Setas
COLORCENTER

2020
Sustainability Report

Content

About the Report

The 2020 Sustainability Report assesses Setaş's performance in the economic, social and environmental fields in terms of sustainability during the period from 01.01.2020 to 31.12.2020.It is also the fifth progress statement that Setaş has submitted since 06.09.2016, when it became a party to the United Nations Global Compact. The report explains Setaş's approach to global principles as well as its activities within this framework.

The report covers the activities taking place at Setaş's production facilities in Çerkezköy and its head office in Istanbul. All production areas and head office are located in the report. Subcontracting companies that provide logistics for distribution of manufactured products and subcontracting companies that provide support services at production sites are not included in the scope of the report.

The report was prepared in accordance with the GRI Standards Core option. This compliance is described in detail in the GRI Standards content index in the final section of the report. Report is prepared in two languages in Turkish and English.

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Message from the Chairman of the Board

Dear Stakeholders,

As Setaş, we are happy to share with you our achievements and the efforts we have made towards the economic, environmental and social development of our world and our country with this fifth Sustainability Report. 2020 remained in our memories with full of uncertainty, as a different year in which unprecedented situations arose. As Setaş, we have made changes to our business models in order to keep our employees healthy and safe while trying to provide uninterrupted service to our customers. With Covid-19, the need arose to transition from global supply chain, high stock and price-oriented product supply to local supply chain, minimum stock and high quality product supply. In this process, Setaş, using the advantage of manufacturing in Turkey, provided its customers with minimum stock cost and fast supply opportunities in the country and in close geographical countries with its “lean supply system” applications.

Thanks to our strong financial structure and experienced employees, we have once again seen the importance of focusing on sustainable supply operations while overcoming the global supply chain break-up problem.

During pandemic, the development of remote working technologies and the digitalization of design process, color management and production approvals have become indispensable, especially in the textile sector that we serve. We believe that we will contribute to the digital transformation journey of our stakeholders with our digital color and Data Management System e-ColorMaster, which we have laid the foundations of in recent years and continue to work on infrastructure.

In 2020, we are proud to announce that we are a member of the ZDHC program, which directs towards use of safer chemicals to make our products sustainable in terms of impact on environment and human health and to continue to support the sustainability of the sector with our stakeholders globally with zero discharge of hazardous chemicals.

In addition, within the framework of our commitment to ensure full compliance with national legislation, we have registered articles in accordance with the European REACH regulation and the Turkish KKDIK, we have completed pre-registration of articles in accordance with the Eurasia-REACH regulation.

In our 2020 report, we are happy to share with you the sustainable supply chain, energy and water resource efficiency, sustainable products and digital transformation efforts under the heading of Sustainability, Technology and Synergy, which are our 3 main themes focused on sustainability approach, as well as our investment in our human approach and our goals for a better future. We have also aligned these goals with the United Nations 2030 Sustainable Development Goals. By conducting surveys with our stakeholders and employees, we have identified our sustainability priorities and created our action plans to implement in every process of the value chain.

Setaş, with its 55 years of experience, will continue to work in the textile, paper, metal and plastic sectors to ensure a sustainable future for our country and the world, as well as sustainable economic success. We once again thank our valued employees, customers, business partners, local people and all other stakeholders who were with us in this process.

MEHMET EMRE ŞENER

Chairman of the Board of Directors

GRI 102-14

Message from General Manager

Dear Stakeholders,

Colorful snails* are a sample of perfect colors of nature and we can see this colorfulness in every life form around us. Setaş, the meeting point of coloration technologies, continues to preserve nature's colors with sustainable chemistry.

We define our sustainability goals in 3 main themes: Sustainability, Technology and Synergy to cover environmental policies, value given to employees and stakeholders and financial position, which are the main evaluation criteria of companies and we continue our work in this direction.

Man is the only creature that has a negative impact on nature. In order to reduce this effect on behalf of our company, we plan to implement our 2BLUE Project (Blue World, Blue Dye) in our unused factory land in Çatalca and thus create workshops to bring nature awareness to our employees.

In order to minimize the use of water and energy in our environmental policy, we aim to make process analysis by evaluating the data we collect in terminals after the transition to cloud-based ERP system and to continuously improve with technology and process investment.

While we contribute to the expansion of water-free production in our sector with digital dyes and functional masterbatches, we intend to further this contribution with the production of pigment digital printing dyes, which are among our projects.

In addition to technological, occupational health and safety trainings in our digital training platform, we will offer trainings to our employees that will increase planning and management competence from a future perspective in our world where the unknown is growing.

We would like to thank all our employees, customers and stakeholders for appreciating us and being with us in our development. We call 2020 a year of transformation instead of remembering it as a negative year, which made us realize that efficient working and planning is a must.

FATMA ŞENER
General Manager

I would like to thank all our employees, customers and stakeholders for appreciating us and being with us in our development.

* Polymita Picta

GRI 102-14

Management Philosophy

Who We Are?

We are a CHEMICAL company that works for a sustainable future and increases the competitiveness of our brand and business partners by strengthening our customer oriented principle with knowledge and innovation

Our Future Goals

Creating HIGH CHEMISTRY in accordance with the 4th INDUSTRIAL REVOLUTION by combining our know-how of coloration with the advanced machinery technologies in the POLYMER, COATING, TEXTILE and PAPER industries

Our Core Values

Compliance with ethical values
Customer focus
Openness to innovation and change
Collaborated wisdom and information sharing
Accurate planning, accurate analysis

Key Features

Working energy
Knowledge and experience
Team work
A will for continous learning
Humble approach

Setaş 2020 at a Glance

Setaş has been working to improve the future of our country for 55 years and continues its responsible work towards the social, economic and environmental development of our world and our country by positioning sustainability on the main axis of its activities. Setaş, continuing to grow steadily with the motivation of producing sustainable value, contributes to social development in the areas in which it operates.

184
Million $ Turnover

Energy Saving
1,393 GJ

7%
Water saving per 1 ton product

Total waste recycling rate
63%

90%
Employee Satisfaction

Employees
357

18%
Female employees

26%
Managerial and above level female employees

GRI 102-7

About Setaş

Setaş is a chemical company founded in 1966 and established its life on color. Setaş, which set out to supply products to the textile industry, has developed its product range by producing dyestuffs, chemicals and special effects for the paper, plastic and metal industries. A strategic management approach is used for future planning and healthy functioning of the organization along with creative and dynamic work approach that ensures the existance of the company with right financial management, skilled human resources and strong technical infrastructure.

Setaş 1: Production is carried out in 3 main sections: reaction, dispersion and chemical. Liquid reactive, liquid basic, liquid sulfur and disperse dyes are produced in the reaction department with an annual production capacity of 6,000 tons. The dispersion department has an annual production capacity of 10,000 tons and produces vat dye and liquid pigment and liquid disperse dyes. In the chemical department, the production of optical brightening agents and auxiliary chemicals for the textile and paper sectors is carried out with an annual capacity of 25,000 tons.

Setaş 2: In Setacoat factory, which has an annual production capacity of 6,000 tons, Setaş produces electrostatic powder coatings in epoxy, polyester and hybrid structure.

Setaş 3: Masterbatch factory with annual production capacity of 10,000 tons produces PET, PE, PP, and PA based color, black and functional masterbatch for fiber, packaging and cable sectors.

In Setaş during the reporting period:

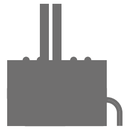
- Setaş 1 has completed the construction of a new administrative building designed to maximize use of daylight in the facility and has an energetic and spacious working environment with the relocation of the relevant departments to new offices. With the opening of the administrative building, the new dining hall to serve the entire factory has been put into service
- The social area, whose primary purpose is to develop employee satisfaction and inter-departmental relations, has been opened
- A warehouse facility with a storage capacity of 2,000 pallets of raw materials and finished products has been established at Setaş 2
- In order to minimize water consumption at Setaş 3, work has been completed to switch all production machines to a closed-loop system
- Feasibility studies continue for Setaş 4 in Çerkezköy Industrial Zone for new plan investment
- In 2020, Setas implemented cloud-based enterprise resource planning system and built a digital business model in which manual activities are minimized by moving all its processes to digital enviroment
- Infrastructure and software investments have been made to improve cyber security and information security
- Technical training modules for the e-training system, which can be accessed online from all over the world, have continued
- SCADA, the central audit and control system, continued to expand within the company

3
Factories

4
Different Sectors

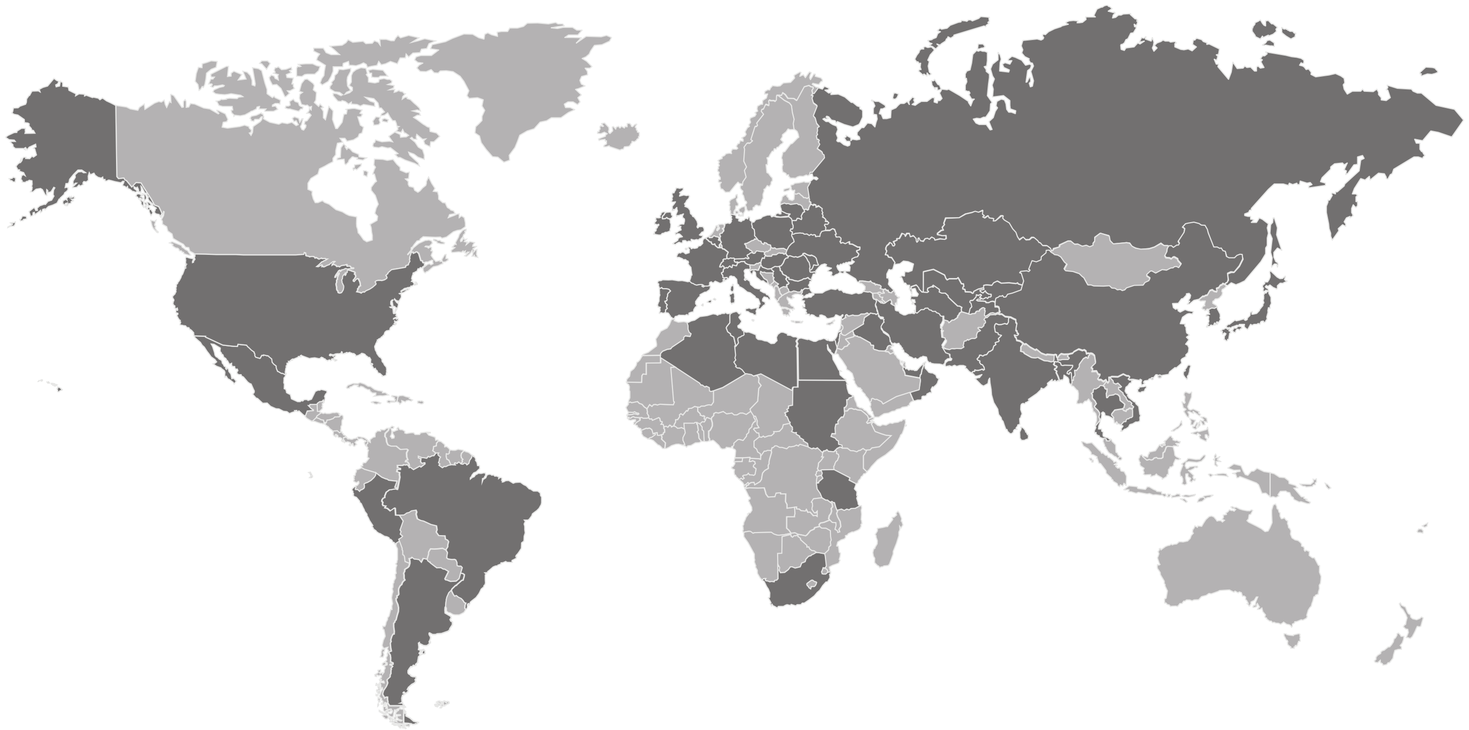
In 5 Continents
Export to 50 countries

57 Thousand Ton
Production capacity



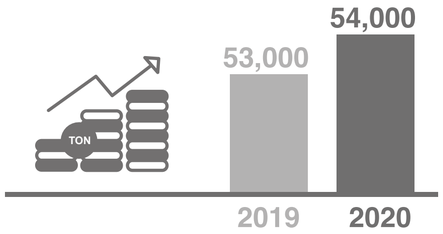
GRI 102-3

Global Presence

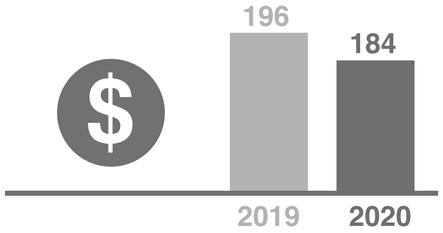


Despite the supply chain disruptions during the Covid-19 pandemic, which turned into a global crisis, Setaş reached its target of 25% export share in total sales by reaching $ 184 million in sales revenue thanks to its success in sustainable supply operations.

