



## 2017 SUSTAINABILITY REPORT

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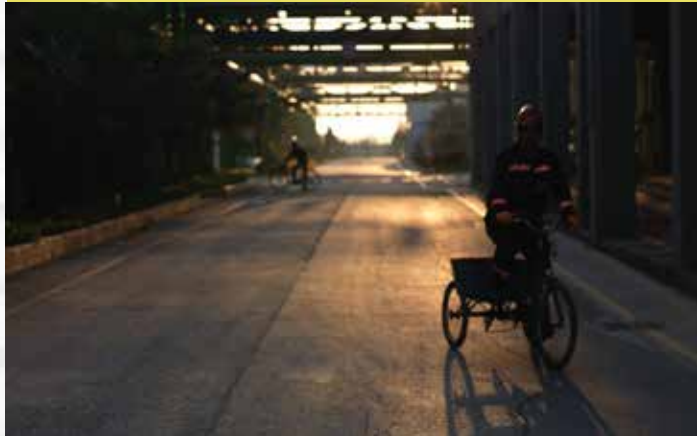
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# SECTION - I

## INTRODUCTION



AKSA AKRİLİK RECEIVED  
THE HIGHEST INVESTMENT NOTE  
JCR Eurasia Rating, an international credit rating agency, rated  
our company at "AA (Trk) / Stable" - Investable level.

## ABOUT THE REPORT

Based on Global Reporting Initiative (GRI) Reporting Guidelines, we have continued to publish a sustainability report each year since 2005. Through this report, which we have now prepared for the 13<sup>th</sup> time, we disclose in a comprehensive and transparent manner the social, economic and environmental performance that Aksa has demonstrated in all its operational activities and present to all stakeholders valuable information.

We have prepared our report in accordance with the GRI G4 Guidelines "**core**" option. This report, which also represents our commitment to the ten principles set out in the United Nations Global Compact to which we are signatories, is also a report on our progress.

We have included in this report our activities and performance results from Turkey, where our activity takes place. We have prepared our report in accordance with the GRI G4 Guidelines reporting principles and we include not only our production-driven impact, but also our broad impact on the various phases of our value chain within the broad scope of our sustainability priorities. We are committed to increasing performance in communication with stakeholders in service of transparency and accountability.

We are publishing the PDF version of the Aksa Akrilik 2017 Sustainability Report digitally for our stakeholders in order to minimize environmental impacts (available at [www.aksa.com](http://www.aksa.com)).

You can contact us at [surdurulebilirlik@aksa.com](mailto:surdurulebilirlik@aksa.com) with requests, suggestions, complaints or any kind of feedback about our reporting performance.

## ABOUT AKSA

Aksa Akrilik has been established in Yalova in 1971 with a capacity of 5,000 tons per year to meet Turkey's acrylic fiber needs. Since then, it has grown to become the world's largest acrylic fiber producer by constantly growing and developing its own technology.

With more than 1,200 employees, an area of 502,000 square meters and a capacity of 315,000 ton per year, Aksa Akrilik is the biggest producer in the world and the only acrylic fiber producer in Turkey. Aksa exports to more than 300 customers in more than 50 countries on 5 continents.

Focusing on active marketing activities in the domestic market during the year, Aksa Akrilik succeeded in maintaining its market share and sales volume thanks to the 98% utilization of capacity in 2017. Realizing about 1/6 of world acrylic fiber production in 2017, Aksa Akrilik has maintained 17% of the global market and 69% of the domestic market. Aksa Akrilik achieved 63% of 2017 sales in the domestic market, with the remaining 37% in foreign markets.

Aksa Akrilik produces about 850 tons of fiber per day, which makes it possible to attire knitwear for 2 million individuals per day. The company, which has an energy production license of 142.5 MWe, is able to produce all of its own energy.


As a result of R&D efforts, Aksa entered the carbon fiber market in 2009. Aksa joined DowAksa, a joint venture based on 50% equity with Dow Europe Holdings B.V. in 2012. The Company's carbon fiber production, maintains a capacity of 3,500 tons per year.

Established  
in  
**1968**


Started  
production  
with a  
capacity of  
5.000  
tons/year in  
**1971**

We  
reached a  
production  
capacity  
of 315.000  
tons/year  
**Today**


# AKSA AT A GLANCE




**50** years of experience




**1,300+** employees



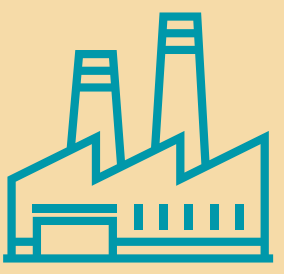
**SOLE**  
Turkey's sole acrylic fiber producer



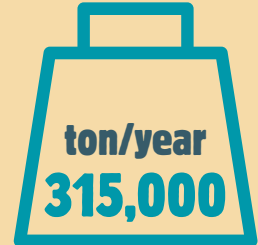
**39**  
ISO 500  
Turkey's 39<sup>th</sup> LARGEST company




**75**  
GIB  
Turkey's 75<sup>th</sup> corporate TAXPAYER



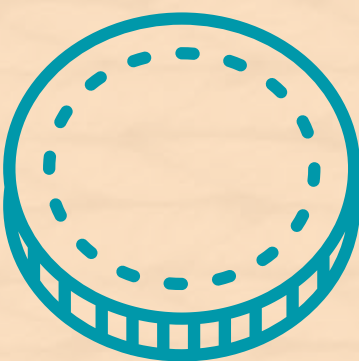
**502,000 m<sup>2</sup>**  
The world's largest single location acrylic fiber production plant




**315,000** ton/year  
The World's LARGEST acrylic fiber producer



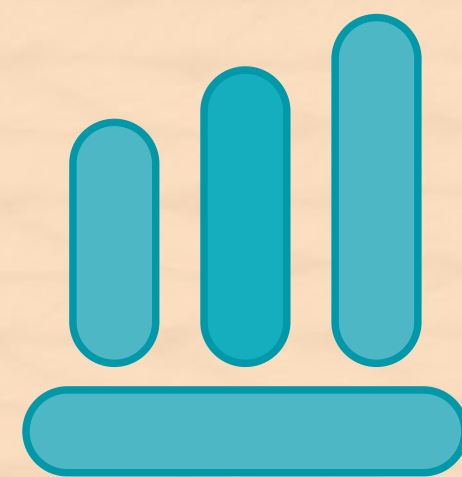
**2013-2017**  
Continuous financial growth in 5-year period



**TL 185 MILLION**  
The highest dividend



**TL 2.8 BILLION**  
2017 turnover



**TL 2.2 BILLION**  
BIST Company Value

Market Share

**TURKEY 69%  
WORLD 17%**

Distribution of Sales

**63% DOMESTIC  
37% EXPORT**



**1/6**  
The part of world acrylic fiber production that is covered by Aksa

**300<sup>+</sup>** Customers  
**50<sup>+</sup>** Countries  
**5<sup>+</sup>** Continents



**96.3**  
Turkey's highest corporate governance rating



# AKSA VISION MODEL

WHAT WE ARE FOR



## OUR MISSION

To direct the sector that we are leading and  
To create sustainable value for our stakeholders

WHERE WE ARE HEADING



## OUR SUPERORDINATE GOALS

- In order to reach sustainable growth and profitability;
- Investing in our technology to maximize operational excellence
- Discovering new usage areas for Acrylic Fiber
- Growing through new products or strategic collaborations

WHAT DEFINES OUR STAND



## OUR CORE VALUES

- HSE Awareness
- Compliance with Ethical Values
- Openness to Cooperation
- Customer Orientation

WHAT OUR BEST FEATURES ARE

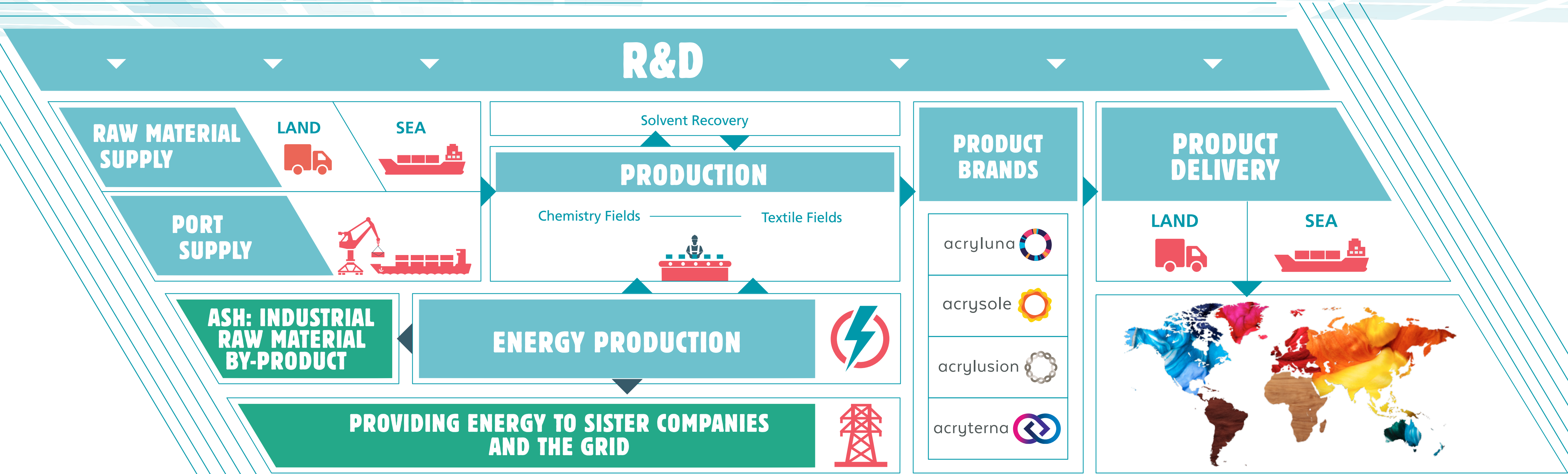


## OUR BASIC QUALITIES

- Participatory Management
- Innovation and being open to change
- Lean thinking
- Experience and Knowledge Accumulation
- Motivated, Engaged and Solution-Producing Employees



# AKSA SUPPLY CHAIN MANAGEMENT



## WHAT IS ACRYLIC FIBER?

Acrylic fiber is the fiber most similar to wool among artificial fibers. Acrylic fibers are classified as either textile or technical fibers. Textile fibers are used in clothing and home textiles, while technical fibers are used in for industrial materials and outdoor purposes.



