theme in line with SASA's sustainability and innovation goals.



R&D COLLABORATION

In line with its goal of developing sustainable and environmentally friendly products, SASA cooperates with various institutions in its R&D activities. These activities include university partnerships and industry collaborations and have a key place in academic and industrial circles. Strong partnerships lead to innovative ideas, products and solutions,

enabling the realization of innovative projects that serve the common good. The institutions and organizations that SASA cooperates with have become an integral part of its R&D approach, and the synergy provided by working together leads to new achievements. This synergy reinforces SASA's leading position in sustainability and innovation.

Domestic		International	
Partner Organization	Partnership Theme	Partner Organization	Partnership Theme
Middle East Technical University	Feasibility study for using domestic technology for the domestic production of FR material marketed in Türkiye.	School of Chemistry and Biosciences, Faculty of Life Sciences, University of Bradford - UK	Investigation of additives with different solvency features.
Sabancı University	Feasibility study for using domestic technology for the production of products marketed in Türkiye, and the development of domestic technology for catalyst production.	Invista - UK	Obtaining licensing service for PTA Production Plant.
Çukurova University	Feasibility study for using domestic technology for the domestic production of products marketed in Türkiye.	Koch Technology Solutions (KTS) - UK	Training services for PTA Production Plant.
Department of Environmental Engineering, Faculty of Engineering, Mersin University	Process improvement.	Nars UK Consulting Limited - UK	New product development.
Ege University	Collaboration for domestic production technology.	Uhde Inventa-Fischer (UIF) - Germany/Switzerland	Establishment of PTA-based production systems.
Department of Chemistry, Faculty of Engineering and Natural Sciences, Sabancı University	Carrying out joint work for product development related to PET products.		Feasibility study for the replacement of DMT products with PTA-based production technology.
Department of Chemistry, Faculty of Arts & Sciences, Middle East Technical University	Researching different methods for recovering contaminated mono-ethylene glycol.	Catalytic Technologies Ltd - UK	Researching alternative catalyst systems.

Domestic		International	
Partner Organization	Partnership Theme	Partner Organization	Partnership Theme
Adana Hacı Sabancı Organized Industrial Zone Information Directorate	Cooperation with KÜP Entrepreneurship Center and Project Support Office.	CARL WEISKE GmbH & Co. KG - Germany	New product development.
Technology Transfer Office, Boğaziçi University	Academic consultancy for new product development.	Thuringian Institute for Textile and Plastics Research (TITK) - Germany	Working to increase customer satisfaction in fiber production.
Koç University	Academic counseling.	ColorMatrix - UK	Development of an additive that provides reheat properties.
Erdemoğlu Holding's Merinos Group	New product development.	Nestle - Italy	Joint work to reduce the amount of aldehydes.
Department of Chemistry, Faculty of Arts & Sciences, Çukurova University	Academic counseling and internship practice.	Toyobo - Japan	Researching different catalyst systems.
Application and Research Center, Technology Transfer Office, Alparslan Türkeş Science and Technology University	University-industry cooperation.	Ciba - Switzerland	Researching the effects of additives on polymerization.
SGS Türkiye	Procurement of project-based analysis services.	PFE - USA	Determining the most appropriate method for bottle-to-bottle recycling.
Ekoteks Laboratory	Procurement of project-based analysis services.	WITH Consulting – South Korea	Consultancy on fiber production systems.
Intertek Laboratory	Procurement of project-based analysis services.	Oerlikon Barmag - Germany/Switzerland	Work on fiber - yarn production systems.
Eurolab Laboratuvar	Procurement of project-based analysis services.		
LC Waikiki	New product development.		
TUBITAK MAM	Feasibility study for catalyst production.		



07. DIGITALIZATION AND INFORMATION SECURITY

INDUSTRY 4.0 AND DIGITALIZATION
INFORMATION PRIVACY AND SECURITY



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DIGITALIZATION AND INFORMATION SECURITY

INDUSTRY 4.0 AND DIGITALIZATION

SASA leverages digital technologies to strengthen sustainable product management. Through digitalization, SASA increases energy efficiency by evaluating fuel consumption in its projects, reduces raw material consumption by optimizing material use, and expands waste reduction practices. Thus, it is getting closer and closer to its sustainability goals by reducing the consumption of excess resources and raw materials due to human errors and quality losses.

Digitalization and Industry 4.0 projects being implemented at SASA are as follows:

SASA Data Systems (DS)

Launched in 2022, the SASA Data Systems (DS) application was designed to integrate the Enterprise Resource Planning (ERP) (SAP) system and production automation systems for automatic reporting of product costs and quality parameters in the fiber SBU. This has led to improvements in staff productivity, product quality assurance and rapid decision-making at SASA, as basic statistical data analysis in presentations and reports are free from human error and quickly prepared automatically. In 2023, SASA Data Systems, the implementation of which was completed in SASA's filament plants, is working on expanding the scope of SASA's chips plants. In addition, thanks to the mobile interface developed as part of this project, fault notifications of field equipment and information on the work performed are detected by the operators through effective time management. Thanks to this work, 66% of the time spent for fault reporting is saved.

SASA Calibration Software

The calibration processes for all workshops at SASA are controlled through the SASA Calibration Software developed to standardize and monitor the calibration processes of process measurement instruments within the scope of ISO 9001 Management Systems. This ensures business continuity by preventing erroneous results and quality losses that may be caused by different applications.

SASA Dash

Thanks to the SASA Dash Software, which was prepared to provide faster access to the automation systems in the plant from any location and to make it possible to view instant values, authorized managers can connect to the plants from anywhere in the world and examine instant values whenever they need. In addition, this software enables managers to take the necessary actions quickly when needed.

Recently Developed / Planned Projects

Predictive Analytics

The Predictive Analytics Platform was designed as a system that enables the prediction of changes in the interaction of the equipment in SASA plants against the connected process data and to receive alerts when necessary. Through this platform, critical rotating equipment and quality parameters are modeled with Machine Learning methods.

SASA Digital Project Archive

Thanks to the SASA Digital Project Archive implemented to preserve the project archives of SASA plants in digital environment, it has become possible to detect project and equipment codes in all documents and to access the information needed in a short time. In addition, since 3D and 2D documents can be opened through this system without need for another program, the need for multiple programs has been eliminated. In 2023, the commissioning of this work for new fiber plant investments was completed.

Increasing the Use of Autonomous Vehicles and Drones

SASA aims to make the transportation of materials used in its processes more coordinated and faster with the use of autonomous vehicles and drones. It also plans to use the same method in fire brigade, OHS and 5G applications and thus develops new projects.

Monitoring of Rooftop SPP Panels with Cameras and Drones

Aiming to spread renewable energy throughout the plant, SASA intends to monitor solar panels on rooftops with cameras and drones. This practice aims to monitor the efficiency of the panels, reduce fire risks and ensure process safety.

Virtual Reality (VR) Experience

By adapting Virtual Reality applications to SASA plants, the Company aims to create the opportunity for investors and customers to tour the plant virtually. Thanks to that, particularly SASA customers will be offered the opportunity to experience the production plants closely at the exhibitions attended.



Laboratory Sample Cobot Automation

The spare parts, intermediate parts and equipment used by SASA in its production lines and auxiliary enterprises include those supplied from abroad. Effective procurement and storage of materials in a short time is crucial to ensure business continuity. To this end, the Laboratory Sample Cobot Automation Project consists of two phases:

Phase 1: In order to eliminate the risk of not being able to obtain the material supplied from abroad when needed, the project to produce the plastic materials used (most of which are based on biodegradable PLA filament) within the factory by using 3D printers and cloud technology was successfully completed.

Phase 2: In 2023, existing 3D printers were developed with Cobot Automation Technology using robotic software. As part of this, sending the designed part to the printer remotely and receiving the completed work order without manpower and transferring the new work order to the printer was possible. This helped the production process to be fully automated.

Industry 4.0 Workshop

SASA operates to leave a more sustainable world to future generations by producing innovative solutions thanks to the automation and production technologies brought along by Industry 4.0. To this end, SASA ensured the establishment of the Industry 4.0 Workshop in 2023. Thanks to this workshop, SASA develops products with systems such as technical drawing, training and scanner system and conducts research on good practices.

The Company also participated in the following digitalization activities in 2023:

- Digitalization ITMA (International Textile Machinery Association) Fair
- The 5th Industry 4.0 Summit and Fair
- Care Istanbul Symposium



INFORMATION PRIVACY AND SECURITY

With the rapid development of information technologies and widespread digitalization, information privacy and security are becoming more and more important for SASA. At SASA, information privacy and security are key issues in terms of gaining the trust of its stakeholders, ensuring business continuity and developing competitive advantage. To that end, SASA holds the ISO/IEC 27001:2013 Information Security Management System Certificate. The Company also specifies its principles and activities regarding information security in its Information Security Policy.

SASA's Information Security Policy is available [here](#).