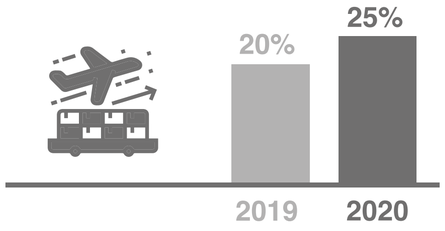
Total Sales (ton)



Total Turnover (million $)



Share of Exports in Total Sales



GRI 102-4, 102-6, 102-7

History

1966
Foundation

1987
Dispers dye production started

1997
Setactive®
Production of reactive printing dyes and sale of Nyloset® acid and metal complex dyes

2003
Pigment and liquid dye production started for textile and paper industry

2004
Masterbatch Business Unit established for plastics and synthetic fiber industries

2007
Production of electrostatic powder coatings for metal industry started with Setacoat®

2010
Debuted in the denim industry with Denimse®

2012
Setas Technology Center was established and received the R&D Center certicate

2014
Setaş 2 Setacoat® factory established

2015
Production of Setapers® Inks for digital printing industry begins

2017
Accepted to Turquality, a brand support program

Setaş 3 masterbatch factory established

2019
Production of Setactive® Inks for digital printing industry begins

GRI 102-2

Products

Textile Dye

Textile Dye

- Nyloset®
- Pigmaset®
- Setacryl®
- Setactive®
- Setanthren®
- Setapers®
- Setazol®
- Sulfoset

Textile Auxilliaries

Dyeing and Printing Auxiliaries and Optical Brighteners

- Setabicol®
- Setabinder®
- Setacarrier®
- Setacid®
- Setaclean®
- Setacrystal®
- Setacross®
- Setafen®
- Setafix®
- Setaflam®
- Setaflex®
- Setafor®
- Setagum®
- Setalan®
- Setalase®
- Setalgine®
- Setalub®
- Setapolymer®
- Setapret®
- Setaprint®
- Setasil®
- Setastat
- Setawash®
- Setawet®
- Setawhite®

Denim

Denim Dyes and Chemicals

- Dyeage®
- Dyeneon®
- Dyewash®
- Dyefast®

Digital Printing

Digital Printing Inks and Auxilliaries

- Nyloset®
- Setapers®
- Setactive®
- Setajet®
- Pigmaset®

Paper

Dye and Optical Brightening Agents
Performance Chemicals

- Setacryl®
- Setadirect®
- Setafor®
- Setapolymer®

Masterbatch

Fiber MB
Functional MB
Packaging Materials

- Masterset®

Setacoat

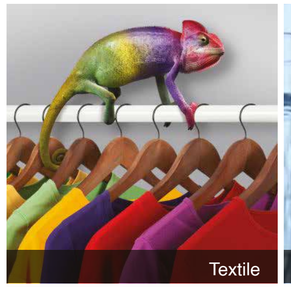
Electrostatic Powder Coatings for Interior and Exterior

- Setacoat®

Setchem

Fiber Lubrication

- Setoil®


Textile

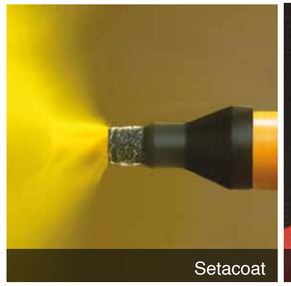

Textile Auxiliary

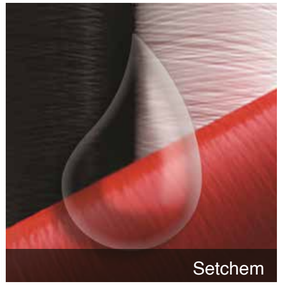

Denim


Digital Print


Paper


Masterbatch


Setacoat


Setchem

Meeting point of coloration technologies

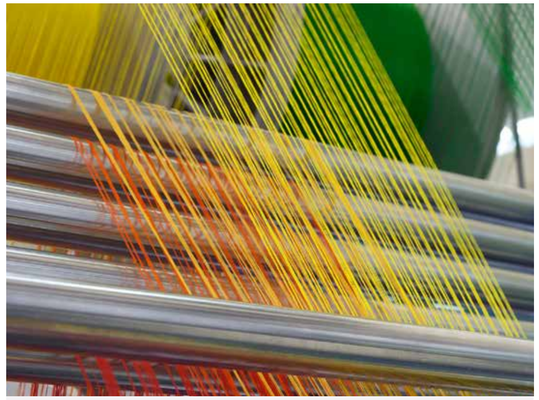
Industries

Textile

Setaş is a leading company in its industry by developing multi-functional products with a great variety of production processes through the synergy created by the Technology Center founded for gathering distinct R&D disciplines together.

Paper

Setaş, which has started to produce dyes, optical brightening agents and performance chemicals for packaging paper, writing paper and cleaning paper industries since 2003, continues its leadership in Turkey especially in optical brightening agent and brown dye continues to grow with the new product line at home and abroad.



Masterbatch

Setaş Masterbatch was established in 2004 in order to meet the production needs of masterbatch for polyester fiber in the Turkish market where fiber and plastic industry is intensive.

Metal

Setacoat®, which was established in 2007 to serve the metal industry, offers a wide range of color, surface and special effects solutions in various features for interior and exterior in industrial and architectural areas.

Corporate Management System

Executive Board

The executive board consists of the most senior managers representing all the functions in the executive level at Setaş. The General Manager chairs the Executive Board. Executive board; implementing the decisions of the board of directors and discuss strategies for implementation of the company's activity in the areas to present for approval to the board of directors of the company effective execution of activities and projected goals to determine the most appropriate organizational structure that will enable the realization of the targets and policies created by board of directors in line with new products, services and markets to identify activities quality, evaluated in terms of efficiency and performance, ensuring compliance with policies and defined objectives, ensuring that activities are carried out effectively by personnel who have sufficient qualifications of employees and to encourage them to care about their own career development, using all of the resources for the continuation of the company's activities in an efficient, effective and adequate way for the purpose of the company and responsible for ensuring that the whole organization works in direction of company targets.

Disciplinary Board

In order to ensure business discipline and a reliable working environment, the Setaş disciplinary procedure, regulated in accordance with the provisions of the labor code, is applied equally to all its employees in accordance with the principle of equal operation regulated in Article 5 of the labor code. The Disciplinary Board, which is responsible for making and implementing disciplinary decisions, also ensures the confidentiality of files. The disciplinary committee, consisting of the employer's representative, 2 members appointed by the employer and representatives of employees, receives support from legal advisors.

Occupational Health and Safety Board

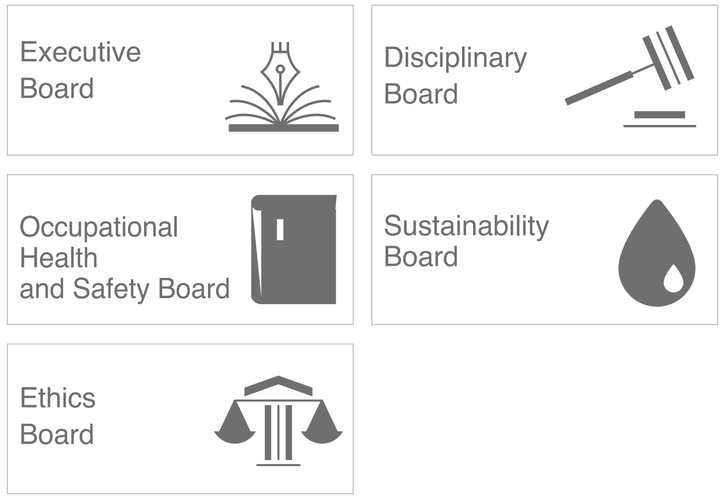
In accordance with the regulation on occupational health and Safety Boards of the Ministry of Family, Labor and Social Services, the Occupational Health and Safety Board consists of the employer or employer representative, OHS manager, occupational safety specialist, workplace physician, chief employee representative, foremen, human resources manager and support staff. The activities of the Occupational Health and Safety Board include risk assessment, elimination or minimization of risks at their source, implementation of corrective preventive actions, and evaluation and implementation of new practices. The board meets once a month, and the employer or the employer's deputy chairs the Occupational Health and Safety Board; decisions taken in the board are signed by creating a record and reported by the occupational safety expert who is the secretariat of the board.

Ethics Board

The Setaş Ethics Board was established to investigate and resolve complaints and notifications of violations of the ethical rules and related policies within the scope of the Setaş business ethics rules and to prevent discrimination. Although the working principles of the Ethics Board are defined in writing, the members of the board are elected by the Setaş Board of directors. The Ethics Board evaluates complaints in the work life of the employees that they encounter in all sorts of issues with all relevant stakeholders and prepares reports made in accordance with the ethical rules to guarantee the confidentiality and to protect individuals after the announcement of the notification, ensuring job security to employees, solving complaints and notifications in a timely, fair, consistent and sensitive manner taking necessary actions and is responsible for investigation of violations.

Sustainability Board

Setaş has adopted a multifaceted communication while acting with the awareness of its social, economic and environmental responsibilities. Setaş, which uses multiple instruments to spread its sustainability approach to the value chain, adopts international standard certificates such as ISO 45001 and SA 8000 to manage its social impacts for stakeholders and employees and builds its economic growth in line with the awareness of economic responsibility is managed by a senior management team under the leadership of the general manager appointed by the Board of Directors and the goals are adopted by all employees and implemented by working in line with a common goal. In order to contribute to the determination of Environmental Strategies and to monitor environmental performance in a systematic way, the sustainability board was established with the participation of the environment, OHS, R&D, machinery and energy, production, human resources and marketing units. If deemed necessary, participants consisting of different units are invited to the board and contribute to the understanding of sustainability. The board informs the board of directors about preventive and remedial measures to ensure the implementation of sustainability principles, areas that may create opportunities and results of activities.

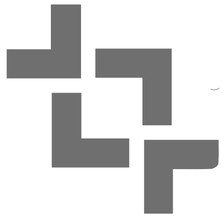


GRI 102-11, 102-16, 102-18, 103-1, 103-2, 103-3

Ethical Values

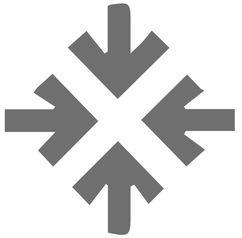
Setaş, which manages its business model with ethical values in accordance with universal values, encourages and supports its employees and stakeholders to adhere to and act in accordance with ethical values. In Setaş, a booklet of ethical values is published on the intranet portal, which employees can reach at any time. Setaş ethical values booklet is presented as a guide in written and oral communication that will be established between employees as well as with non-company stakeholders and solution partnerships. Setaş receives a commitment for implementation from new employees by communicating ethical values in job entry training. Behavior or situations that are considered inappropriate for ethical values can be transmitted via an e-mail address specific to ethical values. Notifications can be done also by phone or mail. The information received at the ethics address is recorded by a team of experts and the notifications made are regularly reported to the persons appointed at the Ethics Board and these reports are evaluated by the relevant officials. If the Ethics Committee deems it necessary, it resorts to expert opinion and benefits from experts by taking measures that do not violate privacy principles during the investigation.

Accuracy
Reliability

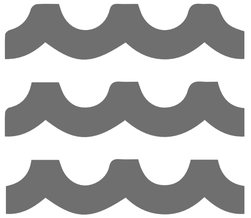


Equality

Compliance with laws and regulations



Environmental Responsibility



GRI 102-16, 103-1, 103-2, 103-3

Stakeholders

		Communication Channels	Frequency
Customers 	Setaş defines itself as a chemical company that supports its customer-oriented principle with knowledge and innovation, increases the competitiveness of its brand and business partners and works for a sustainable future.	▶ Factory Visits ▶ Customer Visits ▶ Customer Satisfaction Survey ▶ Institution-Brand Perception Survey ▶ Digital Communication Channels ▶ Exhibitions	▶ Continuously ▶ Continuously ▶ Once in a Year ▶ Once in Two Years ▶ Continuously ▶ Continuously
Suppliers and Subcontractors	Setaş supports cooperation with its suppliers on environmental, economic and social issues to create a value chain based on common goals and for Sustainable Development.	▶ Supplier Visits ▶ Supplier Satisfaction Survey ▶ Supplier Evaluation Survey ▶ Supplier Audits ▶ Digital Communication Channels ▶ Exhibitions	▶ Continuously ▶ Once in a Year ▶ When Necessary ▶ Continuously ▶ Continuously ▶ Continuously
Employees 	Setaş accepts its employees as the cornerstone of sustainable development and believes that corporate growth and innovation will only be realized by contributing to the employee.	▶ Orientation Program ▶ Portals - Setaş Academy ▶ Electronic Communication ▶ Meetings and Interviews ▶ Surveys ▶ Corporate Management Rules ▶ Events	▶ When Necessary ▶ Continuously ▶ Continuously ▶ When Necessary ▶ When Necessary ▶ When Necessary ▶ When Necessary
Media	Setaş communicates with its stakeholders using media and digital channels in order to share current information and developments.	▶ Press Releases ▶ Social Media ▶ Web Site ▶ Social Responsibility Projects	▶ When Necessary ▶ When Necessary ▶ When Necessary ▶ When Necessary
NGOs 	It is indispensable for Setaş to communicate with non-governmental organizations for the social, economic and environmental development of our world and our country.	▶ Project Partners ▶ Corporate Memberships ▶ Representation	▶ When Necessary ▶ When Necessary ▶ When Necessary

GRI 102-40,102-42,102-43

Stakeholders

		Communication Channels	Frequency
Consultants	Setaş, continuously implements projects with competent consultants in its field by acting with its development policy.	▶ Senior Management Meetings ▶ Meetings with Process Managers ▶ Joint Projects	▶ When Necessary ▶ When Necessary ▶ When Necessary
Society	Aware of the importance of evaluating sustainability not only from an economic and environmental point of view, Setaş aims to focus on the development of communities in the regions where it operates and increase its contribution to the local economy.	▶ Awareness Raising Works ▶ Social Responsibility Projects ▶ Factory Trips (According to Student Demands)	▶ Continuously ▶ Continuously ▶ When Necessary
Measurement Companies	Setaş, receives support from independent authorized measurement companies in order to ensure standardization of processes.	▶ Senior Management Meetings ▶ Meetings with Process Managers	▶ When Necessary ▶ When Necessary
Universities	Setaş, develops joint projects thanks to the cooperation of the University and industry in the synergy focus, which is one of the 3 issues it bases on in its value chain approach.	▶ Training Collaborations and Joint Projects ▶ Career Days ▶ Seminars and Meetings	▶ When Necessary ▶ When Necessary ▶ When Necessary
Shareholders	Transparency is one of Setaş's focal points in management and in this direction, shareholders are informed by periodic meetings and instant shares.	▶ Board Meetings ▶ Activity Reports ▶ Annual Budget Meetings ▶ Strategic Planning Meetings ▶ Management Review Meetings	▶ Monthly ▶ Once in a Year ▶ When Necessary ▶ Once in a Year ▶ Minimum Once in a Year
Public Institutions and Organizations	Setaş, communicates with public institutions and organizations not only with its responsibility in accordance with the law and legislation, but also with projects that will have a positive impact on society.	▶ Project Partners ▶ Audits ▶ Meetings	▶ Continuously ▶ Continuously ▶ Continuously

GRI 102-40,102-42,102-43

Sustainability Policy

Setaş, which supports its customer-oriented principle with knowledge and innovation and acts with the philosophy of being a chemical company that increases the competitiveness of its brand and business partners and works for a sustainable future, considers itself a part of the economy, society and environment;

- Setaş works to produce ecological and technological solutions for sustainable economy, sustainable environment and sustainable society
- Setaş evaluates the effects of its activities throughout the value chain in 3 categories based on Sustainability, Technology and Synergy approaches
- By signing the United Nations Global Compact in 2016, Setaş develops its sustainability priorities and objectives in line with the Sustainable Development Goals (SDGs) and implements them across the value chain
- Setaş sets its sustainability strategy and accordingly, its goals in cooperation and communication with all stakeholders, especially key stakeholders and also aims to create value for them
- Setaş designs its products and services in accordance with the ecological and performance criteria of textile manufacturers, brands, retailers and end users and in a way that meets local and international standards
- Setaş aims to minimize the effects of products on environment and human health by continuously developing chemical management systems

GRI 103-1, 103-2, 103-3

Value Chain Approach

Setaş evaluates the effects of its activities throughout the value chain in 3 categories based on Sustainability, Technology and Synergy approaches.