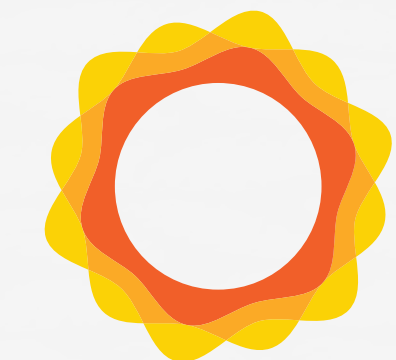
## Aksa's brands touch the life...

**Aksa Akrilik, the world's leading producer of acrylic fiber with 50 years of experience and a customer-focused approach, has introduced four new brands that touch every aspect of life.**

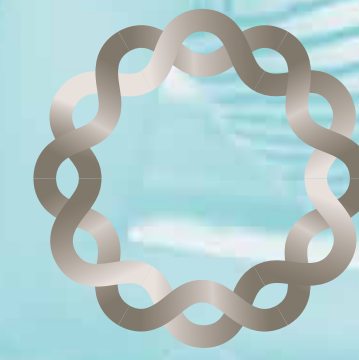
Maintaining and increasing client support with expertise, product quality, technical service and reliability, Aksa Akrilik continues to grow with customer needs in mind. Aksa is empowered by its new-brand mentality to implement its vision of providing the highest quality and always meeting customers' expectations. Aksa Akrilik aims to give new vision to the acrylic fiber sector with its new brands Acryluna, Acrysole, Acryterna and Acrylusion, to the point wherein Aksa becomes the world's leading acrylic fiber producer.



**Textile  
Fibers**



**Outdoor  
Fibers**



**Acrylic  
Filament**



**Industrial  
Fibers**





Acryluna is with you at every moment of your life, from knitwear to carpets and hand knitting to upholstery as well as blankets...

Acryluna is produced in superior technology that can be in thousands of colors and will make you feel the naturalness and warmth of wool anywhere you touch. Acryluna is here to offer you a warmer, more comfortable and more colorful world.

- Easy to wash and maintains its shape
- Resistant to moths, moulds and chemicals
- Can be dyed into bright colours with a perfect fastness
- Resistant to sunrays
- Naturalness and warmth similar to wool, both in appearance and feel
- Odour resistant
- Has a range of more than 10.000 colours



**TEXTILE  
FIBERS**  
At Every  
Moment  
of Life!

**CLOTHING**

Knitwear	Plush	Hand knitting	Sportswear	Children's Wear

**HOME TEXTILE**

Rugs	Carpets	Velvet Fabric	Blankets	Upholstery



No more wear, mold or deterioration!

There is no more wear, mold or deterioration with Acrysole, instead, it provides a durable experience and a long lifetime like never before...

- Perfect light and air fastness
- Maintains its shape as a fabric
- Long term use
- Highly resistant to abrasion
- Resistant to mold, mildew and chemicals

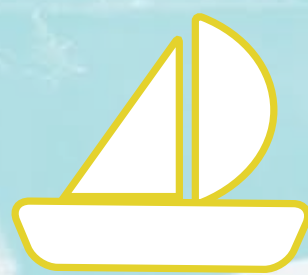
OUTDOOR FIBERS  
Perfection in Durability!

AWNINGS

INDOOR AND  
OUTDOOR FURNITURE

BOAT  
COVERS

CARTOPS



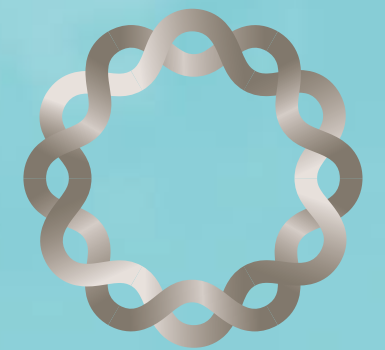
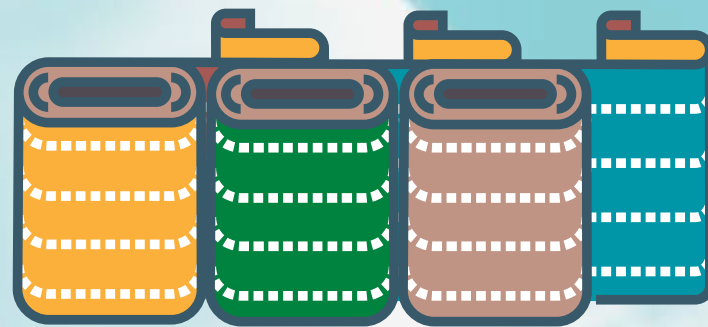
## ACRYLIC FILAMENT

Bright Colours and  
Silky Touch in Carpets!

### CARPET



### UPHOLSTERY



acrylusion

**Your carpets will remain like the first day with Acrylusion. Vivacious colours and elegant feeling will be everywhere with Acrylusion.**

**The Solution Dyed Acrylic Filament Yarn "Acrylusion", developed by Aksa, gives a silky apperance to the carpets through superior color brightness.**

- Silky gloss and softness
- Durable and vivacious colours
- Easy cleaning
- Zero dusting
- Dirt resistant
- Resistant to mold, mildew and chemicals



**Acryterna is Aksa's symbol of the technology with its endurance to high temperatures, excellent filtering characteristics, resistance to shrinkage and high modulus...**

- High strength
- Low residual shrinkage
- Excellent chemical resistance
- High thermal resistance
- Strong endurance to hydrolysis
- High modulus
- Reliability up to 140 °C peak temperature with continuous operation temperature of 125 °C

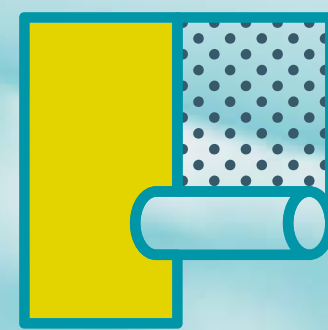
## INDUSTRIAL FIBERS

High Performance in Industrial Applications!

**HOT GAS FILTRATION (Cool  
Operated Power Generation)**



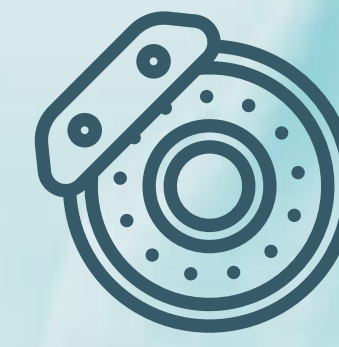
**CONSTRUCTION  
INDUSTRY**



**CAR  
BATTERIES**



**BRAKE  
LININGS**



# SECTION - II

## SUSTAINABILITY

## IN AKSA

AKSA AKRİLİK IS SELECTED AS THE  
MOST CORPORATE COMPANY, AGAIN.

**Aksa Akrilik has left 50 companies behind in Borsa Istanbul Corporate Governance Index. Aksa reached the first place again in 2017 by raising its Corporate Governance Rating Note from 95.98 to 96.32.**



Distinguished Shareholders, Business Partners and Stakeholders,

Aksa has a discipline focused on working and producing **positive value** for its habitat, country and world, with its solid values derived from 50 years of experience. We place sustainability at the center of our strategy and working style as an understanding further beyond the purpose of profit, and manage our operational processes at this axis.

We embrace sustainability as a guarantee of tomorrow in our rapidly changing and developing world. In this direction, we have been publishing sustainability reports since 2004. We prepare our reports in an **integrated manner** with the world and in internationally recognized **standards of GRI** in line with our understanding of **accountability**, and moreover, we comply with the United Nations Global Compact.

The awards and recognitions that Aksa has received in this highly successful year are not the results of efforts we put forth only in 2017. We believe that experience,

skill, planning, patience, perseverance and determination for many years has nourished this success. All transactions of our company are structured to serve the Company's sustainability. We analyze the needs of our stakeholders well and manage their processes in a balanced way.

DowAksa is our subsidiary based on equal partnership with DowChemical. Its material technology in carbon fiber production will contribute indirectly to the **reduction of CO<sub>2</sub> emissions** by improving the performance and lightness of the vehicles to the desired extent in the aviation and automotive

industry, which has been scheduled in our sustainability agenda.