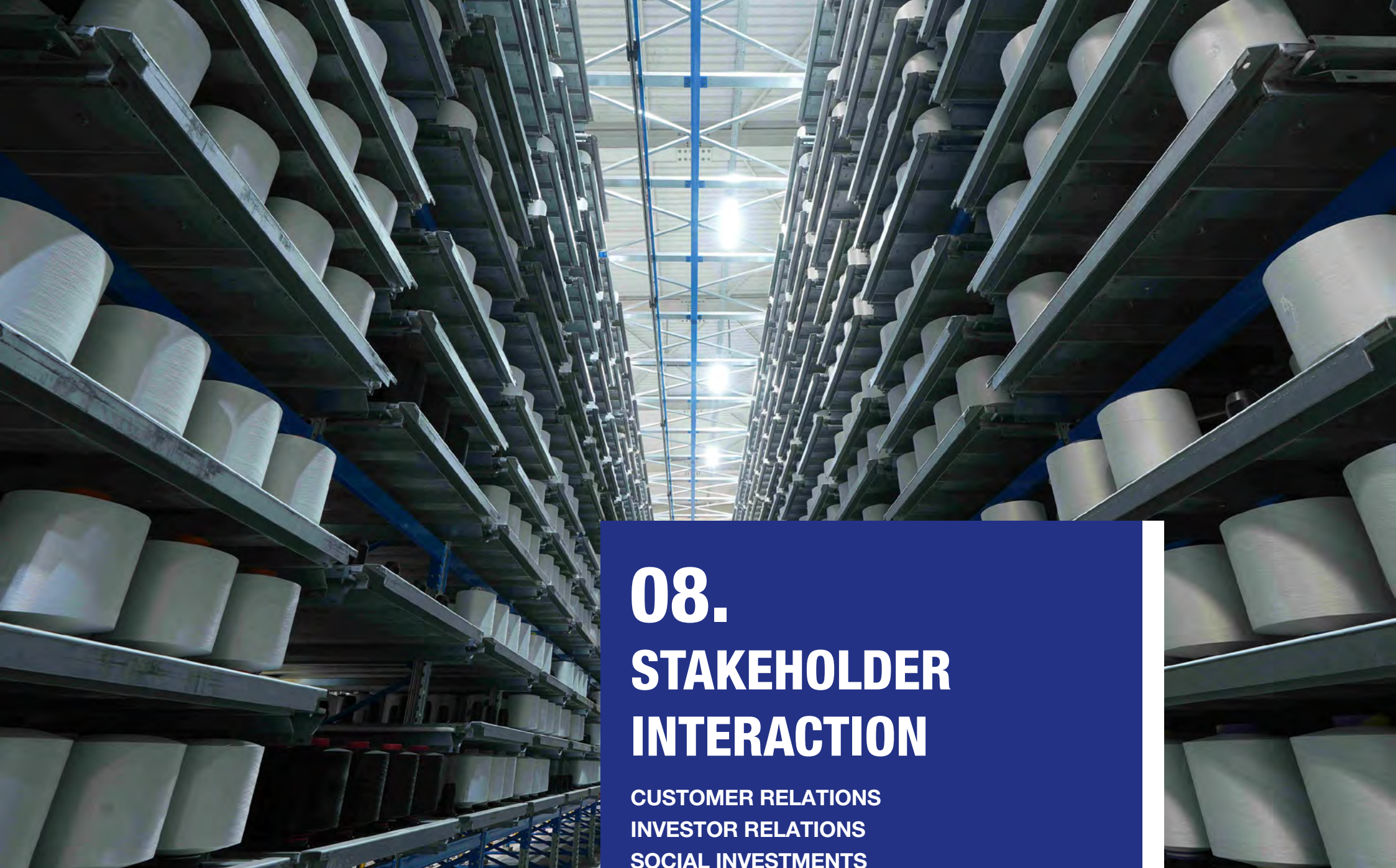
SASA is currently conducting and plans to conduct certain cyber security-related activities in the future as follows:

To monitor the security event log reports SASA currently has and to take necessary action, SASA plans to commission systems that use artificial intelligence to run predictive analyses of records in all systems in the SASA network requiring cyber security management so that such systems can generate warnings before a cyber incident occurs. To that end, work on product selection and procurement have started.

SASA is working to invest in software or hardware-based cyber security systems that have completed their technological life or have better solutions according to the X+5 planning, which holds significance for the continuity of industrial plants. X+5 planning requires change and transformation to be well designed and

implemented and involves the seamless renewal and update of many integrated systems. To that end, while integrating new systems into the existing structure and expanding its existing capacity, SASA is aware of the importance of X+5 planning for its operations.

The SASA Disaster Recovery Center (DRC) will work in connection with the new data center as part of business continuity in production, sales and ERP systems and is working to commission its data center.



08. STAKEHOLDER INTERACTION

CUSTOMER RELATIONS
INVESTOR RELATIONS
SOCIAL INVESTMENTS



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STAKEHOLDER INTERACTION

Managing stakeholder relations within a responsible perspective and creating value while building business relationships matter to SASA. As a requirement of its business processes, SASA maintains uninterrupted interaction with its stakeholders. The Company prioritizes the expectations and needs of stakeholders in determining its strategies and targets, thus finding the opportunity to expand its value chain.

Periodic surveys are organized by SASA to understand stakeholder expectations and involve them in sustainability processes. The Stakeholder Engagement Table was prepared in consultation with relevant departments and stakeholder groups under the management of the Sustainability Committee. This table was presented to Senior Management and Board Members and was updated with their feedback before inclusion in the 2023 SASA Sustainability Report. The stakeholder engagement process first identified those stakeholder groups that are directly interacting with the organization and then assessed the methods of communication with these groups as well as how their relationship with SASA could be improved.

Stakeholder Groups	Communication Methods	Frequency of Communication
Shareholders	Annual Sustainability and Annual Reports, ESG Risk Rating results, periodically published financial statements, Public Disclosure Platform (PDP) disclosures and reports, media releases, social media announcements, SASA website, e-mail, telephone	Continuous
Employees	E-mail, telephone calls and in-person meetings, digital communication tools, meetings and trainings, digital training programs, wish/grievance/suggestion boxes, Committee meetings, announcements and notifications, events, in-house publications	Continuous
Suppliers	Periodic supplier surveys, periodic environmental, social, product quality & safety audits, periodic supplier reporting, supplier tracking systems, SASA website, wish/grievance/suggestion boxes, and social media	Continuous
Media	Press releases, interviews, press statements, SASA website and social media posts, PDP announcements	Continuous
Private Sector	Shared ecosystems and industrial areas, joint use of natural resources, establishing sectoral and regional partnerships, private sector meetings, disaster and emergency cooperation	Continuous



Stakeholder Groups	Communication Methods	Frequency of Communication
Certification Bodies	Audits and ratings (ISO, Ecovadis, Sustainalytics, Refinitiv, etc.), trainings, audit reports, in-process meetings, result evaluation meetings	Twice a month
Government and Public Institutions	In-person and online meetings, public institution platforms, local and international audits, sustainability and annual reports	Continuous
Industry and Association Groups	In-person and online periodic industry and association meetings, seminars, webinars, joint projects, trainings	Twice a month
Non-Governmental Organizations	Material and moral support to activities by non-governmental organizations, project partnerships, periodic online and in-person meetings	Twice a year
Local Communities	SASA website, wish/grievance/suggestion boxes, wish and suggestion notification posters, meetings with nearby neighborhood mukhtars, meetings with local community participation, EIA and ESIA reports, sustainability reports	Once a week
Academia and Universities	Sponsoring university events, coaching and mentoring university students, sharing SASA experience and activities with students at university seminars and career organizations, project management and consultancy, sustainable product management projects	Once a month

CUSTOMER RELATIONS

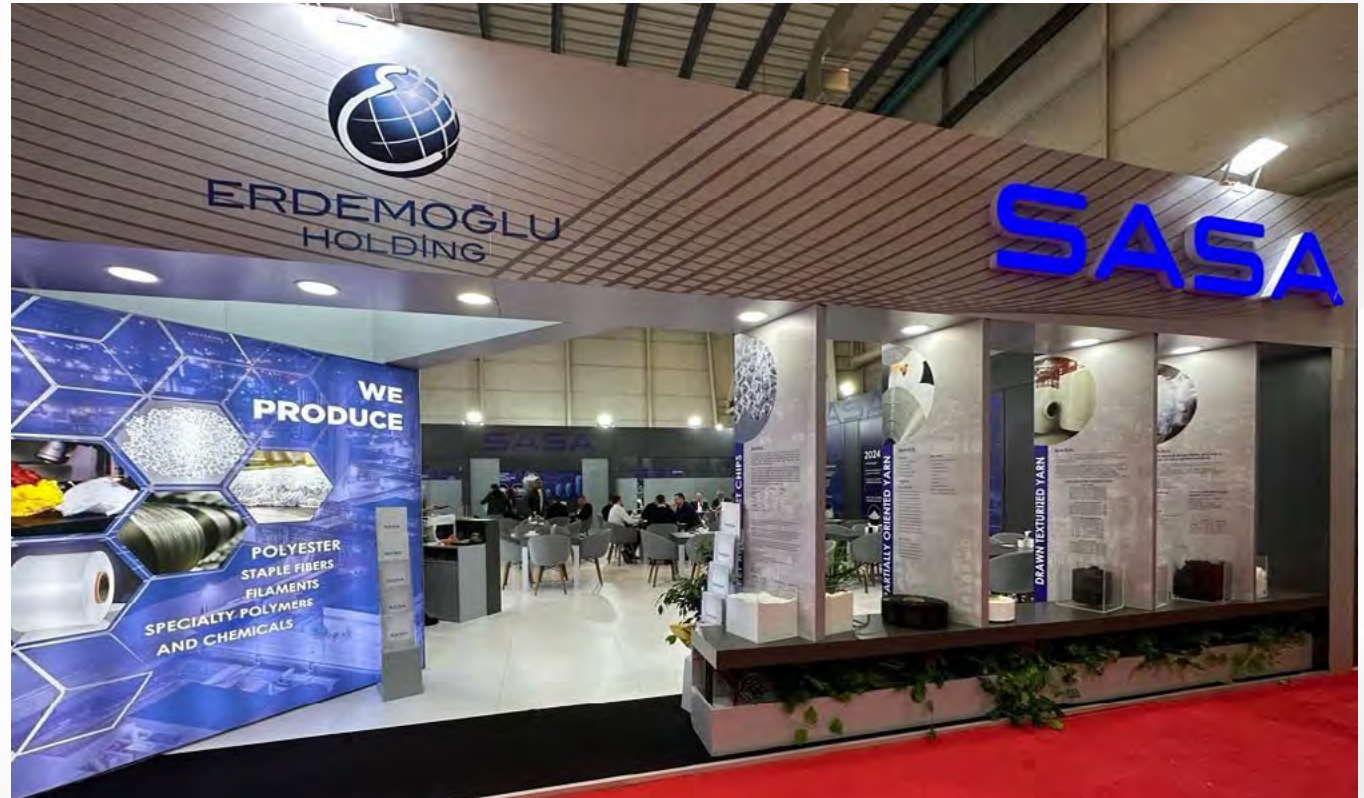
The basis of SASA's customer relations approach is to offer products and services to secure quality products, timely delivery, and sensitivity to environmental and social sustainability. This approach is continuously developed through improvements made to strengthen customer relations, and efforts are made to maximize customer satisfaction.