Sustainability

Setaş creates ecological and technological solutions for sustainable economy, sustainable environment and sustainable society by knowing responsibilities for the economy, the society and the environment.

Technology

Setaş transforms 50-years of chemistry and color know-how into solutions by combining with technology, that create value for customers.

Synergy

Setaş establishes open, honest and solution-oriented communication with its customers and business partners by acknowledging that the secret of the success belongs to their accomplishment and success.

GRI 103-1, 103-2, 103-3

Sustainability Priorities in The Value Chain

Value Chain Approach	Sustainability Priorities	Level
sustainability	Economic Performance	High
	Customer Satisfaction	High
	Sustainable Supply Chain	Very High
	Energy Efficiency	Very High
	Emissions	High
	Water Usage	Very High
	Waste Management	High
	Climate Change Adaptation Studies	High
	Renewable Raw Material Use	Medium
	Biodiversity	Medium

Value Chain Approach	Sustainability Priorities	Level
technology	Innovation - R&D	Very High
	Revenue from New Products	High
	Corporate Management	High
	Anti-Corruption	High
	Business Ethics	High
synergy	Social Investments	Medium
	Diversity and Equal Opportunity	High
	Performance Management, Training and Development Planning	High
	Human Rights	High
	Occupational Health and Safety	Very High
	Employee Engagement	High

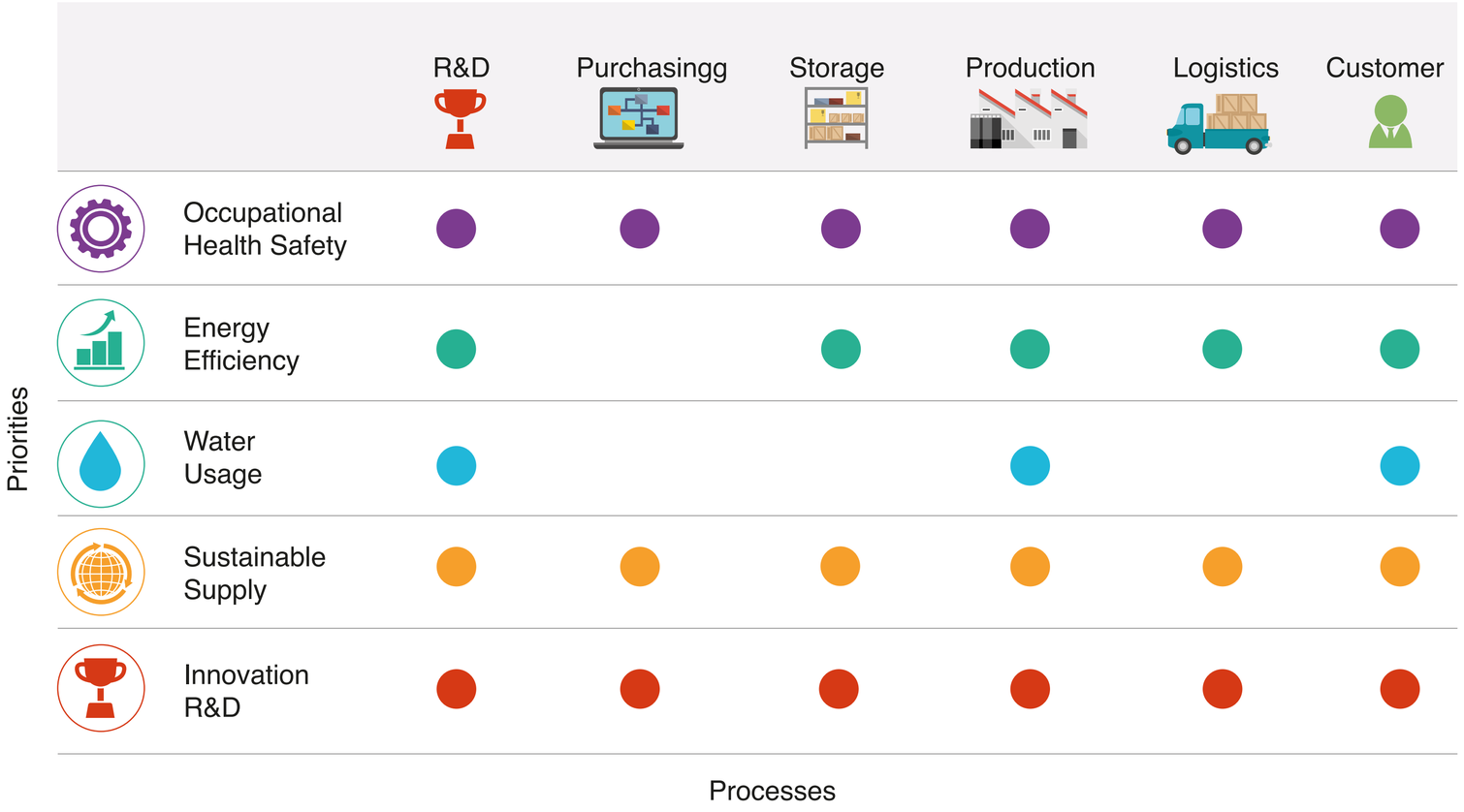
GRI 102-44, 102-46, 102-47, 102-48, 102-49, 103-1, 103-2, 103-3

Sustainability Priorities In the Value Chain

Sustainable Development Goals (SDGs) create a road map to be completed by 2030 to eradicate poverty, protect our planet and ensure that all people live in peace and prosperity, and a framework for implementation global and local sustainable development. Although SDGs are created for countries with different levels of development they are set up as viable targets for governments and responsible business practices, new ways of doing business, investment, innovation, technology and collaboration plays a key role in achieving each of these goals, Setaş is also aware that although the scale and scope of SDGs is very wide, there are areas where the business world can support the realization of goals and focuses on creating opportunities to find solutions to social problems by adhering to responsible business practices and continuing the spirit of innovation and cooperation.

Setaş's sustainability approach covers its work to achieve all Sustainable Development Goals and its commitment to support as opportunities arise. While Setaş supports all SDGs, especially determined 10 SDGs that can make an important contribution at the same time, it has identified 5 sustainability priorities that affect its activities positively or negatively in front of internal and external stakeholders and develops business models to implement its priorities at all levels of the value.

Value Chain



GRI 102-44, 102-46, 102-47, 102-48, 102-49, 103-1, 103-2, 103-3

Targets

Target Category	Sustainability Priorities	2020 Targets	2020 Target Realization Status	2021 Targets
sustainability	Water Usage	5% reduction of the amount of water used per ton in production	7% water saving was realized with 5.28 m^3/ton water usage in production	5% reduction of the amount of water used per ton in production
	Energy Efficiency	5% reduction of the amount of energy used per ton in production	4% savings in production with 2.19 GJ/ton specific energy usage	5% reduction of the amount of energy used per ton in production
	Supply Chain	Completion of infrastructure works for material resource planning (MRP) system	Infrastructure works for MRP work completed	Creating a scheduling screen for production planning
technology	Innovation R&D	Compliance with the KKDIK regulation - completion of pre-registration	For more than 700 substances, pre-MBDF notification was made within the scope of the KKDIK and notifications of all substances were completed	Preparation of the registration file for the 3 substances and submission to the ministry
		Accreditation for the detection of chemicals within the scope of ZDHC through waste water - conducting method validation studies for Priority 4 parameters	Method validation studies are continuing for Priority 4 parameters	Completing method validation studies for Priority 4 parameters and applying for accreditation
		Increasing the number of products at Level 3 in ZDHC Gateway	Listing of textile auxiliary chemicals through bluesign® and The List by Inditex	
		Making toxicological calculations based on product by QSAR method within the scope of KKDIK	Toxicological and ecotoxicological data required for the registration file of 8 substances were obtained by QSAR method	Conducting work on preparing a registration file using the Qsar method within the scope of the KKDIK
		Completion of technical training content	Digitization of targeted technical training content has been completed	Enrichment of technical training content
		Making the e-ColorMaster color management system available to customers	İnfrastructure of the e-ColorMaster color management system continues	Completion of e-ColorMaster color management system's infrastructure

GRI 103-2, 103-3

Targets

Target Category	Sustainability Priorities	2020 Targets	2020 Target Realization Status	2021 Targets
synergy	Human Resources	Development of software infrastructure to be used in human resources processes	Transition to cloud-based ERP system has been completed in human resources personnel operations	
				Opening of distance training platform to working use with in-house trainings
	OHS	Dissemination of OHS leadership project started as a pilot in dye production facility and completion of transition to occupational health and safety software	Transition to occupational health and safety software has been achieved. Leadership practice in departments was implemented under the name of OHS coordinator	With Elmeri (marble) method, reducing the accident frequency ratio/accident weight ratio different by inspection of department managers to other departments and disclosing existing occupational safety standard and creating a safety index
				Increase the OHS training time per person to over 16 hours

GRI 103-2, 103-3

Sustainability

Sustainable Supply Chain

The Coronavirus pandemi has affected the lives of millions of people, while also disrupting international trade, trips, economy and consumer behavior. In order to continue to manage this situation of uncertainty, companies are trying to reorganize their operational processes to improve their flexibility and rapid decision-making capabilities.

In this process, Setaş tried to manage the supply chain by providing its customers with minimum stock cost and fast supply opportunity locally and near geography countries with its “lean supply system” applications using the advantage of manufacturing in Turkey. In order to minimize the disruptions in the supply chain under pandemic conditions, Setaş continues its work continuously to ensure a sustainable supply chain by engaging in long-term business partnerships with its suppliers.

Setaş, which evaluates sustainable supply chain practices in the fields of supplier selection, raw material use, logistics and customer satisfaction, aims contribution to social, economic and environmental sustainability by performing the input and output control at every stage.

Supplier selection, evaluation and management is carried out in terms of ISO 9001, ISO 14001, ISO 45001 certification standards and social criterias in purchasing processes. Suppliers that meet the specified requirements are included in the approved supplier list, evaluated periodically through the enterprise resource planning (ERP) system and appropriate actions are taken according to risk evaluations.

In 2020, 194 suppliers were evaluated and the results were shared transparently with suppliers, contributing to their development.

Setaş supplies raw materials based on product quality, ecological suitability and continuity criteria from the suppliers in the approved supplier list. Raw material selection; according to the defined quality and ecological parameters, is carried out with the approval of accredited testing laboratories and Quality Control Laboratories.

Through long-term agreements with customers, long-term contracts with suppliers are also made to minimize disruptions that may occur in the supply chain. In addition, activities such as optimization of stock and container planning, tanker and shipping system, preference for recyclable and reusable packaging contribute to reducing the carbon footprint.

Safety measures are kept at highest level during transportation of dyes and chemicals to avoid the negative effects of spills that may occur during shipment as a result of improper packing. No significant spills occurred during the reporting period.

Setaş aims to protect the sustainable supply chain by selecting qualified and experienced suppliers of raw materials and products in the logistics and hazardous materials and carrying out transportation in accordance with ADR Regulation which is The European Agreement concerning the International Carriage of Dangerous Goods by Road and with appropriate labeling of products according to Globally Harmonized Classification and Labeling of Chemicals System.

With its “lean supply system” applications, Setaş provides its customers with minimum stock costs and fast supply opportunities in the country and in nearby geographical countries.

GRI 102-9, 102-42, 103-1, 103-2, 103-3

Product Management

Setaş, a member of ETAD (the Ecological and toxicological Association of Dyes and Organic Pigments Manufacturers) since 2003, is committed to developing products that have minimal impact on humans and the environment and to comply with chemical regulations while providing services and products to its customers globally. Setaş closely monitors and fulfills the responsibilities for the product registration in the scope of the process parallel to EU reach regulation, in addition to Turkey KKDIK, Eurasia-REACH (Eurasian Economic Union (UEU) member countries - Armenia, Belarus, Kazakhstan, Kyrgyzstan and Russia) and REACH.