I believe that Aksa's core business strategies of operational excellence, finding new uses for acrylic fiber, and growing through strategic alliances will help us reach our targets for where we plan to be in five years. I also believe that this success is a big part of **collaborations** with all our stakeholders.

Despite the tough economic conditions we are in, the main factors contributing to our strong belief is our experienced, hardworking and **dedicated employees**; our **Board of Directors**

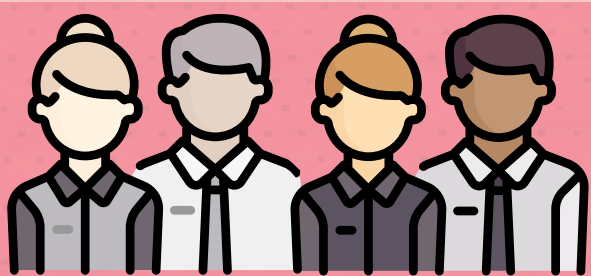
who are leading us and clearing the path we follow; and our **stakeholders** that constantly support us.

We would like to share with you the data that you can review in detail that contributes to our company's sustainability vision.

Best regards,

Mehmet Ali Berkman  
Chairman of the Board





5%

RAISE IN EMPLOYMENT

AKSA  
Akrilik  
R&D  
Center

4

LABS

876

M<sup>2</sup> SPACE

41

R&D EXPERTS

20

PROJECTS

ENERGY  
PRODUCTIVITY

>

52% MORE PRODUCTIVE WITH 84,329 GJ THERMAL ENERGY SAVING

>

92% MORE PRODUCTIVE WITH 9,747 GJ ELECTRIC ENERGY SAVING

	2016	2017
Greenhouse Gas Emissions (ton CO <sub>2</sub> e)	1,240,248	1,185,539
Waste Water Discharge (m <sup>3</sup> )	2,830,040	2,392,690

OHS Performance	2016	2017
AKAT Number of Observers	145	301
AKAT Number of Contacts	3,607	13,974
AKAT Number of Observations	2,209	9,782
OHS Trainings (person*hour)	21,060	21,280

ENVIROMENT  
FRIENDLY  
INVESTMENTS

>

GOLD-LEED BUILDING CERTIFICATE FOR THE HEADQUARTERS

>

ISO 14046 WATER FOOTPRINT STANDARD CERTIFICATE

>

NEW TURBINE INVESTMENT

>

INVESTMENTS IN MODERNIZATION & OPERATIONAL EXCELLENCE



With its solid values from fifty years of experience crafted till its core, Aksa concentrates on producing **sustainable positive value**. The **uninterrupted growth and success** we have achieved within the last five years, which we see as a natural result of this mindset, continued in 2017 without ever slowing down.



NOTES

CREDIT RATING

Long Term National Note

Long Term Foreign Currency

AA (Trk)

BBB-

Outlook

Outlook

Stable

Stable

CORPORATE GOVERNANCE

96.32

EKONOMIC INDICATORS

EBITDA

515

million, tl

NET PROFIT

295

million, tl

ASSETS

3.4

billion, tl

EQUITY

1.4

billion, tl

AWARDS



CORPORATE GOVERNANCE

TKYD RATING

1<sup>st</sup>

EXPORTS

İTHİB PLATIN AWARDS

1<sup>st</sup>

2016 SUSTAINABILITY REPORT

LACP  
SPOTLIGHT

GOLD

BEST 100  
COMMUNICATION  
MATERIALS

30<sup>th</sup>

MERCOMM  
GALAXY

BRONZE

## Distinguished Shareholders, Business Partners and Stakeholders,

As Aksa, we achieved significant accomplishments in 2017 with our dynamic management team and experience **exceeding 50 years**. The uninterrupted growth we experienced in the last five years, continued in 2017 without ever slowing down. While we reached a turnover of **TL 2.8 billion**, we distributed a **historical dividend of TL 185 million**. Production, exports and employment figures rose. We reached **TL 2.8 billion consolidated turnover, TL 515 million EBITDA and TL 295 million net profit**. At the end of 2017, our company reached **TL 3.4 billion in assets** and **TL 1.4 billion in equity**. With the effect of **new investments of 361 Million TL**, we increased **employment** by 5%. While focusing on active marketing activities in the domestic market during the year, market share and sales volume were maintained thanks to the **98% capacity utilization rate**. As of the end of 2017, **17%** of the global market and **69%** of the domestic market were reached. While more than 300 customers exported to more than 50 countries across 5 continents, **63%** of the sales were made to the domestic market and **37%** to the foreign market. We produce about **850 thousand kilos per day**, which is enough to fabricate 2 million knitwears per day. With our **145 MWe** capacity power generation license, we are capable of producing energy for ourselves and our group companies in Yalova.

With the numbers we have put forward, we have again reached the top rankings on the ISO 500 list. We entered Turkey's Top 500 Industrial Enterprises list in **39<sup>th</sup>** place, Fortune 500 list in the **96<sup>th</sup>** spot in terms of size of net sales, and we rank **111<sup>th</sup>** in Capital magazine's list. We are the **75<sup>th</sup>** largest corporate tax payer.

We need to expand the exports of our country and, at Aksa, we understand this responsibility. We believe that Aksa's selection as **the first in the Platinum Awards** given by Istanbul Textile and Raw Materials Exporters' Association (ITHİB) to those who export \$25 million or more is a reflection of this understanding.

We carried our borders internationally through the appreciation and awards we received. JCR Eurasia Rating designated Aksa Akrilik's Long Term National Note "**AA (Trk)**" as "**Stable.**" Long Term International Foreign and Local Currency Notes and Appearances were determined as "**BBB-**" and "**Stable,**" which are country ceilings. With this rating, we succeeded in taking a place in the category in which companies can be invested at a high level.

## Our way of doing sustainable business is collecting appreciation and rewards

Aksa's success in 2017 was not limited to commercial and economic areas. We can undoubtedly put our **first place** at the 8<sup>th</sup>

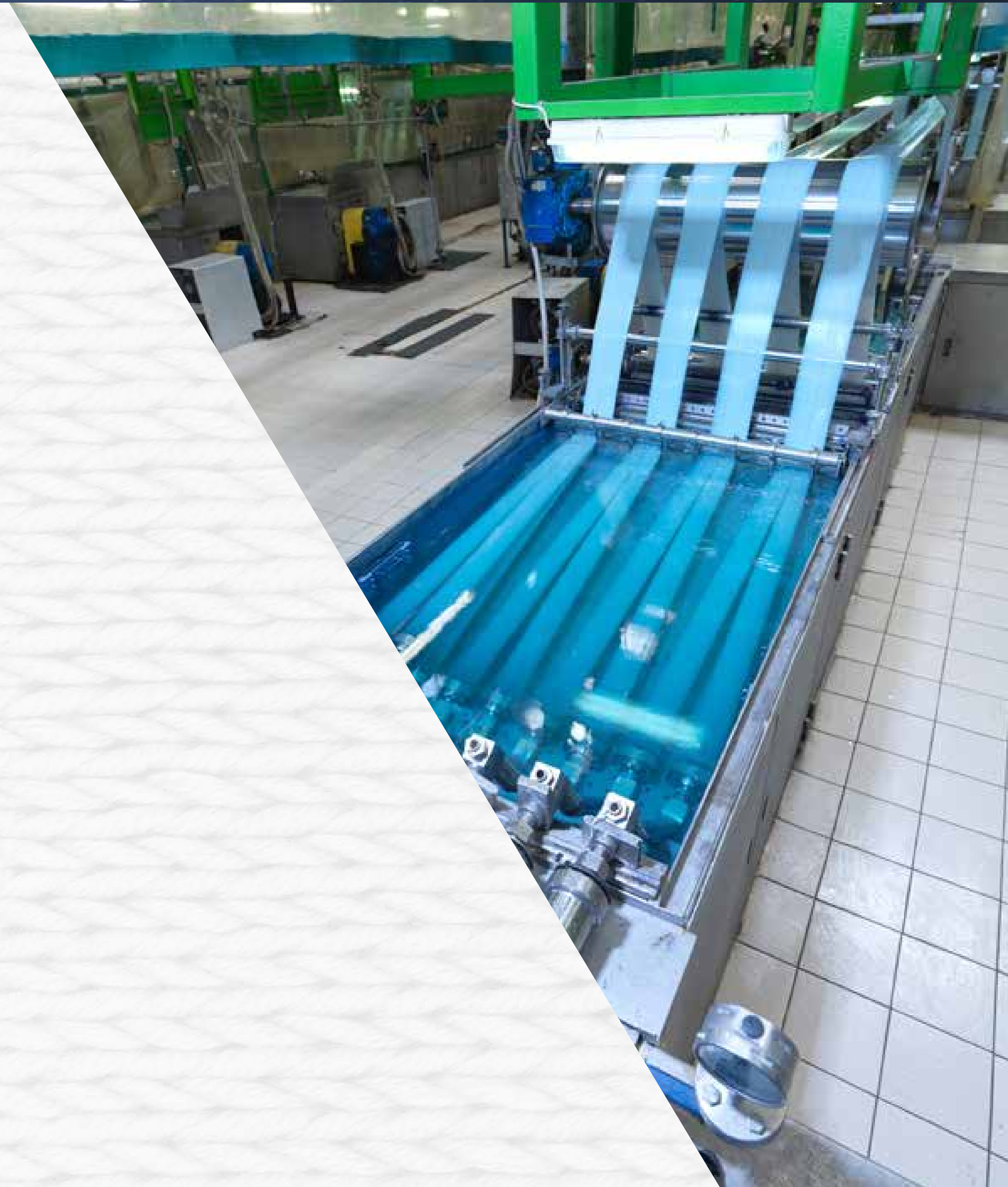
Corporate Governance Awards organized by the Association of Corporate Governance, which we received **for the second time** after 2016, at the top of among many achievements and awards that added value to our company in 2017. Our corporate governance rating has been raised from 95.98 to **96.32**, which demonstrates that we are not just satisfied with first place but always put our resolve to do better.