Through the Customer Grievance System, SASA maintains service quality and generates fast and effective solutions to customer complaints. Feedback received from customers plays a critical role in the effective and rapid management of processes related to the products and services on offer. SASA is highly meticulous on product stabilization, compliance with shipment/supply deadlines, planning in accordance with customer demands despite volatile market conditions, shipment, packaging and quality in accordance with the FIFO rule.

SASA's production system is designed to fully meet customer requirements, increase customer satisfaction and minimize the number of potential complaints or problems. The management and resolution of customer grievances is done

through a systematic approach using the 8D methodology. Grievances analyzed by technical experts are forwarded to the appropriate team leaders, and the process of identifying root causes and implementing effective solutions is meticulously delivered. At SASA, customer complaints are monitored and evaluated through regular internal evaluation meetings and Management Review meetings.

One of SASA's goals is to reduce restitution compensation to zero by 2023. In 2023, a total of 287 complaints were received from customers, and the response rate was recorded as 99%.



INVESTOR RELATIONS

SASA Board of Directors establishes a transparent and open communication with its shareholders. The Company has adopted the principle of informing its investors in a timely, complete and accurate manner with all kinds of information, events and developments that may affect the value and price of capital market instruments or the investment decisions by investors. In 2023, SASA posted 98 disclosures on the PDP, including material disclosures and other announcements in accordance with CMB regulations. These disclosures were made on time, and no sanctions were imposed by the CMB or BIST.

SASA complies with the CMB Legislation, Turkish Commercial Code and BIST regulations regarding public disclosures and pays utmost attention to satisfying the principles set forth in the CMB Corporate Governance Principles. The Information Policy covers all SASA employees

and consultants and regulates SASA's written and verbal communication with capital market participants. The SASA Information Policy is prepared in accordance with Article 17 of the Capital Markets Board Communiqué on Material Events No. Serial II - 15.1 and is shared with all stakeholders through the corporate website. This policy is available [here](#).

A Shareholder Relations Unit was established under the Financial Affairs and Investor Relations Group Directorate to manage investor relations. This unit reports to the Financial Affairs and Investor Relations Group Manager. The Shareholder Relations Unit maintains relations with shareholders in line with the Corporate Governance Principles. As part of these duties, the Ordinary General Assembly Meeting for the year 2022 was held on April 7, 2023 in accordance with the relevant legislation, Articles of Association and internal policies. In connection

with the Ordinary General Assembly Meeting, the documents which had to be submitted for the information and review of shareholders were completed and publicly disclosed in a timely manner as well as being announced on the corporate website. The Corporate Governance Principles Compliance Report and Sustainability Compliance Report prepared in line with SASA's corporate governance and sustainability principles were publicly shared on March 16, 2023.

In 2023, the Shareholder Relations Unit participated in 30 investor events abroad, both in-person and online, and updated investor presentations were made available to shareholders on the corporate website throughout the year. Information requests from SASA shareholders, bondholders, analysts and other SASA stakeholders were responded to by phone, e-mail or in-person meetings.

SOCIAL INVESTMENTS

Acting on a social responsibility awareness, SASA aims to create social value by developing projects in areas such as education, culture, arts, environment and sports and by supporting individuals and organizations operating in these fields. Furthermore, the Company works to fulfill its duties and responsibilities towards society in line with the United Nations 2030 Sustainable Development Goals, contributes to NGOs such as the Red Crescent, AFAD and the Child Protection Agency through donations and develops social responsibility projects within the Company. Donation and aid processes run under the SASA Donation and Contribution Policy are shaped in line with SASA's vision, mission and sustainability goals. These processes are implemented within the framework of the organization's ethical principles. The relevant policy can be accessed [here](#).

Aids and donations formalized by board resolutions can be in cash or in kind. Social investments are discussed in detail at the General Assembly meetings held every year, during which the total limits of donations are determined and then publicly shared in accordance with the principles of transparency.

The projects and support that SASA has realized in line with the importance it attaches to social investments are as follows:

SASA Memorial Forest

Under the protocol signed with Adana Provincial Directorate of Forestry, SASA employees and Forestry Administration employees planted saplings on 200 hectares of land in the Aladağ District of Adana and on 600 hectares of land in the Kadirli District of Osmaniye. On May 17, 2023, the first maintenance of the SASA Memorial Forest was performed. A three-year maintenance plan was prepared for the forest, which is the product of a joint effort with the Regional Directorate of Forestry for the afforestation of 500 hectares of land affected by forest fires in Adana, with saplings being planted in 2022.



University Scholarship

In order to alleviate the financial difficulties faced by the children of its employees during their university education, Erdemoğlu Holding has been offering scholarships to the children of SASA employees having their undergraduate education since 2016. During this period, a total of 1,241 students received financial support.



SASA FOR EDUCATION

Akçaabat İbrahim Erdemoğlu Sports High School

In 2022, the foundation for the Sports High School in Akçaabat district of Trabzon province was laid, with subsequent completion in 2023. This facility includes a 4-story high school with 16 classrooms, a 2-story multi-purpose sports hall and a 5-story boarding house for 144 students.

Detailed information is available [here](#).

Under the protocols signed with the Metropolitan and Seyhan Municipalities in Adana province, SASA has completed the construction of Haydaroğlu and Dr. Mehmet Şeker (Bahçeşehir) Nurseries in addition to the SASA Mehmet Erdemoğlu Nursery, the foundations of which were laid in 2020. The nurseries started to operate actively in the 2022-2023 period. Moreover, a protocol was signed with Seyhan Municipality for 2 more nurseries and 1 pool complex. Accordingly, the construction of Barış Day Nursery started in 2023. With day care centers, SASA aims to ensure that employees can leave their children in a safe environment during working hours and that children can continue their formal education.

Information on nurseries and day care centers that SASA has built so far is provided below.

SASA Mehmet Erdemoğlu Nursery and Day Care Center

Founded in 2020, SASA Mehmet Erdemoğlu Nursery and Day Care Center started to serve actively in 2022-2023 period. Built on a 923 m² plot with an indoor area of 254 m², the facility consists of a dining hall for 68 persons, kitchen, a student waiting room, a parent waiting room, 2 classrooms for 16 students, 2 classrooms for 11 students, 1 classroom for 14 students, a counselor's office, an infirmary and a principal's office.



SASA Dr. Mehmet Şeker Nursery and Day Care Center

The construction of SASA Dr. Mehmet Şeker Nursery and Day Care Center started in 2022 under a protocol signed with Adana Metropolitan Municipality. The Nursery was commissioned in 2023. Built on a 2053 m² plot with an indoor area of 704 m², the facility has a dining hall, a kitchen, a student waiting room, a parent waiting room, 6 classrooms for 24 students, a counselor's office, an infirmary and a principal's office.



Haydaroğlu Day Care Center

The construction of Haydaroğlu Day Care Center started in 2022 under protocols signed with Adana Metropolitan Municipality and was completed in 2023. Having 5 classrooms, a teachers' room, a dining hall, a playroom, and 2 common areas among others, the day care center started to serve in 2023.



Bariş Nursery and Day Care Center

The construction of Bariş Neighborhood Nursery School started in 2023 under the protocol signed with Seyhan Municipality. The nursery has 19 classrooms, a teacher's room, a principal's office, a dining hall, a playroom, a counselor's office, an infirmary, 2 common areas, a kitchen and a dining hall. The nursery is planned to be commissioned in 2024-2025 period.

Incubation Center

SASA established the library at the Incubation Center of Adana Organized Industrial Zone Directorate. Mentoring services are also provided at the library, which continues to contribute to the development of the industry.



SASA on Campus

SASA continues to extend an ever-increasing support to university students each year. SASA is in constant communication with university career centers and regularly publishes job postings to announce job opportunities.

Participation in Career Fairs

In 2023, SASA participated in career fairs at 7 different universities to understand the expectations of university students from business life, offer insights on the sector, introduce SASA and receive job and internship applications.

- Koç University (November 23, 2023)
- Boğaziçi University (November 3, 2023)
- Sabancı University (October 16, 2023)
- Middle East Technical University (METU) (May 11-12, 2023)
- Istanbul Technical University (ITU) (May 23-24, 2023)
- Middle East Technical University (METU) (October 25-26, 2023)
- Çukurova Technopolis (Online Career Fair) (June 14, 2023)



Internship Support

University students are given the opportunity to complete their compulsory internships at SASA. To this end, SASA provided internship opportunities to 87 students in 2023. Supported by internship coaches, students had the opportunity to do internships related to their departments.