As of May 31, 2018, in accordance with the REACH regulation, the registration of substances exported to the EU in quantities of 1 ton or more per year has been completed, and also closely monitors its obligations on the notifications of substances it submits to the EU market according to ECHA's SVHC (high) list and restrictions on hazardous substances contained in 17th article and in parallel with REACH legislation under the Classification, Labeling and Packaging (CLP) legislation.

“Regulation on Registration, Evaluation, Authorization and Restriction of Chemicals (KKDIK)” numbered 30105 was published on 23.06.2017 and entered into force on 23 December 2017. Registration for manufactured and imported goods of 1 ton or more must be completed by December 31, 2023. Furthermore, the regulation on the classification, labelling and packaging of substances and mixtures (SEA regulation) is in force from 11 December 2013. Setaş has completed pre-MBDF and SEA notifications and continues its registration work in accordance with its calendar and has taken on the role of the leading registrar for a large number of articles within the scope of the KKDIK.

In production, Setaş has process controls ranging from raw material to final product in a safe way thanks to its accredited test laboratories, which supports the ecological suitability of dyestuffs and chemicals with bluesign®, ToxFMD® Program for Chemical Formulations or GOTS (Global Organic Textile Standard) certificates, helping brands and retailers achieve their goals.

Continuing its work with the principle of continuous improvement, Setaş participated in the ZDHC Roadmap to Zero (Zero discharge of hazardous chemicals - common roadmap) program as of July 2020 to continue support the sustainability of the sector with its stakeholders globally. Thus, the program is designed to drive industry-wide change in sustainable chemistry, promote innovation, broad application of industry best practices, and responsible chemical management, by joining over 30 leading brands working together; it is committed to supporting its vision of working in a transparent and active cooperation.

1226 Products — ZDHC Gateway™ Level3

265 Products — bluesign® SYSTEM PARTNER

14 Products — ToxFMD

217 Products — Global Organic Textile Standard GOTS

1172 Products — THE LIST by INDITEX

19 Products — EIM

GRI 102-12, 102-13,103-2, 103-3

Environmental Management System

Environmental sustainability refers to interacting responsibly with our planet to protect natural resources and avoid jeopardizing the needs of future generations.

Setaş has an environmental policy that puts sustainability in focus with awareness and responsibility to reduce the direct and indirect effects on the environment and human health arising from its activities. Setaş environmental responsibility, while fulfilling legal requirements, focuses on the efficient use of natural resources and energy to continually improve environmental performance, the reduction of emissions, effective management of waste, environmentally friendly products and technologically advanced R&D projects.

To ensure continuity and manage effectively the environmental impacts on all business processes, Setaş is certified for ISO 14001 Environmental Management System and ISO 45001 Occupational Health and Safety Management System which is integrated with ISO 9001 Quality Management System, including national and international product and management standards, legal regulations designed to be compatible with the chemical legislation. Setaş conducts R&D studies and project collaborations with universities, non-governmental organizations and other internal and external stakeholders in order to achieve high environmental performance.

Setaş has been taking an active role since 1993 and based its activities in the Responsible Care Program. Responsible Care is a commitment program implemented by chemical industry all over the world on Occupational Health and Safety, Environmental Protection and Technical Safety. This program, which aims to further improve the management of chemicals produced and used by the chemical industry, is carried out in our country under the Coordination of the Turkish Association of Chemical Industrialists.

As part of the orientation trainings organized by Setaş for new hired employees, comprehensive environmental trainings are included, as well as periodic environmental trainings, that are aimed at increasing the environmental awareness of employees and constant development.

ISO 9001

ISO 14001

ISO 45001

Responsible Care

GRI 102-12, 102-13, 103-1,103-2

Energy Efficiency

Being aware of the role of energy consumption in climate change, Setaş positions reducing energy consumption from its operations to protect natural resources and reduce its carbon footprint among its priority targets. Sustainable growth is aimed at reducing the impact on the environment and saving costs by increasing the energy efficiency of its operations.

Assessment of energy use in plants, including opportunities to improve the efficiency of natural gas and electricity consumption, heating requirements and production processes, is ongoing. Setaş, aims to increase the competence of accurate analysis and decisiveness on the path of sustainability by implementing energy monitoring system policies and replicating monitoring points for energy, natural gas and water consumption of all plants and machines through the central control and data collection system.

As a result of the improvement works carried out in 2020, 1,393 GJ energy efficiency is achieved.

Despite an increase of about 7% in total production, energy consumption per unit production decreased by 4% compared to the previous year with the projects are carried out in line with our goal of increasing energy efficiency in 2020.

Energy efficiency projects will be continued by improving the raw material preheating chamber, recovering the heat released from the chimneys of steam boilers and switching to using pumps that will provide energy saving and high efficiency instead of classic pumps used in the transfer of products and raw materials.

52,151 GJ
Total Electricity Consumption in 2020

52,531 GJ
Total Natural Gas Consumption in 2020

Energy Efficiency

	2019	2020
Electricity Consumption (GJ / Ton)	1.09	1.04
Natural Gas Consumption* (Sm^3/Ton)	37.83	35.19
Specific Energy Consumption (Gj / ton production)	2.28	2.19

* Natural gas data is given for the Setaş1 plant, where natural gas is used.

GRI 103-2, 103-3

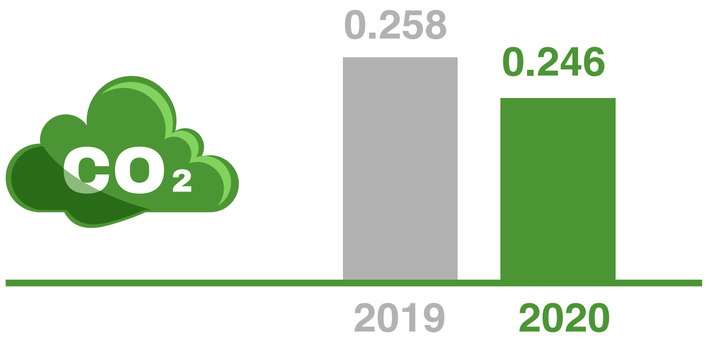
Climate Change - Carbon Footprint

Climate change is one of the biggest challenges facing our world. In addition, this problem threatens our world not only from an environmental point of view, but also from a social and economic point of view. The scientific report by the Intergovernmental Panel on Climate Change (IPCC), whose main agenda is only climate change, reveals the urgency of limiting global warming to 1.5 °C. The report, published with the approval of 195 countries, also highlights the small window of opportunity we face to get out of the dangerous path the world is taking. According to the report, increasing global temperatures by 2 °C compared to before the industrial period will not only result in the loss of natural habitats and species, but will also lead to devastating consequences that will directly affect human life, such as health, well-being, security and the economy as a result of sea level rise.

The current commitments under the Paris Agreement are not even enough to keep global warming at 2 °C, according to the report, which highlights the importance of taking immediate action. The more we delay the fight, the greater the effects of climate change will be; it will not be possible to return tomorrow, or it will require much more costly solutions in the future. In order to keep global warming within the desired limits, greenhouse gas emission values must be controlled.

Setaş is taking steps to accelerate the transition to a low carbon economy in the fight against climate change. Every level of the value chain is analyzed and all opportunities are evaluated and continue to work with a great desire to take action. In order to reduce carbon emissions, Setaş converts its impact on climate change from negative to positive with innovative solutions as well as converting its conventional products to sustainable products. It focuses on the use of recyclable materials at all stages of the supply chain and continues to improve processes in logistics operations.

Greenhouse Gas Density
(Total Emitted CO_2 / Total Production)



Total Greenhouse Gas Emissions (ton)

	2019	2020
	11,479	11,780

Greenhouse gas emissions due to Setaş's activities are calculated as 11,780 tons of CO_2 and 0.246 CO_2 emissions per 1 ton of production in 2020.

GRI 103-2, 103-3

Climate Change - Emissions

Climate change poses a threat of decelerating the balance between ecosystems and as temperatures rise, the threat to ecological systems also puts serious pressure on society and the economic system.

Setaş is aware that minimizing emission values in the fight against climate change can not be ignored and as part of air emissions management efforts it performs the measurement of important parameters such as combustion gases, dust, VOCs in accredited laboratories determined by the ministry every two years to reduce the environmental footprint by controlling emissions in this direction in accordance with the Industrial Air Pollution Control Regulation. Measurement reports are also shared with the Provincial Directorate of Environment, Urbanization and Climate Change.

Setaş manages efforts to reduce emissions from its operational activities against climate change as follows;

- Seasonal adjustment of burner settings to optimize natural gas consumption
- Use of dust collection and special filtration systems for emissions that will occur in production facilities
- Making the necessary improvements by making mass equivalence to control and reduce production-induced emissions
- Instructions for use and cleaning of equipment at the chimney outlet points, instructions for use of waste gas treatment systems and regular follow-up of periodic maintenance control procedures

Emission Measurement Results

	Industrial Air Pollution Control Regulation Limit Value Kg / Hour	2020 Emission Measurement Results
VOC	30	0.000
VOC Total Organic Carbon Type	10	0.135
SO_2	60	0.000
NO	20	0.977
NO_2	40	1.499
Toz	10	0.018
CO	500	0.400

GRI 103-2, 103-3

Waste Water Management

The amount of accessible fresh water on earth is even less than 1 percent of the world's total water reserves. However, the sustainability of water resources is at the heart of many areas such as food security, economic growth and the fight against climate change. But today, water scarcity comes to the fore as one of the biggest problems experienced by the whole world. Turkey, contrary to popular belief, is not a water-rich country, or even, on the contrary, a country that is “suffering from water shortages”. Setaş consumes water during production process and is also aware of the importance of water savings. Setaş complies with international, national and local regulations and focuses on reduction of water consumption in its process as well as stakeholders operations to achieve a sustainable future.

Setaş continues to carry out its projects within the scope of water management to reduce and recover water in its operations with the development of innovative products that reduce water requirements by taking into account the entire value chain in its water management strategy.

It is aimed to reduce the amount of waste water and increase the quality of the product by commissioning an electro deionization system (EDI) in pure water production.

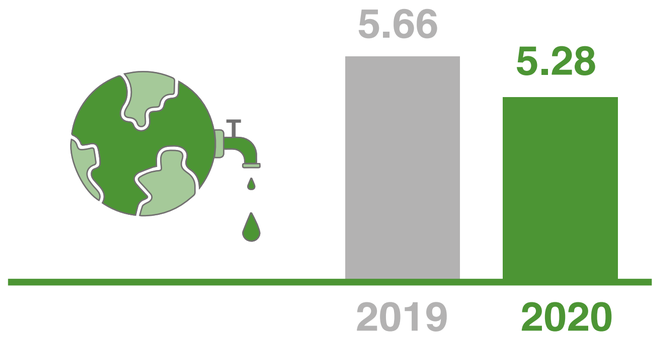
Water softening and reverse osmosis system waste recovery and efforts to reduce the water used in cleaning production equipment continue. The project of incorporating the data measurement system for water use into the SCADA system continues. In addition, periodic maintenance works are carried out to prevent leakage or leakage from waste water lines within the scope of waste water.

Water used in Setaş is supplied from the Çerkezköy Industrial Zone and most of the water is used in the process stage of dyestuff and chemical production. Machine cleaning, floor washing and domestic use are other areas of water consumption.

Setaş does not discharge waste water directly into the receiving environment. Waste water released to ÇOSB (Çerkezköy Industrial Zone) pipeline is pre-treated at physical and chemical waste water treatment plant, where compliance with ÇOSB standards is monitored daily.

In 2020, water consumption per unit of production was reduced by 7% compared to the previous year.

Water Consumption Intensity
(Amount of water used per 1 ton production m^3/ton)



Total Water Consumption m^3	2019	2020
	252,275	252,629

GRI 103-2, 103-3

Waste Management and Waste Recovery

Adopting the circular economy in every step of the value chain, Setaş works on responsible production and consumption models in all its processes. In line with the principles of sustainable development with effective management of raw materials and natural resources, Setaş aims to protect the environment and human health and all resources in waste management processes to reduce production waste at source and to ensure recovery of generated waste and operates an integrated waste management approach. At the same time, Setaş continues its work with full compliance with national and international legislation.

In waste management, the goal is to reduce the amount of waste at its source and increase the amount of recovery in the total amount of waste. The types of waste that occurs as a result of the activities of Setaş; qualified domestic waste, packaging waste (paper, cardboard, wood), metal waste, plastic masterbatch wastes, contaminated packaging, contaminated protective clothing, oakum, filter wastes and sawdust, mineral oil wastes, hazardous chemical wastes, fluorescent light bulb disposal, electronic wastes, accumulator and battery wastes.

During the reporting period, the hazardous waste recycling rate increased to 51% and the non-hazardous waste recycling rate increased to 100% as a result of the studies. The total recycling rate was 63%. 83% of the raw material packaging used is provided to licensed companies that make recycling, and 17% to licensed disposal companies.

Transport and disposal of hazardous waste is carried out with disposal and transport companies licensed by the Ministry of Environment, Urbanization and Climate Change. The Law on Environmental Law and Amendments to Some Laws, Which Includes Regulations for Environmental Protection and Prevention of Environmental Pollution, was published in the Official Gazette dated 10.12.2018 and numbered 30621 and entered into force. In accordance with the article “Recovery Participation Share” added to the Environmental Law, participation share is paid for waste management costs for product packaging released on the market. The application of “Recovery Participation Share” will contribute significantly to the dissemination and sustainability of the “Zero Waste” project launched for the purpose of protecting and developing the environment throughout the country.