In the reporting period, we were awarded **ISO 14046 Water Footprint Standard Certificate** in the scope of sustainable water management. Aksa became **the first** company to receive this certificate in the chemical and textile sectors.

The 2016 Sustainability Report, as our 12<sup>th</sup> sustainability report, won **three awards**. Our report received a **gold medal** at the LACP Spotlight competition from the world's leading awards programs and entered the "Top 100 List of Communication Materials in the World" in **30<sup>th</sup>** place. In another prestigious competition, Mercomm Galaxy, we won a **bronze medal** in the category "Online Sustainability Reports."

We received the **LEED-GOLD** "Leadership in Energy and Environmental Design" Green Building Certificate in 2017 for our new headquarters, to which we moved last year.

Aksa was given the R & D center certificate by the Ministry of Technology. At Aksa Akrilik R & D Center, which is registered as the **432<sup>nd</sup> R & D Center** in our country, we are conducting R & D activities to find new uses for acrylic fiber and to develop new products. Aksa Akrilik Central Laboratory was also registered as an accredited institution by the Turkish Accreditation Agency (TÜRKAK.)



### Focused on Productivity and Quality in 2017

In addition to our branding and R & D activities, we focused on productivity and quality in 2017. We continued to work on modernization and standardization of existing production machines. We invested **TL 361 million** in total. Operational excellence holds the most important place among these investments. We also have investments in the direction of our strategy to find new uses for acrylic fiber. These include a polymer plant with a capacity of 1,000 tons per year to provide modacrylic fiber to high-grade flame retardant fiber and artificial hair sectors and the investment of 4 filament production machines, each with a capacity of 800 tons per year to realize capacity increases in the filament yarn sector.

### We attach importance to branding in Akso's sustainability approach

One of the most important developments for us in 2017 was to bring our four new brands, touching every aspect of life, to our customers. We have demonstrated the softness, warmth and delightful color world of acrylic fiber with **Acryluna**, our solutions in awnings and outdoor applications with **Acrysole**, industrial areas of use with **Acryterna** and the innovative and distinguished side of acrylic filament product with **Acrylusion**. We completed our R & D work on modacrylic fiber, which is a

high-grade flame retardant that can only be produced by a limited number of companies in the world. Acrylusion, on the other hand, has transformed into a product demanded especially by the woven carpet industry due to its silky softness. In addition to creating new areas of use for acrylic fibers, our research about differentiation of acrylics also progress successfully.

### The concept of sustainability is among Akso's indispensable values.

We believe that Akso plays a pioneering role in the formation and understanding of the sustainability approach in Turkey. As one of the few companies in our country that shares the 13<sup>th</sup> sustainability report with the public, we place sustainability at the center of our strategy and working style, managing our operational processes at this axis. We grow together with the habitat in which we are established. We take responsibility for the socio-economic development of our country, especially in this region, and act with the knowledge that we are accountable for the results of our works. Our sustainability priorities are contributions to the society, employees, environment and sustainable operations. We revised our Vision Model in 2017 to use this understanding more fruitfully, and we have included **sustainable growth** as well as **sustainable profitability**. In line with these goals, we have added **innovation** and **openness to change** to our basic values.

In this direction, I would like to thank all of **our employees**, including our newly-joined friends, **our senior management**, **our shareholders**, **our customers** and all **our stakeholders**.

Best regards,

Cengiz Taş  
Board Member and General Manager



After posting uninterrupted annual growth for the five-year period between 2012-2016, Aksa Akrilik continued carrying this stable line in 2017 with more success.

Having left behind a successful and profitable year, Aksa Akrilik has generated **TL 2.8 billion turnover, TL 515 million EBITDA and TL 295 million net profit**. At the end of 2017, it reached **TL 3.4 billion in assets** and reached **1.4 billion TL in equity**. Adopting a spirit of sharing with its stakeholders regarding dividend policy, Aksa paid a **nominal dividend of TL 185 million** with an increase of **18%**.

Basic Economic Indicators

EBITDA

During the period 2013-2017, Aksa increased its EBITDA by **104%** on aggregate and by **32%** year-on-year.

(TL, Million)



104%

BRUT PROFIT

Aksa succeeded in completing the year 2017 by **producing 20% brut profits**.

(%)

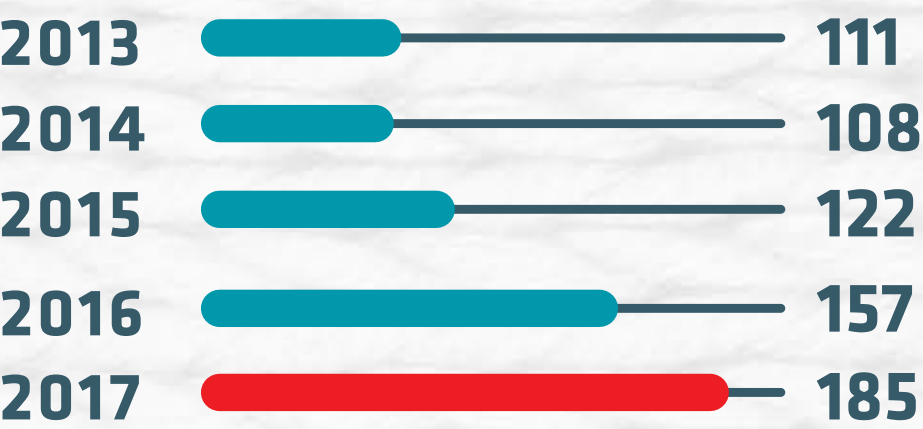


20%

DIVIDEND\*

Aksa increased the amount of dividends distributed by **67%** over the five-year period and by **18%** year-on-year.

(TL, Million)



67%

\* The dividend distributed in the related year is the dividend distribution process of the previous year.



Aksa sets new goals to maintain sustainability and, constantly invests to meet these goals. These investments, in addition to accelerating Aksa as it progresses towards its goals, create new employment capacity and increase the number of employees. In line with the intensive investments commenced in 2017, employment accelerated by 5%.

Basic Economic Indicators

EMPLOYMENT

Despite the small decline seen in 2016, Aksa increased its employment by **9.2%** year on year and by **46%** in total in the period of 2013-2017.

(Quantity)



4.7%

COMPANY VALUE

The value of Aksa, which was calculated based on the value of shares in Stock Exchange Istanbul in 2017, increased by **54%** and reached to **TL 2.2 billion**.

(Million TL)



54%

\* Calculated with corrected price as of 31.12.2017.