Under the project organized by the Turkish Textile Industry Employers' Association and the Turkish Textile Foundation and financed by the European Union and the Republic of Türkiye, 50 teachers of the Ministry of National Education of the Republic of Türkiye received training at SASA and paid technical visits to the plants.



Seed Card

SASA adheres to sustainability principles and acts on an environmental awareness. To reflect that, the Seed Card project encourages SASA customers to contribute to a greener nature by preparing seed cards. These activities increase the environmental awareness of SASA customers and help them revitalize the nature with seeds. Each seed card enables SASA customers to fulfill their responsibility to the nature and take steps towards a green future.



Earthquake Mobilization

SASA sent 16 cranes, 28 excavators, 38 trucks, 2 vans, 1 shuttle, 12 automobiles and 100 support personnel to the region after the earthquake that occurred in Kahramanmaraş on February 6, 2023 and February 7, 2023 at magnitudes of 7.8 and 7.5 respectively. In addition, search and rescue teams, firefighting and occupational safety equipment, winter clothing, masks, goggles, food, shuttle service for the transfer of public employees to the region, vehicle assistance, food and rations support, hygiene material support, accommodation and cash aid support, and fuel support were offered.

Providing a total of TL 238.3 million in cash and in kind for the victims of the earthquake, SASA mobilized itself with everything it has.





09. PERFORMANCE INDICATORS

ENVIRONMENTAL PERFORMANCE INDICATORS
SOCIAL PERFORMANCE INDICATORS
ECONOMIC PERFORMANCE INDICATORS



01



02



03



04



05



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09

ENVIRONMENTAL PERFORMANCE INDICATORS

Emissions (tCO₂e)

GRI 305-1, 305-2, 305-3, 305-4, 305-5

2021	2022	2023
Scope 1 greenhouse gas emissions (tCO ₂ e)		
488,358.00	494,823.41	377,058.25
Scope 2 greenhouse gas emissions (tCO ₂ e)		
286,273.00	275,152.53	202,032.05
Scope 3 greenhouse gas emissions (tCO ₂ e)		
305,776.00	383,106.60	3,194,195.67
Total GHG emissions intensity (Scope 1+2) (tCO ₂ e/ton of product)		
0.50	0.49	0.41
GHG emissions reduction (tCO ₂ e) (against base year 2019)		
9,935	9,761	7,646

Air pollutant emissions (tons)

GRI 305-7

	2019	2021	2023
Dust emission quantities	32.4	232.0	43.4
SO _x	490	834	734.5
NO _x	747.3	1,423	801.5
VOC (Volatile Organic Compounds)	2.1	8.5	4.5
Total	1,271.8	2,497.5	1,583.9
Air Pollutant Emission measurements are carried out every 2 years.			

Energy consumption (GJ)

GRI 302-1

		2021	2022	2023
From Non-Renewable Resources	Natural Gas	3,810,196	3,427,587	2,700,071
	Coal	1,772,628	1,926,546	2,133,761
	Diesel	25,645	28,700	28,222
	LPG	4,638	8,101	4,417
	Industrial Waste	174,632	134,220	100,049
	Total	5,787,739	5,525,154	4,966,520
From Renewable Resources	Solar	-	-	23,295
	Biomass	43,167	14,971	-
	Total	43,167	14,971	23,295

	2021	2022	2023
Electricity Consumption (GJ)	2,204,467	2,119,384	2,031,923
Total Energy Consumption (GJ)	8,035,373	7,665,249	7,021,738

Energy intensity (GJ/ton of product)

GRI 302-3

	2021	2022	2023
Energy Intensity (GJ/ton of product)	5.17	4.85	4.93

Reduction of energy consumption (GJ)

GRI 302-4

	2021	2022	2023
Reduction in coal consumption	25,405	-	166,927
Reduction in natural gas consumption	22,250	96,743	85,298
Reduction in electricity consumption	6,661	47,056	23,011
<i>The amount of energy saved through efficiency projects is presented.</i>			

Reductions in energy requirements of products and services

GRI 302-5

	2021	2022	2023
Total Production (tons)	1,555,247	1,581,122	1,424,820
Energy consumption per total production (GJ/ton)	5.17	9.69	4.93

Amount of product produced			
Production (tons)	2021	2022	2023
DMT	231,159.00	163,288	111,407
Polyester Chips	482,762.00	495,221	449,466
Polyester Fiber	413,122.00	418,553	375,653
Polyester Yarn	134,508.00	151,438	164,200
POY	293,696.00	352,622	324,094
Total	1,555,247.00	1,581,122	1,424,820

Amount of water withdrawn by source (m³)

GRI 303-3

	2021	2022	2023
Groundwater	5,223,021	4,967,016	4,332,202
Total amount of water withdrawn	5,223,021	4,967,016	4,332,202

Amount of water discharge by discharge points (m³)

GRI 303-4

	2021	2022	2023
Surface water	3,409,464	3,214,998	2,549,943
Total amount of discharge	3,409,464	3,214,998	2,549,943

Amount of water consumed (m³)

GRI 303-5

	2021	2022	2023
Total amount of water consumed (m³)	1,813,557	1,752,018	1,782,259

Use of raw materials by type (kg)

GRI 301-1

	Raw material type	2021	2022	2023
Recyclable raw material	Metal	129,150	101,500	46,560
	Plastic	3,439,194	4,220,594	4,268,612
	Paper	7,758,646	8,544,356	6,906,209
	Wood	19,726,739	16,876,601	16,855,882
	Plastic-weighted composites	17,270	10,321	9,243
	MEOH	87,562,000	64,526,732	44,647,992
Amount of non-recyclable raw materials used	PX	144,764,000	103,010,650	67,854,540
	PTA	818,808,000	925,989,161	922,615,108
	MEG	414,446,000	428,551,469	384,162,129
	BDO	11,440,000	11,235,484	7,025,359
	TEH	9,560,000	5,729,955	2,547,677
	IPA	2,512,000	2,563,371	2,754,760
	Imported POY and chips	0	23,600	553,000
	Total	1,520,162,999	1,571,383,794	1,460,247,071

Recycled input materials used (%)

GRI 301-2

	2021	2022	2023
Recycled input materials used (%)	5.88%	6.38%	4.98%

Waste generated (tons)

GRI 306-3

	2021	2022	2023
Hazardous wastes	1,854	2,294	1,457
Non-hazardous wastes	46,608	62,040	57,621
Total	48,462	64,334	59,078

Hazardous wastes diverted from disposal (tons)

GRI 306-4

	2021	2022	2023
Chemical	814	751.13	551.39
Contaminated packaging	312	160.60	222.16
Electronic waste	1	1.23	0.60
Batteries	18	15.63	4.76
Total	1,146	928.59	778.90

Non-hazardous wastes diverted from disposal (tons)

GRI 306-4

	2021	2022	2023
Paper	3,121	2,501.69	2,052.80
Plastic	7,149	6,906.92	4,936.45
Metal	1,906	2,210.26	863.74
Ash	28,997	43,926.96	45,402.32
Wood	3,038	2,296.16	2,415.86
End-of-life tires	12	23.60	12.72
Total	44,223	57,865.58	55,683.89

Hazardous wastes directed to disposal (tons)

GRI 306-5

	2021		2022		2023	
	Off-site	On-site	Off-site	On-site	Off-site	On-site
Incineration (with energy recovery)	704	6,953	1,353.33	5,343	677.48	3,982.70
Incineration (without energy recovery)	1	0	0.747	-	0.187	-
Landfilling	2	0	11.470	-	0.056	-

Non-hazardous wastes directed to disposal (tons)

GRI 306-5

	2021		2022		2023	
	Off-site	On-site	Off-site	On-site	Off-site	On-site
Incineration (with energy recovery)	2,382.43	-	4,174.17	-	1,937.26	-

SOCIAL PERFORMANCE INDICATORS

Number of employees by type of employment

GRI 2-7

Number of employees by type of employment					
		2020	2021	2022	2023
Total	Full-Time	4,012	4,475	4,742	4,207
	Part-Time	5	2	1	1
Specialist and above	Full-Time	576	788	893	920
	Part-Time	5	2	1	1
Operational level	Full-Time	3,436	3,687	3,849	3,287
	Part-Time	-	-	-	-

Number of employees by work category

GRI 405-1

Percentage of board and senior management members by gender (%)				
	2020	2021	2022	2023
Female	0%	0%	18%	18%
Male	100%	100%	82%	82%

Percentage of board and senior management members by age distribution (%)				
	2020	2021	2022	2023
< 30 years	0%	0%	0%	0%
30 - 50 years	18%	18%	18%	18%
> 50 years	82%	82%	82%	82%

Percentage of employees by gender (%)				
	2020	2021	2022	2023
Female	2%	2%	3%	3%
Male	98%	98%	97%	97%

Percentage of employees by age distribution (%)				
	2020	2021	2022	2023
< 30 years	53%	49.0%	44.7%	38.2%
30 - 50 years	44%	47.0%	52.9%	59.6%
> 50 years	3%	3.0%	2.4%	2.2%

New hires during the year by gender and age

GRI 401-1

Number and percentage of new hires by age and gender (%)									
		2020		2021		2022		2023	
		Number	Rate	Number	Rate	Number	Rate	Number	Rate
< 30 years	Female	2	1%	15	3%	5	3%	17	14%
	Male	176	56%	276	58%	96	58%	105	86%
30 - 50 years	Female	4	1%	3	1%	3	2%	10	7%
	Male	98	31%	153	32%	60	36%	137	93%
> 50 years	Female	-	0%	1	0%	-	0%	2	10%
	Male	37	12%	30	6%	2	1%	18	90%
Total	Female	6	2%	19	4%	6	5%	29	10%
	Male	311	98%	459	96%	158	95%	263	90%