Waste Type kg / 1 ton production

Waste Type	2019	2020
Hazardous waste recycled	19.80	18.63
Non-hazardous waste recycled	7.50	12.82
Hazardous waste disposed	24.60	18.13
Non-hazardous wastes disposed	1.30	0

Environmental gains created by recycling contribution share in 2020 (calculated with zero waste counter)

5,654
Trees saved

8,360,036 kWh
Energy saving

19,688
Barrel petroleum saving

3,714 m^3
Storage area saving

111,689 kg
Greenhouse gas emissions reduced

GRI 103-2, 103-3

Zero Waste Project

Zero Waste that covers the prevention of waste, more efficient use of resources, the prevention or minimization of waste formation by reviewing the causes of waste formation, and the separate collection and recovery of waste at the source in case of waste formation and waste management. In order to contribute to the adoption of the “Zero Waste” project launched in Turkey in 2018 with the understanding of sustainable environment and sustainable development, under the leadership of senior management in 2020 Setaş laid the foundations of the “Zero Waste” project. As a result of its activities with the “Zero Waste” project, it is envisaged to correctly distinguish paper, plastic, non-hazardous and hazardous wastes formed in the office, laboratory and dining hall and to increase the contribution to recovery.Setaş has defined the roadmap of the “Zero Waste” project as follows:

- Current due diligence
- Decision on the responsible persons of the “Zero Waste” project
- Determining the needs on the basis of the department and placing the waste boxes
- Preparation of information posters
- Providing training to all department employees
- Practice and reporting

The project aims to increase the correct waste sorting to 90% by ensuring that waste types are disposed in appropriate waste bins to contribute for the reduction of waste, which is a big problem in our country and world, and increase awareness among employees.

Technology

Digital Transformation Applications

Setaş started its digital transformation journey in 2018 and finished implementation of cloud-based enterprise resource planning system in 2020 reporting period and continues to create a digital business model in which manual activities are minimized by moving all its processes to digital environment.

Thanks to the new enterprise resource planning system, which was introduced in 2020, employees connect to the system regardless of location and experience the ease of transportation from their phones or tablets through mobile applications. Digitalization became clearer during the pandemic and Setaş managed to continuously ensure its business during the crisis thanks to these improvements made in digitalization process.

e-ColorMaster
E-ColorMaster color management system, which includes color formulations and product ecological adaptation criteria that will increase communication with customers on digital channels and allow them to access information faster, has been continued in 2020 and the project is aimed to be implemented in 2022.

e-Learning
In the Covid-19 pandemic, Setaş once again confirmed that it was a good decision to include online training in its goals and continued to create e-Learning in 2020.

Insurance Module
Damage cases stored in files prior to digital transformation were moved to digital platform using the insurance module and aimed at creating corporate memory regardless of the person. All kinds of damages to machines, products, shipments and damages caused by natural disasters are monitored digitally depending on inventory or product in enterprise resource planning.

Mobile Check Collection
In Setaş's mobile check collection system, employee errors were minimized, manual work was moved to digital platform, contributing to environmental sustainability as well as paper savings and economic sustainability in addition to integration between systems.

MT940 Integration of Bank Transactions
With the introduction of international electronic account statement format the MT940 system, the systematic flow of information in account transactions and the collective accounting of account transactions, margin of error were minimized. In addition to saving time in accounting for financial inflows and outflows, the financial situation has become real-time traceable.

e-Reconciliation
Time-consuming and requiring a filing burden, reconciliations made each month with customers and suppliers have been moved to digital platform and electronic reconciliation management has started within enterprise resource planning.

Maintenance Management
Online monitoring of maintenance management was carried out with the integration of handheld terminals and enterprise resource planning. Thanks to this integration, a great contribution has been made to the effectiveness of real time reporting and master planning in all maintenance processes.

e-Employee Leave Management
In 2020, with the leave management added to digital platform, effective follow-up competence and ease of reporting in the leave processes have been achieved, and the number of leave papers has been reduced and paper savings have been contributed.

SCADA System
In the central audit control and data collection (SCADA) system, which completed infrastructure works in 2019, natural gas consumption measurement was started within the scope of development works in 2020, thus increasing the competence to make the right decision with digitalization and accurate analysis in energy management.

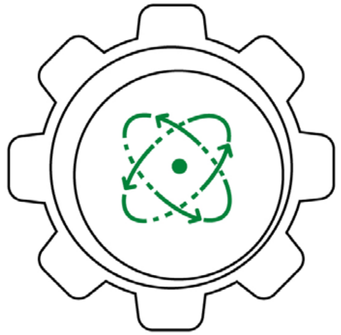
Information Security

Information is one of the most important values of an organization in ensuring its business continuity. In the case of loss of many assets while compensation is possible, there is no monetary equivalent of the information lost. For this reason, the importance of information and the need for protection are increasing in today's changing and developing conditions. With awareness of sustainable management of information technology systems for the security, reliability, capacity and also the need of special protection of the company's intellectual property and other sensitive business information of cyber security Setaş continues issues on the development of infrastructure and applications. Disaster scenarios have been created for critical information technology systems to survive the disaster as smoothly and with the least possible losses, as well as to continue business operations with minimum downtime.

From 2017 onwards Setaş fulfilled the requirements of ISO 27001 information security management systems, ensured information technology processes by independent organizations, policies, and performance evaluation and aimed continuous development. Setaş takes information security one step forward with the information security awareness training that applies to its employees every year.

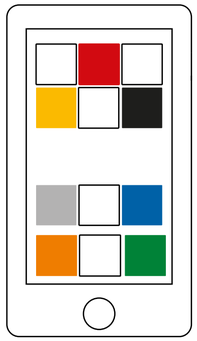
GRI 103-1

Services



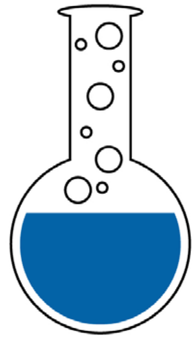
R&D Center

Setaş R&D Center, which started its operation in 2012 by targeting the benefit of sharing information and opportunities brought together all research and development activities under the same roof and provide cooperation and synergy between different disciplines.



Color Management

Color Center, which started its operations in 2014 within Setaş, works in cooperation with brands and offers fast and high quality color options and solutions.



Basic Research Testing Laboratory

In order to support the ecological product management process and to test and supply products according to international standards and conditions at every stage of production and sales, Setaş Basic Research Test Laboratory has been established in 2018.

R&D Center

Setaş aims to provide environmentally friendly, high-value-added sustainable products and services for its customers and stakeholders; it aims to ensure the highest level of resource efficiency in its projects for the textile, paper, plastic and metal industries.

Setaş develops joint projects for solution partners to take a step ahead of their competitors and completes these projects in the fastest way possible by collaborating with universities and R&D centers.

Setaş R&D center defines the project objectives and priorities determined by its strategy workshops as follows;

- Adapting to a rapidly digitizing world, adapting products and existing services to digital platforms
- Developing products and applications aimed at low energy consumption and effective use of water resources to combat climate change
- Development of domestic and national products for import substitution to minimize the sector's impact on the global economy and supply chain challenges due to pandemics and other global crises
- Development of inks and chemicals suitable for digital printing systems
- Development of dyestuffs and chemicals compatible with recycle technology
- Development of ecological chemicals necessary for the production of technical textiles
- Supply of products and services that are 100% compliant with the defined regulations in all sectors in sectors in which it operates, especially REACH and KKDIK

During the 2020 operating period, a total of 51 projects including priority themes were carried out in the R&D center and 15 projects were completed, 3 of which were Tübitak. Targeted innovative products and technologies have been obtained throughout the completed projects.

In the relevant period, Setaş continued its innovation activities with 58 R&D personnel, 40 of which had undergraduate and graduate degrees. Setaş, invests in human resources by believing that qualified products will be developed with trained qualified personnel, supports the participation of R&D personnel in master programs related to project activities. 2 staff have graduated from the PhD program and also included 5 new staff, 2 of which are PhD and 3 of which are master degree and increased the number of post-graduat staff to 9.

Setaş registers the innovative knowledge obtained in its projects in the form of patents, which are one of the most important indicators of its technological development. During the 2020 operating period, 1 new patent application has been filed and 3 ongoing applications have been registered and patented.

In the “R&D Centers Performance Index” evaluation created by the Ministry of Industry and Technology, Setaş was ranked 9th place in the chemical industry and 51st place among all R&D centers.

Color Management

Color Center, which started its operations in Setaş in 2014, provides effective communication throughout the entire supply chain and produces fast and flexible color options and solutions in accordance with brand expectations while working in cooperation with brands and retailers.

Setaş provides services to the entire textile sector from design to production in the process of technical and logistics cooperation with new generation color tool, Coloro®, and also creates approved prescriptions on different fibers suitable for Coloro® colors. In this context, Color Center has prepared its recipes to meet minimum color difference and brand expectations in terms of ecological and quality for all colors on polyester and cotton fiber and presented them to the users.

Color Center activities;

- Providing color options and solutions to retailers and apparel industry
- Creating formulations for color standards in accordance with high fastness and ecological criteria
- Preparing the season colors of brands in accordance with expectations
- Organize theoretical and practical training
- Provide technical service support
- To make joint projects with brands and dyehouses

Basic Research Testing Laboratory

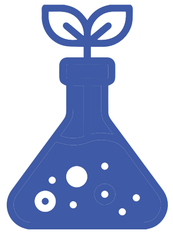
The Basic Research Testing Laboratory operates according to TS EN ISO/IEC 17025 General Requirements for the Competence of Test and Calibration Laboratories and was accredited as a Conformity Assessment Institution by the Accreditation Authority of Turkey (TURKAK) in 2018.

The Basic Research and Testing Laboratory within Setaş operates in order to determine the environmental and human health risks of existing and developed products and services and to evaluate their ecological suitability in accordance with sectoral and global legislation.

Within the scope of Basic Research Test Laboratory in 2020 operating period;

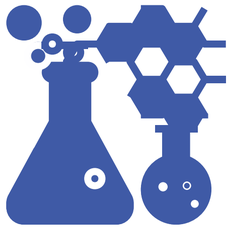
- All correlation tests have successfully been completed with external laboratories for the tests covered by accreditation
- New parameters were added to the polychlorinated phenol and chlorinated organic carriers test methods and validation studies were completed
- Within the scope of ZDHC, method validation studies for ecological tests in textile waste water is ongoing
- Continued development of carcinogenic-allergen colorants according to DIN 54231 method

Ecological Tests



Analytical Tests

Chemical Tests



Water and Wastewater Tests

Sustainable Products

With Covid-19, previously inexperienced difficulties have shown the need for change. Companies focused on managing economic stress and changes in the way they work in the short term. In the long run, the consumer needs to feel safe with further increasing trends such as environmental sensitivity which led to the need to accelerate and increase durable long-lasting product and sustainable product work.

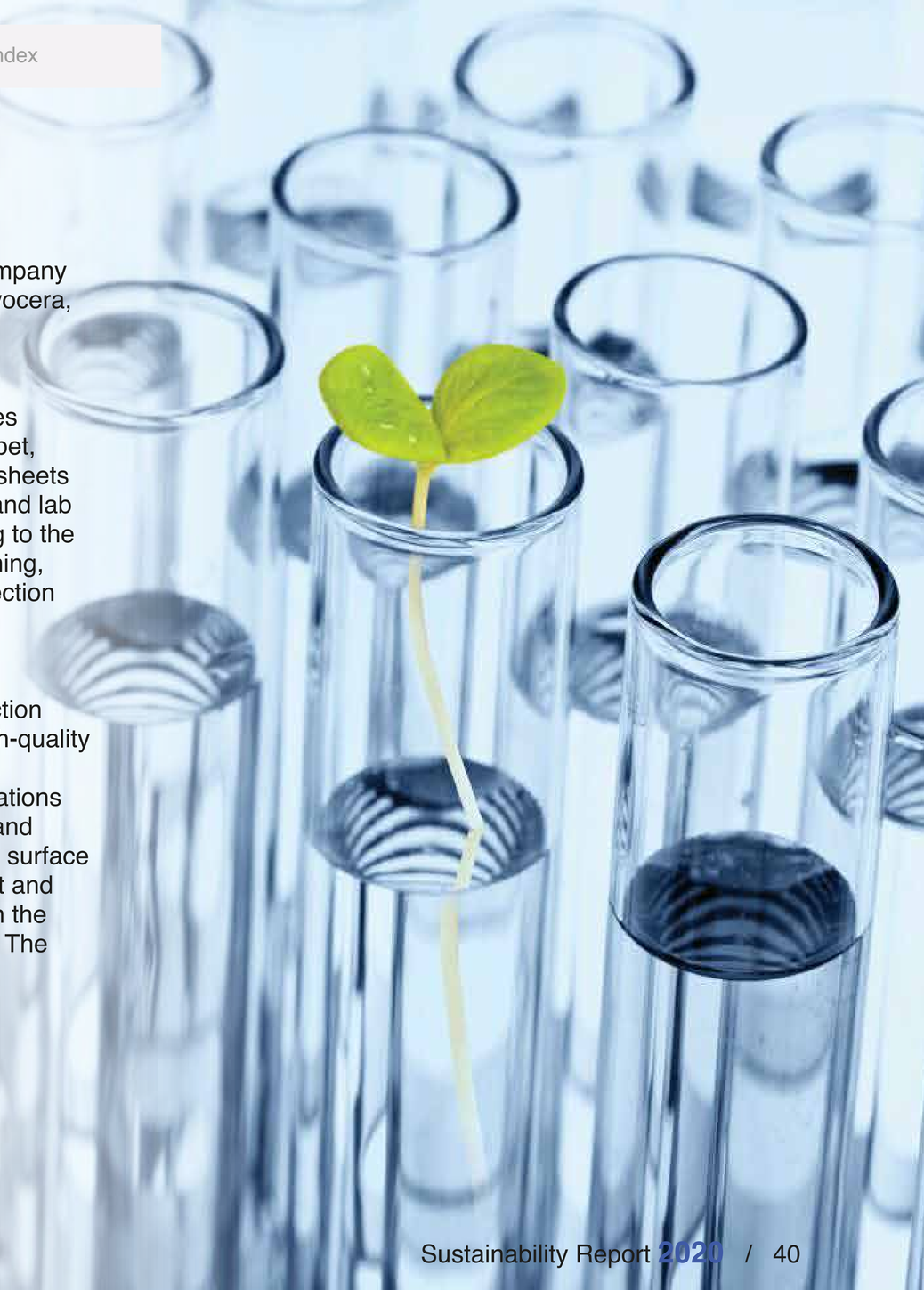
Setaş continues to contribute to sustainability in the industry with its strong R&D infrastructure developed with certified ecological products that increases accurate dyeing in one step, allowing the process to be completed in shorter times in addition to saving resources that allow less waste to be produced.