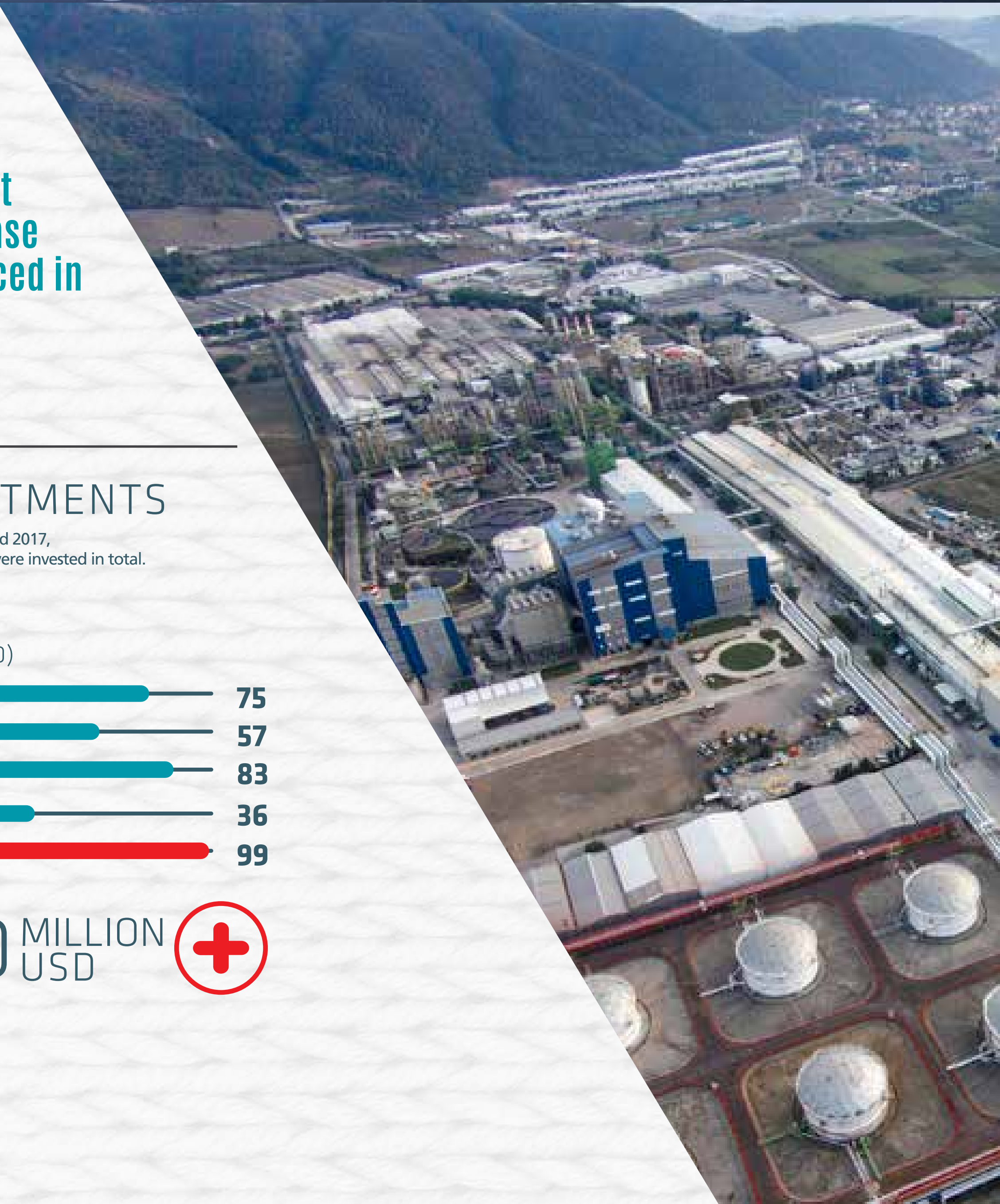
INVESTMENTS

Between 2013 and 2017, **USD 350 million** were invested in total.

(Million USD)



350 MILLION USD



# INVESTMENTS BY AKSA AKRILIK CONTINUE NONSTOP

The incentive application for Aksa Akrilik's modernization investments to be realized in the coming years was approved by the Ministry of Economy, General Directorate of Incentive Implementation and Foreign Investments.

The incentive application for Aksa Akrilik's modernization investments to be realized in the coming years was concluded by the Ministry of Economy, General Directorate of Incentive Implementation and Foreign Investments. The application was approved by the investment incentive certificate dated 05.10.2017 and numbered 132899. The incentive certificate received within the scope of the project for the modernization of textile machinery will be valid for four (4) years from 12.06.2017 to 12.06.2021. Incentive will cover up to 161.690.000 TL, and the supported items will be exempted from customs tax and VAT.

Aksa's incentive application in the scope of Continuous Filament and Modacrylic products, which are developed thanks to the R & D by Aksa, have been welcomed by the Ministry of Economy, General Directorate of Incentive Implementation and Foreign Investments.

Aksa's incentive application in the scope of Continuous Filament and Modacrylic products, which are developed thanks to the R & D by Aksa, have been aproved by the Ministry of Economy, General Directorate of Incentive Implementation and Foreign Investments. The result of R & D work carried out over the years, the filament and modacrylic products are entitled to investment incentives after meeting the criteria set by the Ministry of Economy. Within this scope, while the modacrylic was classified in the strategic product investment category by the Ministry, it was decided for Aksa to receive regional incentives within the framework of the new investment of the Company.

Aksa continued its efforts to increase productivity and quality in 2017 in line with its operational excellence strategy. Additionally, the modernization and standardization of existing production machines continued.

Investment expenditures amounting to 361 Million TL were realized in 2017. In addition to these investments, a 1,000 ton per year capacity polymer plant to provide modacrylic fiber to the incendiary fiber sector and the artificial hair sector and four filament production machines, each of which has a capacity of 800 ton per year to increase the capacity in the filament yarn sector have been implemented. By the end of 2017, a new steam turbine investment of 100 mW was introduced, providing more reliable electricity supply, improved cycle cost and increased capacity with the same boiler operating conditions.



### Investment expenditures

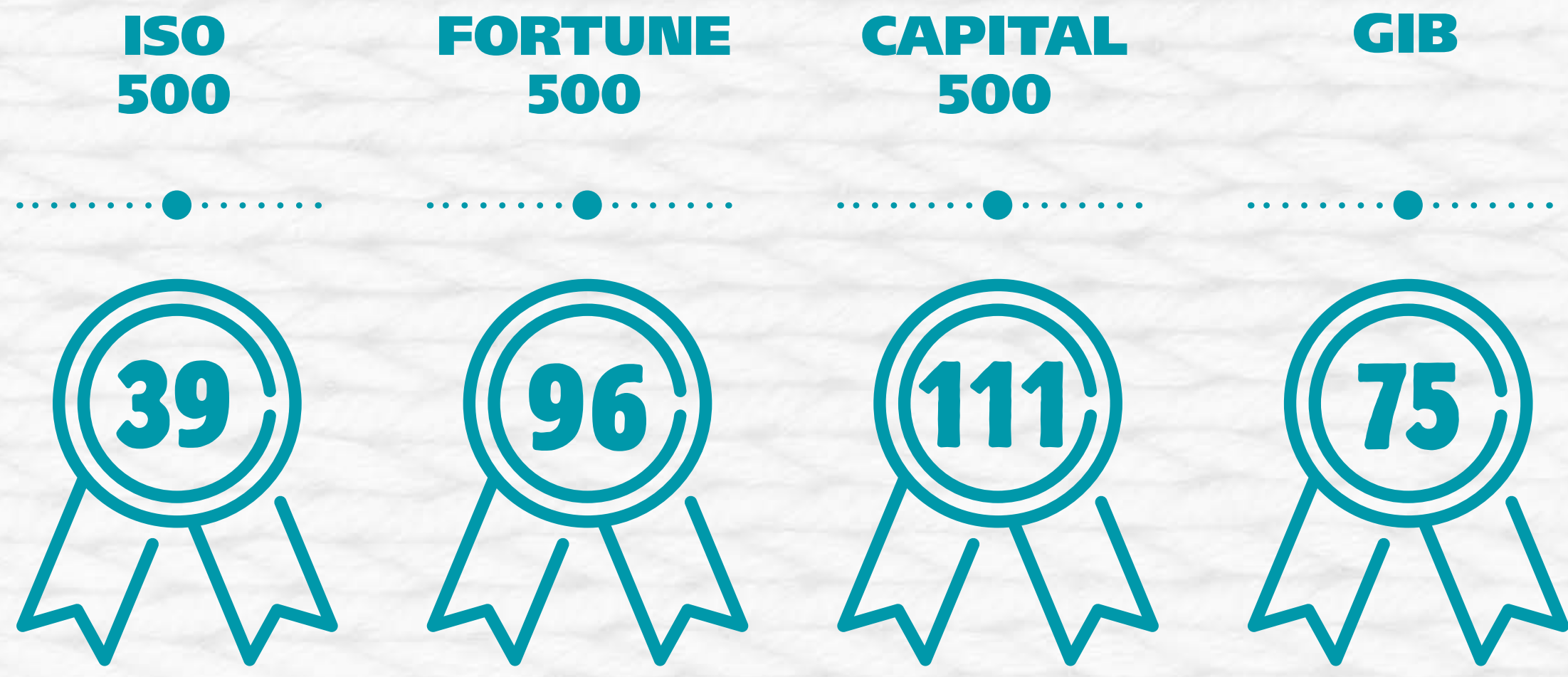
- Infrastructure - Facilities - Maintenance
- R & D Projects
- Projects to Improve Energy Efficiency
- Raw Material Warehouse and Port
- Process and Product Development Investments
- SEVESO Investments
- Textile Investments
- Renewal Modernization Projects
- New Product Investments

# 361

tl million

AMONG THE LARGEST

Aksa holds its position among Turkey's leading companies, ranking 39<sup>th</sup> in ISO 500 list, 96<sup>th</sup> in Fortune 500 list and 111<sup>th</sup> in Capital magazine's "Turkey's Top 500 Private Companies" research. Aksa Akrilik is also among Turkey's tax champion companies by ranking 75<sup>th</sup> in "Top 100 Corporate Tax Payers of Turkey\*."



Aksa enjoys  
the proud ranking  
of  
**39<sup>th</sup>**  
among Turkey's  
500 largest  
industrial  
enterprises!



ISO: Istanbul Chamber of Industry GIB: Tax Revenue Administration  
\* Latest data belongs to the figures of 2016.

## EXPORT CHAMPION

**Aksa received the "Platinum Award" at the İTHİB Award Ceremony.**



The export leaders of the country that contributed to the economy were announced at the Traditional "İTHİB Award Ceremony" hosted by Istanbul Textile and Raw Materials Exporters' Association (İTHİB). In the "Platinum" category, Aksa Akrilik was ranked first among the 42 companies, and Akpa was the second-place recipient of the award.

The awards were presented to Akkök Holding Board Member and Chief Executive Officer Ahmet C. Dördüncü and Akkök Holding Board Member and Vice Chairman Raif Ali Dinçkök.