Recent employee turnover during the year by gender and age

GRI 401-1

Number and rate of employee turnover by age and gender (%)									
		2020		2021		2022		2023	
		Number	Rate	Number	Rate	Number	Rate	Number	Rate
< 30 years	Female	2	1%	15	3%	5	3%	13	9%
	Male	176	56%	276	58%	96	58%	134	91%
30 - 50 years	Female	4	1%	3	1%	3	2%	6	7%
	Male	98	31%	153	32%	60	36%	80	93%
> 50 years	Female	0	0%	1	0%	0	0%	0	0%
	Male	37	12%	30	6%	2	1%	4	100%
Total	Female	6	2%	19	4%	6	5%	19	8%
	Male	311	98%	459	96%	158	95%	218	92%

Voluntary resigners (employee turnover rate)

GRI 401-1

Employee turnover rate								
	2020		2021		2022		2023	
	Number	Rate	Number	Rate	Number	Rate	Number	Rate
Female	3	5%	2	0.92%	8	5%	19	8%
Male	53	95%	215	99%	158	95%	218	92%

Number of employees by seniority

GRI 401-1

Number of employees by seniority					
		2020	2021	2022	2023
0-5 years	Female	48	73	100	102
	Male	3,271	3,517	3,781	3,456
5-10 years	Female	11	17	18	19
	Male	246	352	369	430
10 years and above	Female	15	19	20	10
	Male	431	499	453	191

Number of employees on maternity/parental leave

GRI 401-3

Parental leave					
		2020	2021	2022	2023
Number of employees taking maternity/parental leave	Female	1	2	4	4
	Male	161	258	333	344
Number of employees returning to work after the end of maternity/parental leave	Female	1	2	4	4
	Male	161	258	333	344

Minimum notice periods regarding operational changes

GRI 402-1

Length of Service	Notice Period
<6 months	2 weeks
6-18 months	4 weeks
18-36 months	6 weeks
36+	8 weeks

Employee trainings

GRI 404-1, 403-5

Duration of training to employees				
	2020	2021	2022	2023
Average hours of training (employee/hour)	16.68	19.82	26.19	27.58

	2020	2021	2022	2023
Total hours of training (excluding OHS trainings)	-	20,251	72,103	68,342
Total hours of OHS training	-	3,817	50,095	47,730

Duration of training to female employees				
	2020	2021	2022	2023
Average (employee/hour)	17.45	19.42	37.88	26.32
Total (hours)	1,291.30	2,116.78	5,227.67	3,448

Duration of training to male employees				
	2020	2021	2022	2023
Average (employee/hour)	15.91	20.22	25.84	26.62
Total (hours)	62,813	88,321	118,993	112,624

Average training duration by labor category				
	2020	2021	2022	2023
Technical	16.54	16.85	26	25.63
Administrative	16.35	17.45	30.90	14.41
Production	17.15	17.21	26	26.98

Percentage of employees receiving regular performance and career development reviews (%)

GRI 404-3

	2020	2021	2022	2023
Female	0	7.55%	17.00%	100%
Male	0	92.45%	83%	97.5%

GRI 404-3

	2020	2021*	2022*	2023**
Technical	0	43.40%	41.00%	100%
Administrative	0	28.30%	33%	100%
Production	0	28.30%	26%	96%

* Ratios for 2021 and 2022 are calculated by dividing the number of technical, administrative and production employees subjected to performance audits by the total number of employees subjected to performance evaluations.

**The ratio for 2023 was obtained by dividing the number of employees subjected to performance audits at technical, administrative and production levels by the total number of employees (total number of employees subjected to performance evaluation + total number of employees not subjected to performance evaluation).

Human resources management

GRI 2-30, 407-1

	2020	2021	2022	2023
Rate of unionization among employees	12%	12%	2%	0%

GRI 402-1

	2020	2021		2022		2023	
	Rate	Number	Rate	Number	Rate	Number	Rate
Contracts	In 2017, contracts for new investments signed in accordance with international standards were merged between 2018-2020.	1	100%	2	100%	1	100%

Protection of human rights

GRI 402-1

Operations subject to human rights reviews or impact assessments							
2020		2021		2022		2023	
Number	Rate	Number	Rate	Number	Rate	Number	Rate
2	100%	2	100%	2	100%	2	100%

GRI 410-1

Percentage of security personnel trained in human rights policies or procedures			
2020	2021	2022	2023
100%	100%	100%	100%

GRI 410-1

Hours of employee training on human rights policies			
2020	2021	2022	2023
104	104	104	104

Number of employees and subcontractors covered by an occupational health and safety management system

GRI 2-8, 403-8

		2020	2021	2022	2023
Those Having Occupational Health and Safety Coverage	Employees	4,022	4,477	4,743	4,208
	Subcontracted Employees	1,378	2,591	13,259	10,843
Those Having Occupational Health and Safety Coverage Following Internal Audit	Employees	4,022	4,477	4,743	4,208
	Subcontracted Employees	1,378	2,591	13,259	10,843
Those Having Occupational Health and Safety Coverage as Inspected or Certified by a Third Party	Employees	4,022	4,477	4,743	4,208
	Subcontracted Employees	1,378	2,591	13,259	10,843

Occupational health and safety performance (employee)

GRI 403-2

	2020	2021	2022	2023
Number of accidents	91	95	74	71
Number of fatal cases	1	0	0	0
Absenteeism (number of lost days)	1,645	2,261	912	1,268
Number of lost time injury (LTI) rate - number of accidents with lost working days	44	59	51	48
Lost time injury frequency (LTIF) rate (lost working days due to accidents*1.000.000/total working hours)	7.76	7.26	5.74	5.63
Accident severity rate (ASR) (lost working days due to accidents*200,000/total working hours)	1.55	1.45	1.15	1.13
Occupational disease rate (ODR)	0	0	0	0
Lost day rate (LDR) (lost working days due to accidents*1,000/total working hours)	0.0078	0.0073	0.0057	0.0056
Absenteeism rate (AR) (number of absent days/number of working days)	0.0016	0.0002	0.0006	0.0008

Occupational health and safety performance (subcontracted employees)

GRI 403-2

	2020	2021	2022	2023
Number of accidents	158	52	122	177
Number of fatal cases	0	0	2	0
Absenteeism (number of lost days)	1523	242	471	958
Number of lost time injury (LTI) rate - number of accidents with lost working days	50	24	67	108
Lost time injury frequency (LTIF) rate (lost working days due to accidents*1.000.000/ total working hours)	12.42	12.24	8.57	6.81
Accident severity rate (ASR) (lost working days due to accidents*200,000/total working hours)	2.48	2.45	1.71	1.36
Occupational disease rate (ODR)	0	0	0	0
Lost day rate (LDR) (lost working days due to accidents*1,000/total working hours)	0.012	0.012	0.009	0.007
Absenteeism rate (AR) (number of absent days/number of working days)	0.009	0.003	0.001	0.001

Annual working time for employees (hours)

GRI 403-8, 403-9

	2020	2021	2022	2023
Employees	5,671,706	8,122,039	8,877,391	8,447,610
Subcontracted Employees	4,026,545	1,960,446	7,819,972	15,860,842

Cases of injury, accident and illness

GRI 403-9

Number and rate of serious work-related injuries (200,000 hours)								
	2020		2021		2022		2023	
	Number	Rate	Number	Rate	Number	Rate	Number	Rate
Employees	0	%0	2	%0,05	0	%0	1	%2,35
Subcontracted Employees	0	%0	1	%0,10	3	%7,67	0	%0

Total number and rate of recordable work-related accidents (TRC) (200.000 hours)								
	2020		2021		2022		2023	
	Number	Rate	Number	Rate	Number	Rate	Number	Rate
Employees	91	3.21%	95	2.27%	74	1.69%	71	1.67%
Subcontracted Employees	158	7.85%	52	5.10%	122	3.02%	79	2.29%

Major types of work-related injuries (2023)
Leg and foot injury
Finger (Hand) injury
Arm injury

Number of recordable cases of work-related disease				
	2020	2021	2022	2023
Employees	0	0	0	0
Subcontracted Employees	0	0	0	0

Occupational health and safety performance

GRI 403-10

Number and rate of deaths as a result of work-related injuries								
	2020		2021		2022		2023	
	Number	Rate	Number	Rate	Number	Rate	Number	Rate
Employees	1	0,04%	0	0%	0	0%	0	0%
Subcontracted Employees	0	0%	0	0%	2	5,12%	0	0%

Number of deaths from work-related diseases				
	2020	2021	2022	2023
Employees	0	0	0	0
Subcontracted Employees	0	0	0	0

ECONOMIC PERFORMANCE INDICATORS

Economic value generated and distributed

GRI 2-21, 201-1

			2020	2021	2022	2023
Direct economic value generated	Income	Fiber	2,348,140,000	4,804,534,000	9,830,890,207	14,428,751,000
		SPC	1,495,879,000	5,457,784,000	11,429,910,884	15,334,424,000
		Filament	1,132,654,000	4,366,720,000	9,002,438,540	14,956,775,000
		Other (Other sales of commodities, etc.)	64,275,000	15,915,000	508,261,998	1,596,743,000
Economic value distributed	Employee remuneration and employee benefits	Salaries	159,681,064.41	257,478,956.32	763,745,451.56	1,604,790,654.75
		Insurance	46,048,195.66	84,800,982.17	207,222,512.75	272,853,975.69
		Other Benefits	0	0	0	0
	Other Costs	Operating expenses	3,827,303,000	10,675,976,881	24,195,229,000	28,481,744,000
	Payments to capital providers	Ordinary Shares	0	0	-	0
		Dividend Shares	0	0	-	0
	Payments to the government	Income tax	-	64,701	-	104,478.00
	Investments for the Community		515,000	4,411,000	7,996,000	11,982,947