Textile Applications
To add value to polyester, cotton, acrylic and polyamide fibers, Setaş offers different forms of products in disperse dye, reactive dye, acrylic dye, acid dye, pigment and chemical groups as liquid, powder and dispersion. Setaş is a leading company in its sector with the capacity to develop multifunctional products using a wide range of production processes with the synergy created by the Technology Center, which established to bring together different R&D disciplines.

Digital Inks
For the production of digital inks, Setaş has made investments in production, R&D and has approximately 100 tons of monthly production capacity. The company produces reactive, disperse and acid dyes for Kyocera, Fuji, Ricoh, Epson print heads.

Masterbatch
Setaş Masterbatch; whose product range includes functional and sustainable products for fiber, carpet, non-woven surfaces, flexible and rigid films and sheets has analytical devices for product development and lab scale pilot plants to carry out trials before moving to the production stage (pilot polymerization, pilot spinning, pilot casting film line, pilot blow film line, pilot injection molding and pilot twin screw extruders).

Setacoat®
With its dynamic staff and state-of-the-art production facility, Setacoat® supplies cost-effective and high-quality products by providing fast service to its customers with a wide range of different specifications for interior and exterior facades in the industrial and architectural field. Setacoat® offers smooth color, surface and effect solutions and aims to make the fastest and most accurate product design in accordance with the needs and expectations of its business partners. The product range includes epoxy, hybrid, polyester, polyurethane and acrylic-based products.



Sustainable Products

Setalan® Comfort PA 300

Special finishing agent providing permanent softness and antistatic property for polyamide fiber and its blends.Improves the hydrophilic properties of polyamide and its blends, provides soft, slippery touch and drape effect. Thanks to its high hydrophility, it increases sweat absorption; provides fast drying, a dry and cool touch is achieved. Prevents static electricity build up. Helps to reduce barre effect appearance by increasing leveling in dyeing baths.

Polyester Rapid Dyeing System

Auxiliary concept that accelerates the dyeing process of polyester fibers and ensures even dyeing in critical colors and in all processes using critical dyestuffs. It ensures sustainable use of valuable resources with 20% shorter process time, 45% less water consumption and 30% less energy consumption.

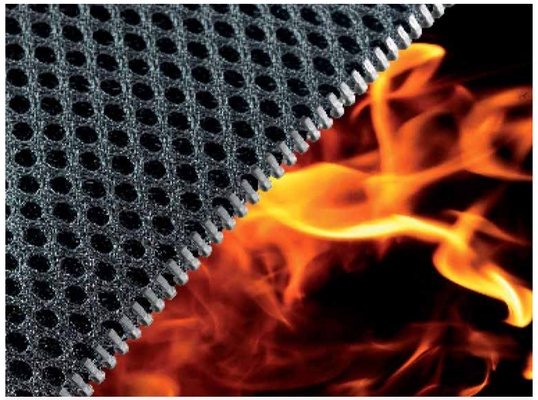
Nyloset® CF Inks

Nyloset® CF Inks is developed in order to achieve high color yield and sharpness in printing of polyamide fiber, also providing excellent light fastness and washing fastness properties and especially designed & produced for high speed printing heads.

Setapers® HSK Inks

Setapers® HSK Inks is developed in order to achieve high color yield and sharpness in printing, also providing excellent light fastness and washing fastness properties and especially designed & produced for Kyocera print head. Setapers® HSK Inks is ecological ink range produced from Setaş synthesis providing brilliant and vivid color shades.

Sustainable Products



Masterset® PES 1090 FR

It is halogen free power igniting masterbatch additive for polyester fibers. It gives power ignition to original and recycled polyester fibers used in various application areas such as automotive, home textiles, clothing, furniture and building materials. As of 2020, Oeko-Tex® is included in the approved products in the Accepted ACPs list.

Masterset® PA 4025 AY

It was developed to eliminate phenolic yellowing problems of polyamide-based white products during storage. In this new technology, the additive masterbatch is added during fiber extraction and contributes to saving water between 30-100 liters per kilogram of fiber by eliminating the additional processing step that is applied to fiber in the dyehouse. In 2020, Masterset® PA 4025 began to be used in mass production and contributed for achieving of sustainable production goals of brands.

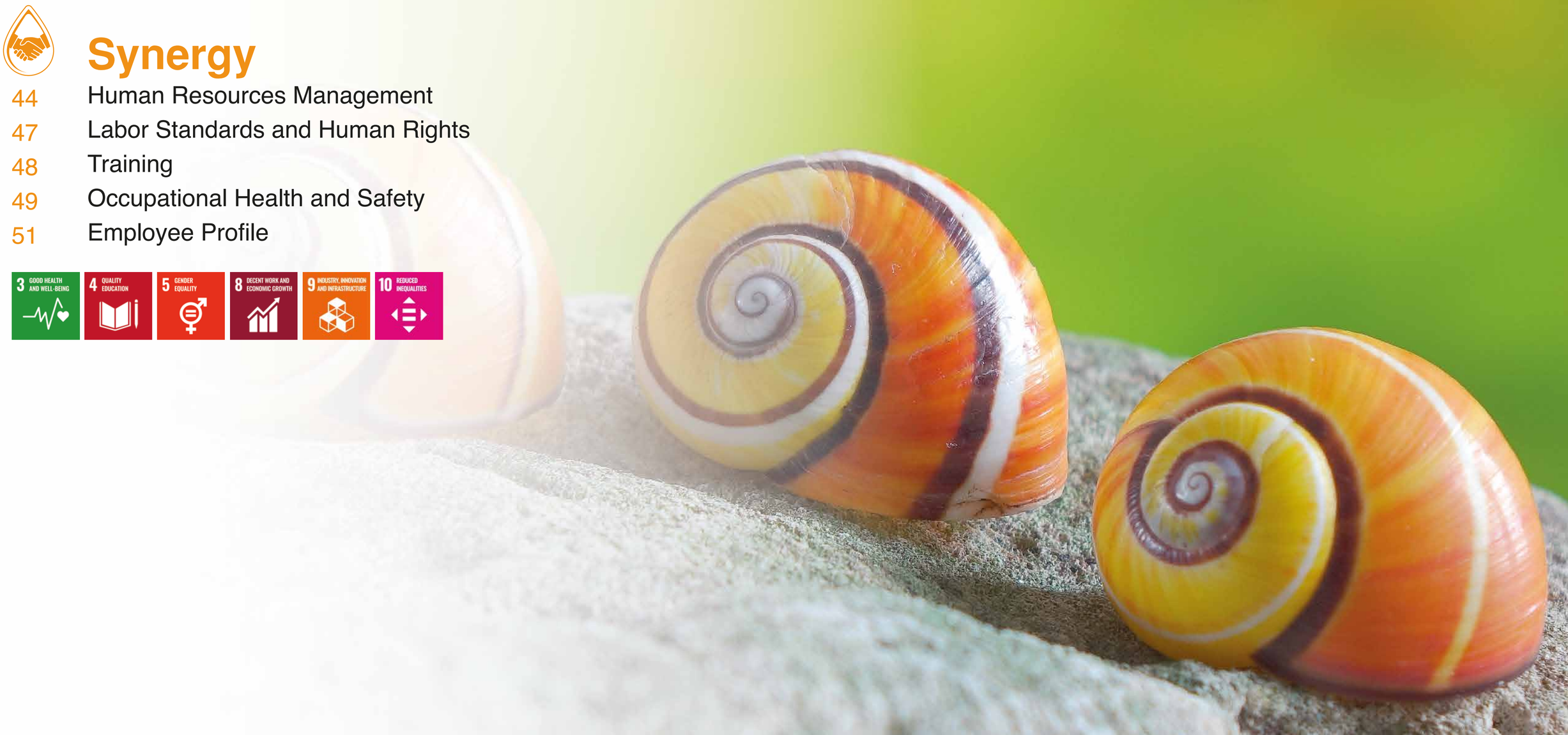
Setacoat® HSR

It is a powder coating designed to be highly resistant to scratches, friction and abrasion to extend the life of the surface appearance of painted products. From the production line to the store and from the store to the end user, the Setacoat® HSR series provides exceptional scratch, mechanical distortion, friction and stain resistance.

Setacoat® Antimicrobial Powder Coating

Setacoat® Antimicrobial powder coatings contain antimicrobial silver ion powder to control microbial growth in transparent substrates without affecting color and opacity. The inorganic nature, temperature tolerance of this additive makes it ideal for use in a wide range of applications. The slow oscillation of the active silver content provides maximum long-term effectiveness to products.

Synergy



Human Resources Management

Mission
To be a preferred company in the chemical sector by improving employees and working environment in a way that makes the company's competitive advantage sustainable.

Vision
To be a company engaged in human resources management at international level.

Strategy
Setaş has focused its human resources strategy on performance. It is aimed to provide step-by-step development with the strategy model established on the support of employees work results to the performance of the company. With the understanding that “every manager is a human resources manager”, it harmonizes all activities and efforts to the performance of the institution, allowing managers to show direction.

GRI 102-16, 102-41, 103-1, 103-2, 103-3

Human Resources Management

Human Resources Applications
Setaş has the “people first” principle in all business processes and is aware that the investment in its people will make Setaş successful in global competition.

Setaş fulfilling UN Declaration on Human Rights, ILO (International Labor Organization) conventions, international human rights norms and national labor laws provision in the human resources processes performs sustainable works for development of employee rights.

An activity map is being created to ensure or improve employee rights, workplace conditions and an effective management system, and it is aimed to ensure continuous development on these issues.

In the regulation of working hours, the balance of work and private life of employees is taken into account.
In addition to transportation and food service, social benefits and financial support are provided to employees by improving their wedding, birth, death, education, fuel, annual leave allowance, seniority incentive bonus and holiday gifts and side allowances. Setaş, which provides sterile working conditions in adaptation to changing work life during the pandemic period, takes the necessary measures to protect occupational health by supplying hygienic products. Employees are also protected in the field of health with private health insurance, which includes the families of employees.

Setaş, which employs full-time workers, respects the collective bargaining agreement and the right to form a labor union. The Lastik-İş Union, of which blue collar employees are members, has been active in Setaş since 1998. Wages and vested benefits for union member employees are determined according to the collective bargaining agreement. In Setaş, there is no gender-based wage distinction and no disciplinary wage deduction is applied. Setaş, which takes measures for all kinds of mistreatment and retaliation that may be encountered by trade union representatives and members, has prepared the necessary procedures by conducting risk analyses.

Applications with regular controls are designed and published in-house with procedures to prevent discrimination based on race, national, regional or social origin, class, birth, religion, disability, sex, sexual orientation, family responsibilities, marital status, political views, age or any other condition that may lead to discrimination or not to support discrimination. Setaş, which regularly provides social compliance and human rights training to its employees, has committed to protecting human rights with its publicly published social responsibility policy.

In recruitment, pay, promotion of access to education, job termination, or retirement practices which can lead to discrimination in terms of race, national or social origin, religion, disability, gender, sexual orientation, family responsibilities, union membership, political opinions are avoided.

No threatening, abusive or sexually repressive behavior is allowed in the workplace, including hand gestures, language and physical contact. Control is provided by creating open communication channels.
Setaş puts human rights at the forefront not only in its own operations, but also in the supply chain, because the supply chain connects Setaş with millions of people directly or indirectly affected by its activities. In line with this Setaş evaluates all its suppliers according to social criteria and during the reporting period, completed the evaluation work of new suppliers, which accounted for 27% of the total suppliers according to social criteria. Setaş, which does not tolerate child labor and forced labor, receives commitments from its suppliers to prevent forced labor and not to employ child labor.

As a data supervisor, Setaş carries out regulations related to the protection and security of personal data. Setaş informs all its stakeholders, such as its employees, employee candidates and visitors according to Law No. 6698 on the protection of personal data, which is organized to protect the fundamental rights and freedoms of persons, especially the privacy of private life and in accordance with the relevant legislation on the way personal data is collected, purposes of processing, legal reasons for processing and rights.

GRI 102-16, 102-41, 103-1, 103-2, 103-3

Human Resources Management

Human Resources Transformation

Setaş is focused on establishing a system in the field of organizational development for the correct positioning of human resources processes. Setaş has switched to Dynamics 365 Finance and Operations ERP system which can be accessed in real time and from all devices by following the rapid change and development in digital technologies in system designs. By providing a new and digital approach with the cloud technology it uses in all its processes, a simple responsibility and authority scheme is available for its employees in achieving its corporate strategies. Focusing on the goal by facilitating reporting and efficiency measurements with technological systems, Setaş also supports the development of knowledge, skills and behavior models used in business. Setaş also developed the distance learning method with the academy it launched and facilitated the personal and professional development of employees.

Communication with Employees

Setaş has ensured that its employees are accessible to their managers in all matters with its Open Door Policy. Setaş, which prefers an open communication channel with its employees, aims to increase transparency, productivity and accelerate communication within the company with this approach. In this way, managers get to know their employees better and encourage their teams to collaborate and approach problems with a solution focus. During the pandemic period, the human resources department aimed to increase communication and motivation by organizing a Covid-19 diary to give employees the opportunity to share their concerns and changes in habits due to the decrease in face-to-face communication.