## HIGH-LEVEL INVESTABLE RATING FOR AKSA

**International credit rating agency JCR Eurasia Rating classified Aksa within investment grade.**

Aksa took its place among high-level investable companies, signaling a big success with the rating submitted by JCR Eurasia Rating. JCR Eurasia Rating has designated Aksa's Long Term National Note "AA (Trk)" as "Stable." Aksa Akrilik's Long-Term International Foreign and Local Currency Notes and Appearances were determined to be "BBB-" and "Stabil," which are the country's ceiling. JCR Eurasia Rating emphasized in its written statement that Aksa Akrilik Kimya Sanayii A.Ş. started its operations in Yalova in 1971 and has strong market power both in Turkey and in global markets. In the statement, Aksa's rank in the high-level investable company category has been explained as follows:

"The company's strong market position, international trade network, dynamic and customer-reflected cost structure, low indebtedness, good debt service, R & D activities, strong corporate governance structure, prudent financial management, improved operational risk management and mitigation systems, legal compliance level, the diversified product range, predictable cash flows, DowAksa initiative and the noteworthy potential of new product lines are the basis of long-term national note which is defined as 'AA (Trk) / Stable.' JCR Eurasia Rating will keep monitoring the working capital and liquidity structure, contribution of the ongoing capacity and renewal investments to the cash flows, the sales performance of new product lines and to the borrowing profile, the market impact of substitute products and the long-term global developments in the acrylic market."

Aksa acts with the principles of fairness, transparency, accountability and responsibility and develops its corporate governance performance steadily with its commitment to and compliance with these principles.

Aiming to reach a fair company level by supporting financial success with corporate governance practices, Aksa is primarily aiming to create sustainable value for its stakeholders.

In 2017 we focused on **sustainable growth** as well as **sustainable profitability** by connecting to the company's vision model. In line with these goals, we added **innovation** and **openness to change** to our basic features. We disseminated our revised vision model to the lower levels of the organization through effective communication channels. We followed the goals of our business and sustainability with effective control mechanisms. In order to increase awareness of Aksa's vision and strategies in the workforce, we implemented **"Strategy Expansion Workshops"** under the leadership of senior management. By the end of September 2017, Aksa's vision model, high goals, core values and basic features were re-communicated, reaching all experts and employees in the workshops completed. The company was informed about the projects that would meet the strategic objectives, and awareness was raised about the work and targets. In November 2017, our General Manager shared the projects that will achieve our strategic goals with the representative mission.

Aksa was selected as the **Most Corporate Company of Turkey.**

Aksa raised its Corporate Governance Rating Note from 95,98 to 96,32 in 2017 and won the title again at the 8th Corporate Governance Awards organized by the Corporate Governance Association of Turkey. Aksa was awarded with the great honor, ahead of 50 companies in the Borsa Istanbul Corporate Governance Index. The award given registered Aksa's successful transactions in the scope of fairness, transparency, accountability and responsibility. The award stated that Aksa has "the most fair management of the rights of shareholders and stakeholders, the highest level of publicity and transparency activities, the best practice of board structure and its functioning, and the establishment of effective management and internal control mechanisms."

Aksa Akriklik Corporate Governance Rating Report can be accessed through the corporate website [www.saharating.com](http://www.saharating.com), Aksa Akriklik corporate website [www.aksa.com](http://www.aksa.com) and Public Disclosure Platform (KAP) [www.kap.org.tr](http://www.kap.org.tr).

CORPORATE GOVERNANCE RATING BY TKYD	
Yıl	Sıra
2014	11
2015	3
2016	1
2017	1

MISCONDUCT and ETHICS MANAGEMENT

The Ethical Principles—the most important guide for harmonizing the company's corporate governance principles—serve as a guide for developing a common mode of behavior with Aksa's stakeholders. The Akkök Group of Companies Code of Business Ethics, published in 2014, reflects the ethical approach and corporate values of the group companies. The Akkök Ethics Line, which was created by an independent third party to report violations of the Code of Business Ethics, actively serves Aksa's stakeholders.

In addition, stakeholders, non-compliant and ethically unfavorable conditions can be communicated to the Corporate Governance Committee and the Ethics Committee via an ethics line or e-mail. Akkök Group of Companies Trainings were held at the manager and director levels during the reporting period to ensure the dissemination of the Code of Business Ethics and to be adopted by all group companies. Ethical Rules can be accessed at <http://aksa.com/en/human-resources/ethic-management/ethic-management/i-401>.

The Code of Business Ethics, prepared in 2017 and put into the electronic learning platform, is accessible to all of our employees.

During the reporting period, misconduct trainings were repeated and employee awareness was increased.

A risk assessment of abuse as procurement unit was completed, and immediate actions were taken regarding the identified risks. In 2017, 100% of the planned risks were resolved by taking action.

In addition, gift acceptance and issuance regulations were published and shared with all stakeholders to support our business ethics.

# AGAIN

As Aksa Akriklik, we were **the first** company in the Borsa Istanbul Corporate Index to receive the highest rating, leaving behind all the companies evaluated by the Corporate Governance Association.

We are honored to share the happiness of the **Corporate Governance Award**, with our employees, business partners and shareholders which we once again gained by adding love and self-sacrifice to our work.



SUSTAINABILITY MANAGEMENT

Aksa's product reach extends to many parts of the world, resulting in a wide range of social, environmental and economic impact. The company seeks to generate value for all stakeholders by making this impact measurably positive, and views this task as central to pioneering sustainable operational geography. Aksa's history of involvement with Akkök Group's sustainability practices is exemplary in both the sector and Turkey in general, and this provides valuable corporate experience for the company.

Making use of the stakeholder feedback collected over years with proven communication mechanisms has served as the center of Aksa's sustainability policies and practices, allowing the generation of sustainability priorities, and short, medium and long-term sustainability targets. In Aksa, the General Manager is responsible for the financial and operational performance of the company, as well as the sustainability performance of the Board of Directors. Sustainability issues spread from the upper level to the lower level bi-directionally; performance results in these areas are controlled by supervision mechanisms and are sent back to the upper levels with reporting applications.

The vision model, company strategies and stakeholder feedback especially play an important role in determining Aksa's sustainability priorities.

Policy, implementation, target and performance results for Aksa's priority sustainability issues -Sustainable Operations, Employees, Environment and Societal Contribution- were and are presented to stakeholders. During the reporting period, stakeholder views were collected via one-on-one interviews with each division managers and stakeholders' opinions are transmitted . At the same time, priorities were highlighted in the strategic planning workshop with executive management.



OUR R&D CENTER IS REGISTERED

Aksa was given the R & D Center Certificate by the Ministry of Technology. In Aksa Akrilik R & D Center, which is registered as the 432<sup>nd</sup> R & D Center in operation, new areas of use for acrylic fiber and new product R & D researches are being carried out.

Aksa aims to grow new products and strategic alliances by finding new uses for acrylic fiber in the sector, which is the centerpiece of the new vision model developed in 2014 and reviewed in 2017. Unique technical knowledge gained via new product development and R&D activity plays a significant role in creating new business areas. In addition, Aksa aims to achieve these goals by focusing on new investments and sustainability.

PRODUCTION, NEW PRODUCT DEVELOPMENT AND R&D ACTIVITIES

**Modacrylic**  
Continuing its investments in new product policies, Aksa makes a distinguished name for itself with its new product modacrylic, which has a high-grade flame retardance. Modacrylic fiber can be produced by a limited number of companies in the world. Modacrylics, a high

added value product, can be used especially in protective work clothes, the plastic industry and artificial hair production.

R & D studies for the production of modacrylics have been completed. In the process of modacrylic investment, the creation of a new technology unique to Aksa using existing production methods from Aksa's own engineers was the greatest factor driving success in production. This new technology designed by Aksa within the scope of the modacrylic project enabled the production of the desired quality and efficiency of the product. In parallel, efforts are being made to make the environment and ecological life more harmonious.

The product was also included in the scope of the incentive through evaluation by the Ministry of Economy in the strategic product category. After the successful completion of

the investment period, production activities have started with a capacity of 1,000 tons per year. The supply of industrial scale products started in 2017. Transactions on market requests are planned in 2018.

According to the demand from customers in the coming period, investment with a capacity of 10 thousand tons per year is planned to be passed on. In this context, Aksa aims to be the leading company in the world in modacrylic fiber production as it is already the leader in acrylic fiber.

In addition to creating new areas of use for acrylic fiber, efforts to differentiate acrylic continue successfully.

**Acrylusion**  
Acrylusion is very assertive product with advantages, including ease of cleaning, even with bleach, due to its smoothness, delays in

elastics due to its high strength, no spinning the yarn, no felting shrinkage and a long product life. Due to the silky softness of the filament yarn and its hand feeling, demand is high, especially in the woven carpet sector. At the Domotex Germany and Iran carpet fairs, booths were produced and presented with Acrylusion, and positive feedback was received.

In order to create new uses for filament yarn, Aksa continues to work on tricolor, hand knit and sewing thread as well as outdoor awnings and carpet.



Aksa Akrilik Central Laboratory was registered as an accredited institution by the Turkish Accreditation Agency (TÜRKAK) on August 8, 2017, according to TS EN ISO / IEC 17025: 2012 standard. We aim to ensure the continuity of accreditation and expand the scope of analysis every year.