	2020	2021	2022	2023
Economic value retained (TL)	1,007,915,740	3,626,696,181	5,605,304,665	15,957,304,369.56

	2020	2021	2022	2023
R&D grants (TL)	2,113,340	1,843,126	3,328,023.92	36,082,149

Ratio of standard entry level wages by gender compared to local minimum wage

GRI 202-1

	2020				2021				2022				2023			
	Women		Men		Women		Men		Women		Men		Women		Men	
	Entry Level Wage	Rate	Entry Level Wage	Rate	Entry Level Wage	Rate	Entry Level Wage	Rate	Entry Level Wage	Rate	Entry Level Wage	Rate	Entry Level Wage	Rate	Entry Level Wage	Rate
Administrative	7,400	100%	7,400	100%	8,000	100%	8,000	100%	12,850	2.24%	12,850	2.24%	25,012	213.58%	25,012	213.58%
Production	7,400	100%	7,400	100%	8,800	100%	8,800	100%	16,650	2.90%	16,650	2.90%	34,075	290.97%	34,075	290.97%
Technical	7,400	100%	7,400	100%	8,800	100%	8,800	100%	16,650	2.90%	16,650	2.90%	34,075	290.97%	34,075	290.47%

Proportion of senior management hired from the local community

GRI 202-2

2020			2021				2022				2023			
Local	Non-Local		Local		Non-Local		Local		Non-Local		Local		Non-Local	
Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate
97.8%	1	2.6%	38	95.0%	2	5.0%	47	96.0%	2	4%	44	96.0%	5	4%

Ratio of basic salary and wages of women to men

GRI 405-2

	2020	2021	2022	2023
Administrative	1	1	1	1
Production	1	1	1	1
Technical	1	1	1	1

APPENDICES



CONTENT INDEX ESSENTIALS SERVICE

2024

GRI Content Index

GRI Standard	Disclosure	Page numbers and/or descriptions
GRI 1: Core 2021		
SASA reported in accordance with GRI Standards for the period January-December 2023.		
For the Content Index – Essentials Service, GRI Services reviewed that the GRI Content Index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders. The service was performed on the Turkish version of the report.		
GRI 2: General Disclosures 2021		
GRI 2: General Disclosures 2021	2-1 Organizational details	About the Report, p.7 About SASA, p. 14-27
	2-2 Entities included in the organization's sustainability reporting	About the Report, p.7
	2-3 Reporting period, frequency and contact point	About the Report, p.7
	2-4 Önceki raporlara göre yeniden düzenlenen bilgi	About the Report, p.7 Green Investments and Projects, p.25-26 Materiality Analysis, p.52-55 Sustainability Goals, p.56-71
	2-5 External assurance	External audit and Independent Assurance Report have been received within the scope of the report. Independent Assurance Report, p.181-182
	2-6 Activities, value chain and other business relationships	Corporate Profile, p.14-15 Products and Services, p.20-24 Memberships and Partnerships, p.27 Responsible Sourcing Practices, p.119-125 Stakeholder Interaction, p.146-159

GRI 2: General Disclosures 2021	2-7 Employees	Human Resources Management, p.100-101 Social Performance Indicators, p.161
	2-8 Workers who are not employees	Occupational Health and Safety, p.109-113 Social Performance Indicators, p.166
	2-9 Governance structure and composition	Governance Structure, p.30-36 Sustainability Governance, p.47 Sustainability Committee, p.48 Working Groups, p.49-51
	2-10 Nomination and selection of the highest governance body	Corporate Governance Approach, p.29 SASA Corporate Governance Compliance Report 2023 - Annual Notification is available here: SASA Polyester Sanayi A.Ş. - SASA. Corporate Governance Compliance Report
	2-11 Chair of the highest governance body	Governance Structure, p.30-36
	2-12 Role of the highest governance body in overseeing the management impacts	Corporate Governance Approach, p.29 Governance Structure, p.30-36
	2-13 Delegation of responsibility for managing impacts	Corporate Governance Approach, p.29 Governance Structure, p.30-36
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Governance, p.47 Sustainability Committee, p.48
	2-15 Conflicts of interest	About SASA, p.14-27 Business Ethics, p.38-39 Anti-Corruption and Anti-Bribery Approach, p.40

GRI 2: General Disclosures 2021	2-16 Communication of critical concerns	Corporate Governance Approach, p.29-30 Risk Management Approach, p.41-44 During the reporting period, SASA did not receive any critical issues
	2-17 Collective knowledge of the highest governance body	Board Structure, p.31-32 Senior Management Structure, p.33
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance Approach, p.29 Governance Structure, p.30-36 SASA Corporate Governance Compliance Report 2023 - Annual Notification is available here: SASA Polyester Sanayi A.Ş. - SASA Corporate Governance Compliance Report
	2-19 Remuneration policies	Human Resources Management, p.100-101 Employee Rights and Working Conditions, p.104
	2-20 Process to determine remuneration	Human Resources Management, p.100-101 Employee Rights and Working Conditions, p.104
	2-21 Annual total remuneration ratio	Economic Performance Indicators, p.169
	2-22 Statement on sustainable development strategy	Messages from Senior Management, p.8-12 Sustainability Strategy and Policy, p.46 Sustainability Goals, p.56-71
	2-23 Policy commitments	Corporate Policies, p.37 Sustainability Strategy and Policy, p.46
	2-24 Embedding policy commitments	Corporate Policies, p.37 Sustainability Strategy and Policy, p.46
	2-25 Processes to remediate negative impacts	Risk Management Approach, p.41-44 Sustainability Strategy and Policy, p.46 Sustainability Goals, p.56-71 Sustainable Product Development, p.126-140 Social Investments, p.151-155

GRI 2: General Disclosures 2021	2-26 Mechanisms for seeking advice and raising concerns	Business Ethics, p.38-39 Anti-Corruption and Anti-Bribery Approach, p.40 Human Resources Management, p.100-101
	2-27 Compliance with laws and regulations	Business Ethics, p.38-39 Anti-Corruption and Anti-Bribery Approach, p.40 Investor Relations, p.150
	2-28 Membership associations	Memberships and Partnerships, p.27
	2-29 Approach to stakeholder engagement	Memberships and Partnerships, p.27 Stakeholder Interaction, p.147-155
	2-30 Collective bargaining agreements	Human Rights Approach, p.102-103 Social Performance Indicators, p.165
Material Topics		
GRI Standard	Disclosure	Page numbers and/or descriptions
GRI 3: Material Topics 2021		
Material Topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality Analysis, p.52-55
	3-2 List of material topics	Materiality Matrix, p.54 Material Topics, p.55
Occupational Health and Safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	Occupational Health and Safety, p.109-110

GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety, p.109-117
	403-2 Hazard identification, risk assessment, and incident investigation	Social Performance Indicators, p.166-167
	403-3 Occupational health services	Occupational Health and Safety, p.109-117
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety, p.109-117
	403-5 Worker training on occupational health and safety	Occupational Health and Safety, p.109-117 Social Performance Indicators, p.164
	403-6 Promotion of worker health	Occupational Health and Safety, p.109-117
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety, p.109-117
	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety, p.109-117 Social Performance Indicators, p.166
	403-9 Work-related injuries	Social Performance Indicators, p.167
	403-10 Work-related ill health	Social Performance Indicators, p.168
Air and Water Quality Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	Combating Climate Change, p.75-82 Water and Wastewater Management, p.85-90 Environmentally Friendly Projects, p.94-98

GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water and Wastewater Management, p.85-90
	303-2 Management of water discharge-related impacts	Water and Wastewater Management, p.85-90
	303-3 Water withdrawal	Water and Wastewater Management, p.85-90 Environmental Performance Indicators, p.158
	303-4 Water discharge	Water and Wastewater Management, p.85-90 Environmental Performance Indicators, p.158
	303-5 Water consumption	Water and Wastewater Management, p.85-90 Environmental Performance Indicators, p.158
GRI 305: Emissions 2016	305-6 Emissions of ozone-depleting substances (ODS)	Combating Climate Change, p.75-82 SASA is committed that there are no ozone depleting CFC gas emissions from its plant.
	305-7 Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	Combating Climate Change, p.75-82 Environmental Performance Indicators, p.157
Business Ethics and Anti-Corruption		
GRI 3: Material Topics 2021	3-3 Management of material topics	About SASA, p.14-27 Business Ethics, p.38-39 Anti-Corruption and Anti-Bribery Approach, p.40
GRI 205: Business Ethics and Anti-Corruption	205-1 Operations assessed for risks related to corruption	Business Ethics, p.38-39 Anti-Corruption and Anti-Bribery Approach, p.40
	205-2 Communication and training about anti-corruption policies and procedures	Business Ethics, p.38-39 Anti-Corruption and Anti-Bribery Approach, p.40
	205-3 Confirmed incidents of corruption and actions taken	Anti-Corruption and Anti-Bribery Approach, p.40

GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	During the reporting period, there were no lawsuits related to anti-competitive behaviour and monopoly activities.
Employee Engagement and Rights		
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Resources Management, p.100-101 Human Rights Approach, p.102-103 Employee Rights and Working Conditions, p.104
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Social Performance Indicators, p.162-163
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Rights and Working Conditions, p.104 There are no fringe benefits provided to full-time employees and none provided to temporary or part-time employees. SASA provides equal fringe benefits for all employees.
	401-3 Parental leave	Social Performance Indicators, p.163 100% of female employees who went on maternity leave returned to work at SASA.
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Social Performance Indicators, p.163-165
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Human Rights Approach, p.102-103 Responsible Sourcing Practices, p.119-125 Social Performance Indicators, p.165
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Human Rights Approach, p.102-103

GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human Rights Approach, p.102-103 Responsible Sourcing Practices, p.119-125
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Human Rights Approach, p.102-103 Social Performance Indicators, p.165
Waste Management and Circularity		
GRI 3: Material Topics 2021	3-3 Management of material topics	Waste Management, p.91-92 Circular Economy and Life Cycle Perspective, p.127-128
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management, p.91-92
	306-2 Management of significant waste-related impacts	Waste Management, p.91-92
	306-3 Waste generated	Waste Management, p.91-92 Environmental Performance Indicators, p.159
	306-4 Waste diverted from disposal	Environmental Performance Indicators, p.160
	306-5 Waste directed to disposal	Environmental Performance Indicators, p.160

Resource and Energy Efficiency		
GRI 3: Material Topics 2021	3-3 Management of material topics	Energy Management, p.83-84 Waste Management, p.91-92 Environmentally Friendly Projects, p.94-98 Green Chemistry, p.129-131
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Environmental Performance Indicators, p.159
	301-2 Recycled input materials used	Waste Management, p.91-92 Environmentally Friendly Projects, p.94-98 Environmental Performance Indicators, p.159
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy Management, p.83-84 Environmental Performance Indicators, p.157
	302-3 Energy intensity	Energy Management, p.83-84 Environmental Performance Indicators, p.157
	302-4 Reduction of energy consumption	Energy Management, p.83-84 Environmentally Friendly Projects, p.94-98 Environmental Performance Indicators, p.157
	302-5 Reductions in energy requirements of products and services	Energy Management, p.83-84 Environmental Performance Indicators, p.158
Innovation and Digitalisation		
GRI 3: Material Topics 2021	3-3 Management of material topics	Eco-innovation and R&D, p.132 Digitalization and Information Security, p.142-145
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Information Privacy and Security, p.145 During the reporting period, no complaints were received regarding breach of customer confidentiality and loss of customer data.

Inclusion, Diversity and Equal Opportunity		
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Resources Management, p.100-101 Human Rights Approach, p.102-103 Equality, Diversity and Inclusion, p.107-108
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Human Resources Management, p.100-101 Equality, Diversity and Inclusion, p.107-108 Social Performance Indicators, p.161
	405-2 Ratio of basic salary and remuneration of women to men	Economic Performance Indicators, p.170
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Human Rights Management, p.102-103 Equality, Diversity and Inclusion, p.107-108 During the reporting period, no case of discrimination was encountered.
Sustainable Supply Chain Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	Responsible Sourcing Practices, p.119-125
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Responsible Sourcing Practices, p.119-125
	308-2 Negative environmental impacts in the supply chain and actions taken	Responsible Sourcing Practices, p.119-125
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Responsible Sourcing Practices, p.119-125
	414-2 Negative social impacts in the supply chain and actions taken	Responsible Sourcing Practices, p.119-125

Combating Climate Crisis and Clean Energy		
GRI 3: Material Topics 2021	3-3 Management of material topics	Combating Climate Change, p.75-82
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Combating Climate Change, p.75-82 Environmental Performance Indicators, p.157
	305-2 Energy indirect (Scope 2) GHG emissions	Combating Climate Change, p.75-82 Environmental Performance Indicators, p.157
	305-3 Other indirect (Scope 3) GHG emissions	Combating Climate Change, p.75-82 Environmental Performance Indicators, p.157
	305-4 GHG emissions intensity	Combating Climate Change, p.75-82 Environmental Performance Indicators, p.157
	305-5 Reduction of GHG emissions	Combating Climate Change, p.75-82 Environmental Performance Indicators, p.157
Talent Management and Development		
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Resources Management, p.100-101 Training and Development Opportunities, p.105-106
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Training and Development Opportunities, p.105-106 Social Performance Indicators, p.164
	404-2 Programs for upgrading employee skills and transition assistance programs	Training and Development Opportunities, p.105-106
	404-3 Percentage of employees receiving regular performance and career development reviews	Social Performance Indicators, p.164

Sustainable Economic Performance and Contribution to Regional Development		
GRI 3: Material Topics 2021	3-3 Management of material topics	Social Investments, p.151-159 Economic Social Performance Indicators, p.169-170
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Corporate Profile, p.14-15 Products and Services, p.20-24 Economic Performance Indicators, p.169
	201-2 Financial implications and other risks and opportunities due to climate change	Sustainability Strategy and Policy, p.46 Risk Management Approach, p.41-44 Combating Climate Change, p.75-82 Climate Change Risks, p.81-82
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Economic Performance Indicators, p.170
	202-2 Proportion of senior management hired from the local community	Economic Performance Indicators, p.170

Stakeholder Relationship Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Resources Management, p.100-101 Responsible Sourcing Practices, p.119-125 Stakeholder Interaction, p.147-155
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	There is no indigenous groups in operation area. Therefore, there were no non-conformities during the reporting period.
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Social Investments, p.151-155
GRI 415: Public Policy 2016	415-1 Political contributions	SASA stands at an equal distance to all institutions in Turkey and does not financially support any political view or political organisation.
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Customer Relations, p.149
Corporate Governance		
GRI 3: Material Topics 2021	3-3 Management of material topics	Corporate Profile, p.14-15 Corporate Governance Approach, p.29 Governance Structure, p.30-36 Corporate Policies, p.37

Biodiversity Conservation		
GRI 3: Material Topics 2021	3-3 Management of material topics	Biodiversity Conservation, p.93
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity Conservation, p.93
	304-2 Significant impacts of activities, products and services on biodiversity	Biodiversity Conservation, p.93
Risk Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	Risk Management Approach, p.41-44 Risk Management Structure, p.41 Risk Assessment, p.41
Industrial Collaborations and Memberships		
GRI 3: Material Topics 2021	3-3 Management of material topics	Memberships and Partnerships, p.27 R&D Collaboration, p.139-140

UNGC Content Index

Topics	The Ten Principles	GRI Stand-ards/ Disclosures	Page numbers and/or descriptions
Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.	GRI 2-30, GRI 2-23, GRI 410, GRI 411	Human Resources Approach, p.100-101 SASA Human Resources Policy is available here . SASA Business Ethic Rules Policy is available here . Human Rights Approach, p.102-103 SASA Human Rights Policy is available here .
	Principle 2: make sure that they are not complicit in human rights abuses.		Human Rights Approach, p.102-103 SASA Human Rights Policy is available here .
Labour	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	GRI 2-26, GRI 2-30, GRI 406, GRI 407, GRI 408, GRI 409	Human Rights Approach, p.102-103 SASA Human Rights Policy is available here .
	Principle 4: the elimination of all forms of forced and compulsory labour.		Human Rights Approach, p.102-103 SASA Human Rights Policy is available here . SASA Supplier Code of Conduct is available here .
	Principle 5: the effective abolition of child labour.		Human Rights Approach, p.102-103 SASA Human Rights Policy is available here .
	Principle 6: the elimination of discrimination in respect of employment and occupation.		Human Rights Approach, p.102-103 SASA Human Rights Policy is available here . SASA Human Resources Policy is available here . SASA Business Ethic Rules Policy is available here .
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges.	GRI 301, GRI 302, GRI 303, GRI 305, GRI 306, GRI 308	Sustainability Goals Environmental Sustainability SASA Sustainability Policy is available here . SASA Environmental Policy is available here .
	Principle 8: undertake initiatives to promote greater environmental responsibility.		Sustainability Goals, p.56-71 Environmental Sustainability, p.73-98 Responsible Sourcing and Sustainable Product Development, p. 119-140 SASA Environmental Policy is available here . SASA Green Purchasing Policy is available here .
	Principle 9: encourage the development and diffusion of environmentally friendly technologies.		Sustainability Goals, p.56-71 Environmental Sustainability, p.73-98 Sustainable Product Development, p.126 Industry 4.0 ve Digitalisation,142-143 SASA Hazardous Substances and Chemicals Policy is available here .
Anti-corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	GRI 2-15, GRI 2-27, GRI 205	Business Ethics, p.38-39 Anti-Corruption and Anti-Bribery Approach, p.40 SASA Business Ethic Rules Policy is available here . SASA Human Rights Policy is available here .



Water Footprint Verification Statement for

SASA POLYESTER SANAYİ A.Ş.

**SARIHAMZALI MAH. TURHAN CEMAL BERİKER BULVARI
NO: 559 01355 SEYHAN / ADANA**

Bureau Veritas Certification Türkiye has verified the Water Footprint of the above organization for the 1st January 2023 to 31st December 2023 and found to be in accordance with the requirements of the standard detailed below

Standard

ISO 14046:2014

The "WATER FOOTPRINT INVENTORY 2023" report as a result of verification audit held on the basis of international standards has been verified with reasonable assurance.

Total Blue Water Footprint: 4,332,202 m³
Consumed blue water per product: 2.533 m³/tone product
Total Grey Water Footprint: 743,299.25 m³
Grey water generated per product: 0.5216 m³/tone product

No : TR013402

Verification Report Reference: 21082618

Issue Date: 22.03.2024

İBRAHİM TAGAY
Certification Manager



Local Office : Altayçeşme Mah. Çamlı Sok. Pasco Plaza No: 21 Kat: 8 34843 Maltepe, İstanbul, Türkiye

Further clarifications regarding the scope of this certificate and the applicability of the management system requirements may be obtained by consulting the organization.
To check this certificate validity please call +90 216 518 40 50.

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Greenhouse Gases Verification Statement for

SASA POLYESTER SAN. A.Ş.