Pandemic Management

Setaş continued to work during the pandemic period by taking the necessary measures. During this period, Setaş updated its working order to ensure continous occupational health and made routine notifications to its employees. Setaş has managed to minimize the risk of infection by ensuring that employees constantly communicate with the health department.

Setaş has ensured the disinfection of the tools, equipment and all common areas that the employees use, minimized the presence of the employees in public areas due to work, and also minimized the frequency of travel due to work.

In the transportation vehicles, inspections and checks were applied to ensure adequate protective equipment related to the virus and disinfection works were carried out with appropriate tools and appropriate periods.

GRI 102-16, 102-41, 103-1, 103-2, 103-3

Labor Standards and Human Rights

Human rights are guaranteed by the procedures and instructions established by Setaş, as well as by the commitment to comply with national and international conventions. The relevant contracts and declarations that have been committed to comply with are listed below:

- ILO Convention 1 (Working Hours-Industry) and Recommendation 116(Reduction of Working Hours)
- ILO Convention 29 (Forced Labor) and 105 (Abolition of Forced Labor)
- ILO Convention 87 (Freedom of Association and Protection of the Right to Organise Convention)
- ILO Convention 98 (Right to Organise and Collective Bargaining Convention)
- ILO Convention 100 (Equal Remuneration) and 111 (Discrimination - Employment and Occupation)
- ILO Convention 102 (Social Security - Minimum Standards)
- ILO Convention 131 (Minimum Wage Fixing)
- ILO Convention 135 (Worker's Representatives)
- ILO Convention 138 and Recommendation 146 (Minimum Age)
- ILO Convention 155 and Recommendation 164 (Occupational Safety and Health)
- ILO Convention 159 (Vocational Rehabilitation and Employment-Disabled Persons)
- ILO Convention 181 (Private Employment Agencies)
- ILO Convention 182 (Worst Forms of Child Labor)
- ILO Convention 183 (Maternity Protection)
- ILO Code of Practice on HIV/AIDS and the World of Work
- Universal Declaration of Human Rights
- International Covenant on Economic, Social and Cultural Rights
- International Covenant on Civil and Political Rights
- United Nations Convention on the Rights of the Child
- Convention on the Elimination of All Forms of Discrimination Against Women
- International Convention on the Elimination of All Forms of Racial Discrimination
- United Nations Guiding Principles on Business and Human Rights

Human rights in Setaş are guaranteed by the commitment to comply with national and international conventions.

2020 Setaş Employee Satisfaction Survey

93%
93% of employees stated that they would apply to Setaş today if he was searching job again

90%
90% of employees are happy to work in Setaş

80%
80% of employees stated that they considered themselves as Setaş member

GRI 103-1,103-2 ,103-3

Training

Setaş has laid the foundations of e-training systems in 2020 in order to realize digital transformation in the field of training while continuing its work in line with the goals of ensuring digital transformation in all its processes.

Setaş strives to contribute to the continuous development of its employees and business partners with e-training systems and prepares technical training modules that can be accessed online from all over the world.

Setaş, which attaches importance to the transfer of corporate data, aimed to increase professional development through in-house trainings during the reporting period. In order to enrich and diversify the knowledge of employees about the tasks they perform with the technical trainings conducted within the department, training was provided in 91 different training topics.

Setaş continued its periodic trainings in the field of occupational health and safety and increased awareness with special trainings on climate change and waste management.

As part of continuous development, Setaş also supports its employees to complete their graduate studies.

Training in Setaş

	2019	2020
Employees enrolled in PhD programs	4	4
Employees enrolled in master programs	4	5
Employees graduated from PhD programs	2	2
Employees graduated from master programs	3	0

Training Data (Hours)	2019	2020
Average Training Hours per Person	31.53	23.70
Blue Collar	27.05	17.26
White Collar	34.22	29.29
Female	30.43	32.73
Male	31.80	26.31

GRI 103-2, 103-3

Occupational Health and Safety

Being aware that occupational health and safety is the most fundamental responsibility, Setaş designs all its processes in accordance with this consciousness. Occupational health and safety management, prevention of occupational accidents and diseases, the evaluation of potential hazards, and the provision of comprehensive risk management covers the creation of a healthy working environment. It is aimed to move occupational health and safety practices one step further with the contribution of training, exercises and field inspections.

As with every process in Setaş, occupational health and safety management is monitored digitally. Planning is done within the scope of Occupational Safety and Health Act numbered 6331, Occupational Health and Safety Information Management System (IBYS), occupational health and safety services and activities are monitored, documents prepared, the data is transmitted automatically to both SSI servers and servers of the Ministry of Labor and Social Security (ÇSGB) and an agile working environment is created.

The works performed by the machine maintenance teams and sub-contractors regarding working at height, flammable works, working inside closed containers, electrical works, works involving hazardous chemicals and ice room maintenance works are managed with a work permit system under the control of the OHS unit. Emergency drills, especially evacuation drills are carried out periodically at Setaş production facilities.

With subcontractor management procedure, Setaş applies the OHS practices for subcontractor companies and their employees, managing the occupational health and safety for all stakeholders and complies with legal legislation as well as tracing performance of subcontractors.

Setaş integrates the requirements of ISO 45001 Occupational Health and Safety Management System into its processes and identifies the hazards and risks arising from internal or external processes and creates action plans.

GRI 103-2, 103-3

Occupational Health and Safety

Setaş health department is responsible to conduct and follow up the health examinations for its employees done on an annual basis. The health deparment which participates in the monthly OHS board, examines health effects of work processes, provides trainings on personal and occupational hygiene, spine health, ergonomics, first aid and monitors work accidents, minor injuries and near miss incidents together with the OHS unit.

In the Covid-19 pandemic, a number of measures were implemented under the leadership of OHS and the Health department to protect all employees of Setaş from the extraordinary conditions of Covid-19 and to minimize any negative impact.

Some of these measures are listed below:

- Fever measurement at the entrance to the work areas
- Distribution of protective masks to employees
- Installation of disinfectants in public areas
- Application of 50% capacity in transportation vehicles
- Disinfection of working enviroments regularly
- Food service in closed cups in the dining hall
- Disposable condiments
- 50% capacity application at dining hall
- Mask-distance rule in offices
- Working remotely
- Online meetings

Along with occupational health and safety training issues, detailed training content is prepared based on business experience and good practice examples. Legislation trainings are prepared by Occupational Safety Expert, process and equipment trainings are prepared by experienced technical personnel and health trainings are prepared by Setaş Health Department. Due to the Covid-19 pandemic, which began in 2020, their retraining was taken through the TISK Academy, the distance education system of the Turkish Confederation of Employer Association.

OHS Training Data	2019	2020
Average OHS Training Hours per Person	16.55	16.00

Work Accidents	2019	2020
Minor Injury Requiring First Aid	11	10
Fatal Work Accident	1	0
Accident for which Given Medical Report	12	13
Work Accident Frequency Rate*	11.90	12.50
Work Accident Weight Ratio*	186.10	97.80

*Calculated by taking into account 1,000,000 working hours.

GRI 103-2, 103-3

Employee Profile

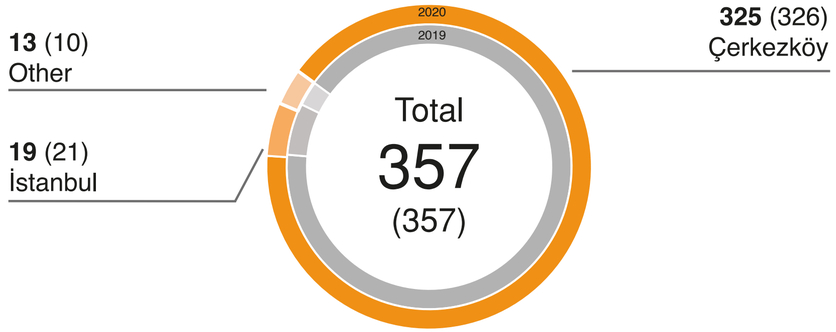
357 Total Number of Employees

26% Female Managers

65 Number of Female Employees

292 Number of Male Employees

Number of Employees by Region 2020 (2019)



Number of Employees by Education Level	2019	2020
Primary School	78	78
High School	107	108
Early College High School	37	35
University	97	102
Master's Degree	34	28
PhD	4	6

Executive and Above Employee by Gender (%)	2019	2020
Female Manager	30	26
Male Manager	70	74
Senior Female Manager	2	2
Mid - Level Female Manager	24	21
Non-Manager Female Employee	74	77
Senior Male Manager	1	1
Mid - Level Male Manager	14	14
Non - Manager Male Employee	39	39
Male Employee at Operation Level	46	46

Number of Employees by Gender	2019	2020
Total Number of Employees	357	357
Number of Female Employees	70	65
Number of Male Employees	287	292
White Collar - Female	70	65
White Collar - Male	153	156
Blue Collar - Female	0	0
Blue Collar - Male	134	136

GRI 102-8

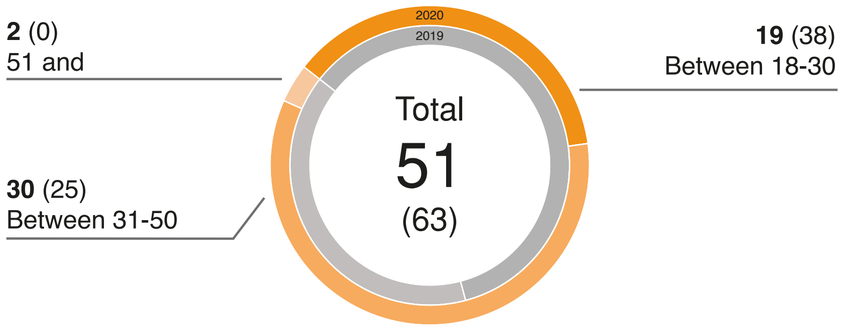
Employee Profile

8 New Hire Female Employees

43 New Hire Male Employees

New Employees by Gender	2019	2020
New Female Employee	8	8
New Male Employee	55	43

New Employees by Age 2020 (2019)



New Employees by Region	2019	2020
Çerkezköy	60	46
İstanbul	1	2
Bursa	1	0
Ankara	0	0
Gaziantep	1	3

12 Number of Female Employees Left Job

34 Number of Male Employees Left Job

Turnover by Age	2019		2020	
	Female	Male	Female	Male
Between 18-30	3	12	4	10
Between 31-50	6	20	7	22
51 and above	0	2	1	2
Total	9	34	12	34
Turn Over	12.0%		12.9%	

22 Number of Employees on Maternity Leave

Number of Employees on Maternity Leave	Female	Male	Total
Number of Employees Using Maternity Leave	3	19	22
Number of Employees Returning to Work After Maternity Leave	2	19	21
Number of Employees at Least 12 Months Worked After Maternity Leave	2	18	20

GRI 102-8

GRI Standards Content Index - Core

GRI Standard		Titles / Descriptions	Page Numbers
GRI 101: CORE 2016			
GRI 102: GENERAL DISCLOSURES 2016			
Corporate Profile			
102-1	The name of the organization	Setaş Kimya Sanayi A.Ş	-
102-2	Primary brands, products and services	Industries, History, Products	10 , 11 , 12
102-3	Location of the organization's headquarters	About Setaş	8
102-4	The number of countries in which the organization operates and the names of countries in which the organization has significant activities or which are related to the sustainability topics described in the report	Globally Setaş	9
102-5	Ownership and legal form	https://www.setas.com.tr/tr/kurumsal/bilgi-toplumu-hizmetleri	-
102-6	Markets served	Globally Setaş	9
102-7	Scale of the organization	Setaş 2020 at a Glance, Globally Setaş	7, 9
102-8	Information on employees and other workers	Employee Profile	51, 52
102-9	Supply chain	Sustainable Supply Chain	24
102-10	Significant changes to the organization and its supply chain	No changes in supplier classification and policies	
102-11	Precautionary principle or approach	Corporate Management System	13
102-12	External initiatives	Product Management, Environmental Management System	25, 26
102-13	Membership of associations	Product Management, Environmental Management System	25, 26
Strategy			
102-14	Statement from senior decision-maker	Message from the Chairman of Board, Message from the Gener al Director	4, 5

GRI Standards Content Index - Core

GRI Standard		Titles / Descriptions	Page Numbers
Ethics and Integrity			
102-16	Values, principles, standards and norms of behavior	Management Philosophy, Corporate Management System, Ethical Values, Human Resources Management, Labor Standards and Human Rights	6, 13, 14, 44-46, 47
Governance			
102-18	Governance structure	Corporate Management System	13
Stakeholder Engagement			
102-40	List of stakeholder groups	Stakeholders	15-16
102-41	Collective bargaining agreements	Human Resources Management	44-46
102-42	Identifying and selecting stakeholders	Stakeholders, Sustainable Supply Chain	15-16, 24
102-43	Apprpach to stakeholder engagement	Stakeholders	15-16
102-44	Key topics and concerns raised	Sustainability Priorities in the Value Chain	19-20
Reporting			
102-45	Entities included in the consolidated financial statements documents	About the Report	3
102-46	Defining report content and topic boundaries	Sustainability Priorities in the Value Chain	18-20
102-47	List of material topics	Sustainability Priorities in the Value Chain	18-20
102-48	Information reorganized according to previous reports	Sustainability Priorities in the Value Chain	18-20
102-49	Changes in reporting	Sustainability Priorities in the Value Chain	18-20
102-50	Reporting period	About the Report	3
102-51	Date of most recent report	2020	-
102-52	Reporting cycle	Annually	-
102-53	Contact point for questions regarding the report	About the Report	3
102-54	Claims of reporting in accordance with the GRI standards	Core	-
102-55	GRI content index	GRI Standards content Index	53-61
102-56	External assurance	There is no assurance external	-