AKSA Akrilik R&D Center					
LABORATORY		SPACE (M <sup>2</sup> )		R & D EXPERTS	
2016-2017		2016	2017	2016	2017
4		618	876	39	41
PROJECTS					
2016	2017				
11	20				

## With the new turbine we commissioned at the end of 2017, we will continue to provide safe energy.

### ENERGY PRODUCTION

2018 will be the year of transformation for energy production for Aksa. The inefficient turbines with high production costs have been deactivated while we invested in and commissioned a new turbine as of 2017. Thanks to the projects developed in the coal-fired power plant and operational excellence, the power plants operated in the most economical and efficient ways, resulting in significant reductions in energy production costs.

After the commissioning of the completed new turbine investment, we estimate that total electricity production will increase by around **15%** without any increase in fuel consumption.

As a world brand, Aksa requires electrical and steam energy in the same place for its production phase. For this reason, in-plant energy production is seen as the most suitable method instead of using remotely-supplied electricity. In addition to other new investments, Aksa constantly invests in energy, based on its need for high-quality and cost-effective energy sources. In this context, the existing natural gas power plant and the new cogeneration type Aksa Power Plant are capable of producing 145 MW of electricity and process steam at the same time. Aksa also supplies energy to Akkök Group companies DowAksa and Ak-Kim, both located in Yalova.

As a main working principle, Aksa's power plants make use of new, environmentally-friendly technologies. Flue gas emission values of the mentioned plants and ESP (electrostatic precipitator), SCR (selective catalytic reduction) and FGD (Flue-gas desulfurization) units are continuously monitored by the Provincial Directorate of Environment and Urbanism continuously 24/7 via an online emission-monitoring systems.

Aksa Power Plant has Turkey's first and only fully enclosed coal storage silos and underground coal conveyor systems. Thanks to these closed systems, problems such as dusting and flying are prevented. The whole system is closed until the cargo vessels used in the plant are transported to the power plant and transferred to ash silo transport vehicles.

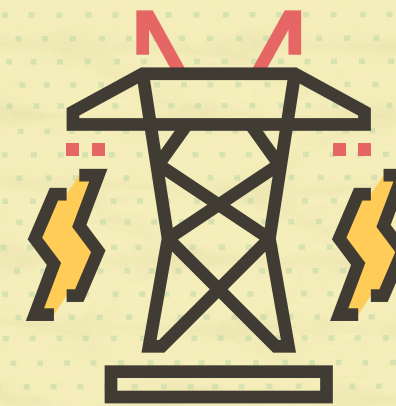
### Transformation in energy

- The inefficient turbines with high production costs have been deactivated.
- The power plants operated in the most economical and efficient ways.
- Significant reductions in energy production costs achieved.



### New turbine investment

After the commissioning of the completed new turbine investment, we estimate that total electricity production will increase by around **15%** without any increase in fuel consumption.



# Aksa Customer Services Unit takes the necessary actions regarding technical service support in cooperation with the customer by evaluating product requests and complaints with the focus of customer proximity.

## MARKETING AND SALES

The domestic market began in 2017 with the uncertainty of the implications of significant internal and external political and economic developments experienced in the previous year. At the beginning of the year, the most positive situation for the sector was that there were product claims all over the supply chain. The need for financing was met with the application of the Credit Guarantee Fund. These two important issues have laid the groundwork for the high demand from customers. On the raw material side, the expected supply shortfall towards the end of the first quarter was influential in the first few months of the year, and this was reflected in fiber prices, another factor affecting demand. As of February, the demand for domestic demand has increased considerably. This situation was normal in the middle of the year due to the end of the increase trend on the raw material side and seasonal effects. The rush of raw materials at the end of the third quarter and its reflection on the prices, the demand flared up at the beginning of the last quarter and the year was completed with these effects.

Looking at the sub-sectors, the knitwear sector was very lively on the demand side of 2017. Our customers who produce yarn for the knitwear sector have worked full-capacity all year long. Here, the demand in the domestic retail sector was effective. The advantage

given by the foreign exchange rates also had a positive impact on the knitwear demand coming from the export markets. Knitwear sector continues to be positive for the year 2018. In the carpet sector, especially in the domestic market acrylic carpet demand, positive expectations at the beginning of the year were not met. Carpet producers have turned their production to European and US markets where demand is more vigorous and payment timelines and collateral systems are healthier. This led to a decrease in acrylic yarn demand on the carpet. On the other hand, the demand for carpet yarn on the Iranian market could not be met by Iranian producers in terms of quality and quantity, and the market in the domestic market has provided an alternative demand to the producers of carpet yarns. As we enter 2018, the carpet weaving sector is not very positive because of these developments and the market expansion of the carpet of competing fiber producers.

World markets in 2017; In the Far East, especially in the Chinese market, demand for acrylic fiber started alive and maintained a positive outlook until mid-year. In the second half of the year, price fluctuations in the Far East markets and shrinking demand led the factories in acrylic fiber production to reduce capacity and towards the end of the year they entered into serious price competition among themselves. China's anti-dumping barriers led Far Eastern manufacturers to Turkey and to

Iranian markets. In addition, Chinese producers have begun aggressive export sales as a result of the shrinking demand.

US and European markets experienced losses in production in 2017 compared to previous years, and reduced acrylic fiber demand. In 2017, Iran was the market that showed an increase in demand in the sector. The demand triggered by the increase in carpet production led to an increase in both acrylic fiber imports and acrylic yarn imports in this country, as the Iranian acrylic fiber producer could not operate its facility. But this vitality has decreased in the shadow of the economic problems in particular and the political consequences of them in the last quarter of the year. Aksa, in a year where Turkey Iran domestic markets were live, was able to close the year strongly thanks to ; good service capability, close proximity to the market, product quality and sales policies.

## OUR CUSTOMERS

"Customer orientation" is among the basic values that determine the position of Aksa. For this reason, reaching customers with products and services that will meet demand and expectations is a high priority. It is very crucial for Aksa to receive customer feedback to meet this expectation, to constantly communicate with customers, and to develop products and services for the feedback received.

Aksa Customer Services Unit takes the necessary actions regarding technical service support in cooperation with the customer by evaluating product requests and complaints with the focus of customer proximity. In this context, a total of **73 technical visits** were realized in 2017. Within the scope of the support given to improve the processes of the customers, **31 consultancy work** was carried out between 2012-2017.

The Customer Satisfaction survey, in which customers' satisfaction levels are determined, as well as technical services provided to customers, is conducted through an independent survey agency. The level of satisfaction and feedback obtained are actively evaluated and actions are taken. An approach is being developed that involves the client in complaint management. During the reporting period, no complaint was received regarding violation of customer information privacy.

The routine customer visit plan was revised to cover the entire customer portfolio. Product development and quality improvement projects are continuing to meet the customer demands reported in the survey.

73 technical visits were realized in 2017.



31 consultancy works were carried out between 2012-2017.



## AKSA'S INTERNATIONAL PROMOTION RAID

**Aksa exhibited Acryluna and Acrylusion products by participating in the Domotex 2018 Carpet and Floor Coatings Fair held in Hannover, Germany between 12-15 January 2018.**

We have promoted carpets made of Acryluna and Acrylusion in our booths where they received intense interest from, both carpet manufacturing companies and exhibition visitors. Aksa General Manager Cengiz Taş participated in the exhibition and bilateral negotiations with the leading companies in the world while the carpet sector trends were followed closely. Acryluna and Acrylusion acrylic fiber products were presented in detail to exhibitors. Silk carpets produced by Aksa's newly developed acrylic filament product, Acrylusion, became a focus of attention.

**Aksa participated in the 9<sup>th</sup> International Carpet Fair held in Tehran (FMCEX 2017) and received attention with its Acryluna and Acrylusion products.**

Didem Tunçbilek, Marketing, Sales and New Business Development Manager (Technical Fibers), evaluated FMCEX Carpet Fair in Iran: "As Aksa Akrilik, we participated in the FMCEX Carpet Fair for the first time. At the FMCEX carpet fair, we have received great interest with Acryluna and our new product Acrylusion. While we had a chance to meet face to face with our existing customers, we also had the opportunity to introduce our products and Aksa to our potential customers. Iran is the world's third-largest market after Turkey in the acrylic sector. Thus, it was very beneficial for us to take part in the Iran fair and to meet face to face with our customers."



## AKSA TRANSFORMS DIGITALLY

Today, digitalization is the most important global development, affecting every field and individual in this day and age. With internet access and the use of smart devices, it has become crucial to provide quick access anywhere to make changes in the way traditional business does. At Aksa, we are prioritizing aligning with today's trends and providing better service to our customers by closely monitoring the technological applications and innovations brought by digitalization and integrating them into internal processes, production and products.

### DIGITAL CUSTOMER PLATFORM: AKSAGO (Global Orders)

Launched in 2018, our project aims to reach products and services from simpler, faster and accessible channels depending on the use of internet access and smart devices. You can now access the web application from the Aksa website as well as the mobile application from the IOS and Android markets.



### BUSINESS INTELLIGENCE (BI) APPLICATION PORTAL

The value chain is a vital source of data flow for every step in the chain, as well as for potential new initiatives and solutions to problems. In 2017, the BI portal, which was implemented for the procurement function, made instant evaluations in innumerable and continuous data flows during its processes. As a result, many improvements have been made in the procurement process.