ORGANISATION BOUNDARIES:

**SARIHAMZALI MAH. TURHAN CEMAL BERİKER BULVARI
NO: 559 SEYHAN / ADANA
GÜZELÇAY MAH. 616. SK. NO: 6 31200 İSKENDERUN / HATAY
REŞİTPAŞA MAH. ESKİ BÜYÜKDERE CAD. PARK PLAZA
NO: 14/29 12.KAT MASLAK / İSTANBUL
SÖĞÜTÖZÜ MAH. 2176. CADDE NO: 9/17-18 ÇANKAYA / ANKARA**

Bureau Veritas Certification Turkey has verified the Greenhouse Gas Assertion of the above organization for the 1st January 2023 to 31st December 2023 and found to be in accordance with the requirements of the standard detailed below

Standard

ISO 14064-1:2018

(as well as criteria given to provide for consistent operations, monitoring and reporting in)
ISO 14064-3: 2019

Total Greenhouse Gas Emissions: 3,773,285.98 tonnes CO₂-equivalent
Direct Emissions-Category 1: 377,058.25 tonnes CO₂-equivalent
Indirect Emissions-Category 2: 202,032.05 tonnes CO₂-equivalent
Indirect Emissions-Category 3: 451,484.39 tonnes CO₂-equivalent
Indirect Emissions-Category 4: 2,742,711.28 tonnes CO₂-equivalent
Emissions Due to Biomass combustion: Nil
Level of Assurance: Reasonable

No : TR013406

Verification Report Reference: 21082477

Issue Date: 22.03.2024

İBRAHİM TAGAY
Certification Manager



Local Office : Altayçeşme Mah. Çamlı Sok. Pasco Plaza No: 21 Kat: 8 34843 Maltepe, İstanbul, Türkiye

Further clarifications regarding the scope of this certificate and the applicability of the management system requirements may be obtained by consulting the organization.
To check this certificate validity please call +90 216 518 40 50.

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**T.C.
ADANA VALİLİĞİ
Çevre ve Şehircilik İl Müdürlüğü**



Belge No: TS/1/B2/15/2

Tarih: 18/03/2020

**SIFIR ATIK BELGESİ
(Temel Seviye)**

Adı : SASA POLYESTER SAN. A.Ş.
**Adresi : ADANA,SARİHAMZALI Mahallesi, TURHAN CEMAL BERİKER BULVAR, No: 559-,
SEYHAN,Türkiye**
Vergi No : 7520002730

12/07/2019 tarihli ve 30829 sayılı Resmi Gazete'de yayımlanarak yürürlüğe giren Sıfır Atık Yönetmeliği'nce Sıfır Atık Yönetim Sistemi'ni kurarak **Sıfır Atık Belgesi**'ni almaya hak kazanmıştır.

 e-imzalıdır

Halit ERGİN

Belge Son Geçerlilik Tarihi: 18/03/2025

Çevre ve Şehircilik İl Müdürü

Not: 5070 sayılı Elektronik İmza Kanunu gereği bu belge elektronik imza ile imzalanmıştır.

Evrak Doğrulama Kodu : PARYRMXV Evrak Takip Adresi: <https://www.turkiye.gov.tr/cevre-ve-sehircilik-bakanligi>



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Independent Limited Assurance Report

To the Board of Directors of Sasa Polyester Sanayi A.Ş.

We were engaged by Sasa Polyester Sanayi A.Ş. (hereinafter "Company" or "Sasa Polyester") to provide limited assurance on whether the "Selected Information" as defined in the Appendices of this Sustainability Report (hereinafter "the Report") has been prepared by Sasa Polyester for the year ended 31 December 2023, in all material respects, in accordance with the Global Reporting Initiative Standards ("GRI").

The scope of our assurance is limited to the Selected Information listed for Sasa Polyester below:

- Payments to the Government – income tax (TL) – GRI 201/1
- Other payments- Investments for society (TL)– GRI 201/1
- Financial supports from the Government – R&D Grants -Arge hibeleri (TL) – GRI 201/1
- Ratio of standard entry level wages to minimum wage (%) - GRI 202/1
- Employment rate of senior management from the local management (%)– GRI 202/2
- Recyclable raw material usage amounts (tonnes) – GRI 301/1
- Recycled raw material usage rate (tonnes)– GRI 301/2
- Amount of use of non-recyclable raw materials (tonnes) – GRI 301/1
- Energy consumption in non- renewable resources (GJ) – GRI 302/1
- Energy density (GJ/tonnes) – GRI 302/3
- Reduction in energy consumption (GJ) – GRI 302/4
- Energy consumption in renewable resources (GJ)– GRI 302/1
- Water withdrawal by type of source (m3)– GRI 303/3
- The amount of water discharge according to the discharge points (m3)– GRI 303/4
- Water consumption (m3)– GRI 303/3



- GHG emissions reduction - offset projects (tCO2e)– GRI 305/5
- Total GHG concentrations (Tco2e/tonnes) - GRI 305/4
- The amount of recycled hazardous waste recycled (tonnes) – GRI 306/4
- The amount of non- hazardous waste recycled (tonnes) – GRI 306/4
- The amount of waste produced (tonnes) – GRI 306/3
- The amount of hazardous waste disposed of (tonnes) – GRI 306/5
- The amount of non-hazardous waste disposed of (tonnes) – GRI 306/5
- The number and rate of newly hired personnel by age and gender (%) – GRI 405/1
- The number and rate of employees leaving work by age and gender (%) – GRI 405/1
- The total number of employees who return to work after maternity leave and still use maternity leave – GRI 403/1
- The percentage of board members and senior management by gender (%)– GRI 405/1
- The percentage of board members and senior management by age (%)– GRI 405/1
- The percentage of staff by gender (%)– GRI 405/1
- The percentage of staff by age (%) - GRI 405/1
- The rate of unionization among personnel (%)– GRI 407/1
- Operations subject to human rights reviews or impact assessments– GRI 412-1
- Significant investment agreements and contracts containing human rights clauses (units)– GRI 413/3
- Proportion of employees who are subject to regular performance evaluation (%) – GRI 404/3
- Total training hours (hours)– GRI 404/1
- The hours of education given by gender (hours) – GRI 412/2
- The training hours by work categories (hours) – GRI 403/8
- The training hours devoted to employee working on human rights policies – GRI 404/3
- The percentage of security personnel trained in human rights policies (%) – GRI 404/3
- Number of personnel and subcontractors within the scope of occupational health and safety – GRI 403/8
- Annual working time of the personnel (hours) – GRI 403/9
- Number and rate of serious work-related injuries (%) - GRI 403/9
- Total number and proportion of work-related recordable cases (%) - GRI 403/9
- Number and proportion of deaths as a result of work-related injuries (%) - GRI 403/9
- Ratio of women's basic salaries and wages to men's salaries (%) - GRI 403/9
- Minimum notice period (weeks) regarding operational changes – GRI 402/1

Management's responsibilities

Management's responsibilities Management is responsible for the preparation and presentation of the Report for the Selected Information in accordance with the definition of GRI, and the information and assertions contained within it; for determining Sasa Polyester objectives in respect of sustainable development performance and reporting, including the



identification of stakeholders and material issues; and for establishing and maintaining appropriate performance management and internal control systems from which the reported performance information is derived.

Management is responsible for preventing and detecting fraud and for identifying and ensuring that Sasa Polyester complies with laws and regulations applicable to its activities.

Management is also responsible for ensuring that staff involved with the preparation and presentation of the description and the Selected Information are properly trained, information systems are properly updated and that any changes in reporting encompass all significant business units.

Our responsibilities

Our responsibility is to carry out a limited assurance engagement and to express a conclusion based on the work performed. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board. That Standard requires that we plan and perform the engagement to obtain limited assurance about whether the Selected Information is free from material misstatement.

The firm International Standard on Quality Control 1 and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

Procedures performed

A limited assurance engagement on a Selected Information consists of making inquiries, primarily of persons responsible for the preparation of information presented in the Selected Information, and applying analytical and other evidence gathering procedures, as appropriate. These procedures included:

- Interviews with relevant staff at the corporate and business unit level responsible for providing the information in the Selected Information.
- Comparing the information presented in the Selected Information to corresponding information in the relevant underlying sources to determine whether all the relevant information contained in such underlying sources has been included in the Selected Information.
- Reading the information presented in the Selected Information to determine whether it is in line with our overall knowledge of, and experience with, the sustainability performance of Sasa Polyester.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement, and consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the

assurance that would have been obtained has a reasonable assurance engagement been performed.

Inherent limitations

Due to the inherent limitations of any internal control structure it is possible that errors or irregularities in the information presented in the Selected Information may occur and not be detected. Our engagement is not designed to detect all weaknesses in the internal controls over the preparation and presentation of the Selected Information, as the engagement has not been performed continuously throughout the period and the procedures performed were undertaken on a test basis.

Conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusions.

Based on the procedures performed and the evidence obtained, as described above, nothing has come to our attention that causes us to believe that the Selected Information as defined in the Appendices of the Report of Sasa Polyester for the year ended 31 December 2023 is not presented, in all material respects, in accordance with the GRI Sustainability Reporting Standards.

In accordance with the terms of our engagement, this independent limited assurance report on the Selected Information has been prepared for Sasa Polyester in connect with reporting to Sasa Polyester and for no other purpose or in any other context.

Restriction of use of our report

Our report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than Sasa Polyester, for any purpose or in any other context. Any party other than Sasa Polyester who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than Sasa Polyester for our work, for this independent limited assurance report, or for the conclusions we have reached.

KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi



Şirin Soysal

Partner

İstanbul, 10 July 2024



SASA

■ 2023

For Information, Requests, Comments and Suggestions:
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TSKB Sürdürülebilirlik Danışmanlığı