GRI Standards Content Index - Core

GRI Standard		Titles / Descriptions		Page Numbers
PRIORITY ISSUES				
GRI 200 ECONOMIC STANDARD SERIES 2016				
GRI 201 Economic Performance 2016				
GRI 103 MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Sustainability Policy, Value Chain Approach	17, 18-20
	103-2	The management approach and its components	Sustainability Policy, Value Chain Approach	17, 18-20
	103-3	Evaluation of the management approach	Sustainability Policy, Value Chain Approach, Goals	17, 18-20, 21-22
	201-1	Direct economic value generated and distributed	Globally Setaş	9
GRI 205 Anti- Corruption				
GRI 103 MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Sustainability Policy, Corporate Management System, Ethical Values, Value Chain Approach, Labor Standards and Human Rights	17, 13, 14, 18-20, 47
	103-2	The management approach and its components	Corporate Management System, Ethical values, Labor Standards and Human Rights	13, 14, 47
	103-3	Evaluation of the management approach	Corporate Management System, Ethical values, Labor Standards and Human Rights	13, 14, 47
	205-1	Operations assessed for risks related to corruption	Corporate Management System, Ethical values, Labor Standards and Human Rights	13, 14, 47
	205-2	Communication and training on anti-corruption policies and procedures	Corporate Management System, Ethical values, Labor Standards and Human Rights	13, 14, 47
	205-3	Confirmed incidents of corruption and actions taken	During the reporting period, there were no cases or cases related to corruption	
GRI 206 Anti-Competitive Behavior				
GRI 103 MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Corporate Management System, Ethical Values	13,14
	103-2	The management approach and its components	Corporate Management System, Ethical Values	13,14
	103-3	Evaluation of the management approach	Corporate Management System, Ethical Values	13,14
	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No pending or completed legal action during the reporting period	

GRI Standards Content Index - Core

GRI Standard			Titles / Descriptions	Page Numbers
GRI 300 ENVIRONMENTAL STANDARD SERIES 2016				
GRI 301 Material 2016				
GRI 103 MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Sustainability Policy, Value Chain Approach, Environmental Management System	17, 18-20, 26
	103-2	The management approach and its components	Corporate Management System, Sustainable Supply Chain, Environmental Management System, Waste Management and Waste Recovery	13, 24, 26, 31
	103-3	Evaluation of the management approach	Sustainable Supply Chain, Waste Management and Waste Recovery	24, 31
	301-3	Reclaimed products and their packaging materials	Waste Management and Waste Recovery	31
GRI 302 Energy 2016				
GRI 103 MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Sustainability Policy, Value Chain Approach, Environmental Management System	17, 18-20, 26
	103-2	The management approach and its components	Corporate Management System, Environmental Management System, Energy Efficiency, Goals	13, 21-22, 26, 27
	103-3	Evaluation of the management approach	Energy Efficiency	27
	302-1	Energy consumption within the organisation	Energy Efficiency	27
	302-3	Energy intensity	Energy Efficiency	27
	302-4	Reduction of energy consumption	Energy Efficiency	27
	302-5	Reductions in energy requirements of products and services	Energy Efficiency	27

GRI Standards Content Index - Core

GRI Standard		Titles / Descriptions		Page Numbers
GRI 303 Water and Waste Water Management 2018				
GRI 103 MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Sustainability Policy, Value Chain Approach, Environmental Management System	17, 18-20, 26
	103-2	The management approach and its components	Corporate Management System, Environmental Management System, Water Management, Goals	13, 21-22, 26, 30
	103-3	Evaluation of the management approach	Water and Waste Water Management	30
	303-1	Interactions with water as a shared resource	Water and Waste Water Management	30
	303-2	Management of water discharge-related impacts	Water and Waste Water Management	30
	303-3	Water withdrawal	Water and Waste Water Management	30
	303-4	Water discharge	Water and Waste Water Management	30
	303-5	Water consumption	Water and Waste Water Management	30
GRI 305 Emissions 2016				
GRI 103 MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Sustainability Policy, Value Chain Approach, Environmental Management System	17, 18-20, 26
	103-2	The management approach and its components	Corporate Management System, Environmental Management System, Climate Change - Emissions, Climate Change - Carbon Footprint	13, 26, 28, 29
	103-3	Evaluation of the management approach	Climate Change - Emissions, Climate Change - Carbon Footprint	28, 29
	305-1	Direct (Scope 1) GHG emissions	Climate Change - Emissions, Climate Change - Carbon Footprint	28, 29
	305-4	GHG emissions intensity	Climate Change - Emissions, Climate Change - Carbon Footprint	28, 29
	305-5	Reduction of GHG emissions	Climate Change - Emissions, Climate Change - Carbon Footprint	28, 29
	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Climate Change - Emissions, Climate Change - Carbon Footprint	28, 29
GRI 306 Waste Water and Wastes 2016				
GRI 103 MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Sustainability Policy, Value Chain Approach, Environmental Management System	17, 18-20, 26
	103-2	The management approach and its components	Corporate Management System, Environmental Management System, Waste Water Management, Waste Management, Targets	13, 24, 26, 30, 31
	103-3	Evaluation of the management approach	Waste Water Management, Waste Management	30, 31
	306-1	Water discharge by quality and destination	Waste Water Management	30
	306-2	Waste by type and disposal method	Waste Management	31
	306-3	Significant spills	Sustainable Supply Chain	24
	306-4	Transport of hazardous waste	Sustainable Supply Chain	31

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GRI Standard		Titles / Descriptions		Page Numbers
GRI 308 Supplier Environmental Assessment 2016				
GRI 103 MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Sustainability Policy, Value Chain Approach, Sustainable Supply Chain	17, 18-20, 24
	103-2	The management approach and its components	Corporate Management System, Sustainable Supply Chain	13 , 24
	103-3	Evaluation of the management approach	Sustainable Supply Chain	24
	308-1	New suppliers that were screened using environmental criteria	Sustainable SupplyChain	24
	308-2	Negative environmental impacts in the supply chain and actions taken	Sustainable Supply Chain	24
GRI 401 Employment 2016				
GRI 103 MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Value Chain Approach, Human Resource Management	18-20, 44-46
	103-2	The management approach and its components	Human Resource Management, Objectives	21-22, 44-46
	103-3	Evaluation of the management approach	Human Resources Management	44-46
	401-1	New employee hires and employee turnover	Employee Profile	51-52
	401-2	Benefits provided to full-time employees	Human Resources Management	44-46
	401-3	Parental leave	Employee Profile	51-52
GRI 402 Labor / Management Relations 2016				
	402-1	Minimum notice periods regarding operational changes	Legal notice periods are observed in case of operational changes	-
GRI 403 Occupational Health and Safety 2018				
GRI 103 MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Value Chain Approach, Human Resource Management	18-20, 44-46
	103-2	The management approach and its components	Corporate Management System, Human Resource Management, Occupational Health and Safety, Goals	13, 21-22, 44-46, 49-50
	103-3	Evaluation of the management approach	Occupational Health and Safety	49-50
	403-1	Occupational health and safety management system	Occupational Health and Safety	49-50
	403-2	Hazard identification, risk assessment, and incident investigation	Corporate Management System, Occupational Health and Safety	13, 49-50
	403-3	Occupational health services	Occupational Health and Safety	49-50
	403-4	Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety	49-50
	403-5	Worker training on occupational health and safety	Occupational Health and Safety	49-50
	403-6	Promotion of worker health	Human Resource Management, Occupational Health and Safety	44-46, 49-50
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety	49-50
	403-9	Work-related injuries	Occupational Health and Safety	49-50
	403-10	Work-related ill health	Occupational Health and Safety	49-50

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GRI 404 Training and Education 2016				
GRI 103 MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Value Chain Approach, Human Resource Management	18-20, 44-46
	103-2	The management approach and its components	Human Resource Management, Training, Goals,..	21-22, 44-46, 48
	103-3	Evaluation of the management approach	Training	48
	404-1	Average hours of training per year per employee	Training	48
	404-2	Programs for upgrading employee skills and transition assistance programs	Human Resource Management, Education	44-46, 48
GRI 405 Equality and Equal Opportunity 2016				
GRI 103 MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Value Chain Approach, Human Resource Management	18-20, 44-46
	103-2	Management approach and components	Human Resource Management, Labor Standards and Human Rights	44-46, 47
	103-3	Evaluation of management approach	Human Resource Management, Labor Standards and Human Rights	44-46, 47
	405-1	Diversity of governance bodies and employees	Human Resource Management, Labor Standards and Human Rights	44-46, 47
GRI 406 Prevention of Discrimination 2016				
GRI 103 MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Value Chain Approach, Human Resource Management	18-20, 44-46
	103-2	The management approach and its components	Human Resource Management, Labor Standards and Human Rights	44-46, 47
	103-3	Evaluation of the management approach	Labor standards and Human Rights	44-46, 47
	406-1	Incidents of discrimination and corrective actions taken	Labor standards and Human Rights	44-46, 47
GRI 408 Child Labor 2016				
GRI 103 MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Value Chain Approach, Human Resource Management	18-20, 44-46
	103-2	The management approach and its components	Human Resource Management, Labor Standards and Human Rights	44-46, 47
	103-3	Evaluation of the management approach	Labor standards and Human Rights	44-46, 47
	408-1	Operations and suppliers at significant risk for incidents of child labor	Labor standards and Human Rights	44-46, 47

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GRI Standard		Titles / Descriptions		Page Numbers
GRI 409 Forced or Compulsory Labor 2016				
GRI 103 MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Value Chain Approach, Human Resource Management	18-20, 44-46
	103-2	The management approach and its components	Human Resource Management, Labor Standards and Human Rights	44-46, 47
	103-3	Evaluation of the management approach	Human Resource Management, Labor Standards and Human Rights	44-46, 47
	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human Resource Management, Labor Standards and Human Rights	44-46, 47
GRI 410 Security Practises 2016				
GRI 103 MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Value Chain Approach, Human Resource Management	18-20, 44-46
	103-2	The management approach and its components	Human Resource Management, Labor Standards and Human Rights	44-46, 47
	103-3	Evaluation of the management approach	Human Resource Management, Labor Standards and Human Rights	44-46, 47
	410-1	Security personnel trained on human rights policies and procedures	Human Resource Management, Labor Standards and Human Rights	44-46, 47
GRI 412 Human Rights Assessments 2016				
GRI 103 MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Value Chain Approach, Human Resource Management	18-20, 44-46
	103-2	The management approach and its components	Human Resource Management, Labor Standards and Human Rights	44-46, 47
	103-3	Evaluation of the management approach	Human Resource Management, Labor Standards and Human Rights	44-46, 47
	412-2	Employee training on human rights policies or procedures	Human Resource Management, Labor Standards and Human Rights	44-46, 47
GRI 414 Supplier Social Assessments 2016				
GRI 103 MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Value Chain Approach, Sustainable Supply Chain, Human Resource Management	18-20, 24, 44-46
	103-2	The management approach and its components	Human Resource Management, Labor Standards and Human Rights	44-46, 47
	103-3	Evaluation of the management approach	Human Resource Management, Labor Standards and Human Rights	44-46, 47
	414-1	New suppliers that were screened using social criteria	Sustainable Supply Chain, Human Resource Management	24, 44-46

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GRI Standard			Titles / Descriptions	Page Numbers
GRI 416 Customer Health and Safety 2016				
GRI 103 MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Sustainability Policy, Value Chain Approach	17,18-20
	103-2	The management approach and its components	Sustainability Policy, Product Management, Objectives	17, 21-22, 25
	103-3	Evaluation of the management approach	Product Management	25
	416-1	Assessment of the health and safety impacts of product and service categories	Product Management	25
GRI 417 Marketing and Labeling 2016				
GRI 103 MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Sustainability Policy, Value Chain Approach, Sustainable Supply Chain	17, 18-20, 24
	103-2	The management approach and its components	Sustainable Supply Chain	24
	103-3	Evaluation of the management approach	Sustainable Supply Chain	24
	417-1	Requirements for product and service information and labeling	Sustainable Supply Chain	24
GRI 418 Customer Privacy 2016				
GRI 103 MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Value Chain Approach, Information Security, Human Resource Management	18-20, 35, 44-46
	103-2	The management approach and its components	Information Security, Human Resource Management, Labor Standards and Human Rights	44-46, 48
	103-3	Evaluation of the management approach	Information Security, Human Resource Management, Labor Standards and Human Rights	44-46, 48
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Information Security, Human Resource Management, Labor Standards and Human Rights	44-46, 48
GRI 419 Socioeconomic Compliance 2016				
GRI 103 MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Corporate Governance System, Ethical Values, Value Chain Approach	13, 14, 18-20
	103-2	The management approach and its components	Corporate Governance System, Ethical Values	13, 14
	103-3	Evaluation of the management approach	Corporate Governance System, Ethical Values	13, 14
	419-1	Non-compliance with laws and regulations in the social and economic area	During the reporting period, there was no non compliance with laws and regulations	-

Setaş Global Compact Progress Statement - 2020

United Nations Global Compact	Global Principles	Section / Page
HUMAN RIGHTS		
	Principle 1. The business world must support and respect declared human rights.	13, 14, 44, 45, 47
	Principle 2. The business world should not be complicit in human rights violations.	
OPERATION STANDARDS		
	Principle 3. The business world should support workers' freedom of unionization and collective bargaining.	44-52
	Principle 4. Forced labor must be terminated.	
	Principle 5. All forms of child labor should be stopped.	
	Principle 6. Discrimination in recruitment should be terminated.	
ENVIRONMENT		
	Principle 7. The business world should support precautionary approaches to environmental problems.	17, 21-22, 24-32
	Principle 8. The business world should support any activity and formation that will increase environmental responsibility.	
	Principle 9. The business world should support the development and dissemination of environmentally friendly technologies.	
ANTI-CORRUPTION		
	Principle 10. The business world must fight all forms of corruption, including bribery and extortion.	13,14

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