### AKSA INFORMATION SECURITY MANAGEMENT SYSTEM

While digitalization facilitates our lives and the way we do business in better ways, the management of issues related to the protection and security of the data becomes one of the most important matters. Taking precautions against all risks to prevent safe and uninterrupted service, especially cyber threats, and to provide customer information security and confidentiality is of great importance both for our stakeholders and for us. In this context, Aksa provided ISO 27001 Information Security Management System activities, which started as a pilot phase in customer services in 2015, to ensure customer confidentiality and information security.

### IDEA FORM

Aksa put an "Idea Form" application in the practice in the direction of R & D center strategy. Ideas for new business development and new product areas can be systematically assessed, and applications made to prioritize in line with company needs can be followed more easily and effectively. In order to support employees who want to increase their interest and share ideas, "Idea Form" was introduced in an eBA (Electronic Document Flow) system and digital transition process completed. All ideas shared with digital conversion were made available to corporate memory.

SUPPLY CHAIN MANAGEMENT

Internalizing responsible supply chain management, Aksa aims to implement supplier selection and evaluation practices based on social and environmental criteria, as well as financial criteria, and to promote sustainability in the value chain. Communication, supervision and performance evaluation applications are carried out in line with the concept of supply chain management on which continuous communication is based and mutual development is carried out.

Aksa takes into account issues such as the selection of new suppliers, the environment and OHS policies, ethical values and employee rights in the evaluation process of existing suppliers. It is expected that the compliance and quality certifications of the suppliers whose policies and approaches are investigated are questioned and operations are carried out according to OHS principles and working hours. The Supplier Performance Evaluation System, which is implemented on an annual basis, ensures that the basic competence areas of existing suppliers are identified, developed and evaluated for their annual performance.

LOCAL CONTRIBUTION

Aiming to make the area of indirect economic impact positive in procurement, Aksa contributes to the level of prosperity of local people by prioritizing suppliers in the Yalova region where they operate. During the reporting period, Yalova local suppliers' TL-based procurement rate for all active domestic suppliers was 44%.

As of 2017 technical drawings made within the scope of our processes are now supplied from local sources. Local suppliers are also preferred in machinery manufacturing, which is an essential item in our investments with new local collaborations.

RESPONSIBLE MANUFACTURING

AKSA applies both legal and voluntary practices and standards effectively in all processes. Based on changing market conditions and customer-focused approach, it follows innovation in technology and market, producing a competitive environment, high efficiency, superior quality and low energy consumption, all without compromising occupational health and safety. It applies the "operational excellence" approach in all processes in order to ensure the continuity of the value it creates with its products and services. It carries out its operations by using and observing international standards.

Product Safety

Understanding customer and market needs forms the basis of Aksa's business style. Aksa always develops new and better products to add value to its customers and the environment. Efforts are being made to ensure that products are produced and used safely for the entire value chain throughout the life cycle. With this understanding, Aksa carries out its operations in compliance with international standards for product quality, environment and human safety. By closely following local and international regulations (CLP, REACH, Ca Prop. 65, ETAD, ZDHC, INDITEX, etc.), human health and environmentally friendly working perception is being implemented throughout the supply chain from suppliers to customers. During the product development process, compliance with the human and environmental health regulations is actively and proactively pursued. In this direction, OEKO-TEX® Standard 100, an independent inspection and certification system covering all production stages of textile products, has been implemented by Aksa since 1995. The products are renewed every year by

Subcontractor Management

Subcontractor Responsible, thanks to the changes in organisational structure, serves as an operational structure to ensure that contractors and subcontractors are regularly audited and monitored.

Subcontractor Responsible, working in coordination with the HR, Legal, HSE and Administrative Affairs departments, ensures that the employees of subcontractors work in healthy, safe and human dignified establishments via Subcontractor Management System.

Aksa's business culture is exemplary for the companies with which it work and implementation of the culture is of great importance. Aiming to be institutionalized by helping companies and their employees in Aksa's network to develop in every direction, we are working with our new sub-employer management approach started in the past season.

Significant progress has been made in OHS index scoring, instant audits, planned audits, and existing occupational health and safety practices implemented for two years. In the "sub-employer management system," which is monitored from the partner online platform and whose implementation started in 2016, legal rights are guaranteed.

In addition, as of 2018, companies are encouraged to establish related management systems on the basis of international standards by establishing policies on quality, environment and occupational health and safety in the name of institutionalization.

passing the Category 1 conformity tests. With this application, the production of Aksa products without harming human health and environment is guaranteed by inspection and certification.

On the other hand, in order to determine the limits of the chemicals to human health and the environment, applications in Europe and Turkey are being closely monitored via Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) and customers' demands are answered.

Local contribution

During the reporting period, Yalova local suppliers' TL-based procurement rate for all active domestic suppliers was 43%.

Our Management System Certificates

- ISO 9001 Quality Management System
- ISO 14001 Environmental Management System
- OHSAS 18001 Occupational Health and Safety Management System
- Reporting of ISO 14064-1 Greenhouse Gas Emissions
- ISO 50001 Energy Management System
- ISO 31000 Risk Management System
- ISO 27001 Information Security Management System
- ISO 14046 Water Footprint Management System

<http://aksa.com/tr/kurumsal/sertifikalar/sertifikalar/i-5>



## The life cycle of our products is designed to be compatible with the life cycle of our world. Products manufactured and used safely for our employees, customers, society and the environment bear the sign of Aksa.

We know that we can maintain the world as a livable place for future generations, given that we can minimize our environmental impact, implement environmental friendly processes, and create awareness in the entire supply chain. We are rational in the use of resources and every effort is made with respect to the environment. We employ a transparent approach toward our stakeholders regarding our health, safety and environmental performance.

In all business processes within Aksa, the Environmental Management Unit is responsible for the environmental impact monitoring, conservation and efficient use of natural resources. Subjects covered by this responsibility are constantly monitored by the relevant unit; weekly directorships and directorates meetings, and quarterly meetings of the Chief Executive Officer, effectively supervised by senior management. In addition, Human Resources, Procurement and Corporate Development Director is responsible from system requirements and policy within the scope of "Integrated Management Systems".

Aksa manages its operations and environmental performance in full compliance with laws and regulations, consistently seeking to go beyond minimum legal requirements.

During the reporting period, **USD 1.2 million** environmental protection expenditure and investment was realized. It is crucial to educate our employees about the related subjects and processes in order to raise awareness about environmental issues and to achieve better performance. In this context, during the reporting period, our employees were provided with **2,350 hours** of environmental education. In addition, training was provided to employees of the contractor companies.

### Water Management

Taking necessary precaution to ensure efficient use of and sustainability of natural resources is of special importance for the entire world. Water is one of the most essential natural resources, and water management is becoming more and more critically substantial due to the impact of climate change. According to our sustainable production philosophy, we have adopted a **holistic water management** approach that encompasses diversity of water resources, efficient consumption of water, and wastewater character issues given to the recipient. In this context, we kept devoting our efforts to improve the performance of our Reverse Osmosis and YALKIM Common Treatment Plants in 2017, which were commissioned in 2015 for the sake of sustainable growth.

In 2017, **85%** of total water consumption was handled by our Reverse Osmosis (RO) facility. This contributed to the region's existing water resources and its balance. Thanks to common treatment service we received, **2,392,690 m<sup>3</sup>** waste water was treated in accordance with regulations.

As part of the infrastructure project, which started in 2016 and is scheduled to be completed by the end of 2018, the prevention of soil pollution and protection of the environment at the same time as water management is aimed. All subterranean lines were converted into overhead lines, and possible accidental conditions may now be detected instantly to avoid potential environmental pollution.

### Waste Management

As a manufacturing company, Aksa operates with the awareness that processes producing waste must be managed with precision. Waste is strictly managed according to regulation. Reduction of wastes at source, and separate collection and disposal according to type of waste are carried out in accordance with legislation.

### ISO 14046

**We have been awarded ISO 14046 Water Footprint Standard Certificate thanks to sustainable water management activities we conducted in the reporting period. Aksa Akrilik became the first company to receive this certificate in the chemical and textile sectors.**

In 2017, we first outlined our inventory in detail, based on our water resources in our own borders. Apart from the use of general dam water in Aksa, there is water production from RO plant and sea. Other than its own water use, Aksa provides water service to its sister organizations. Again, we use water in different forms such as steam and gives it as a service, as well. In this process, our inventory within the Aksa borders was formulated in the most accurate manner and confirmed by on-site inspection by BSI company.

the  
first  
in sector

## Processes are improved via projects executed during the year in order to save energy by more efficient utilization.

### Energy Efficiency And Climate Change

In order to ensure operational sustainability, uninterrupted energy supply and energy management has special significance for Aksa. Systematic energy management oversees procurement, efficiency, climate change, and other environmental impacts. We provide consistent energy production for our subsidiaries in the same region, and supply excess energy generated to the electricity market.

We evaluate climate change in the context of risks and opportunities, and continue our operations according to legal and self-imposed regulations. Our greenhouse gas emissions have been documented with comprehensive assurance under ISO 14064-1 this year and our ISO 50001 Energy Management System documentation has been successfully completed.

It is also fundamental to use energy efficiently, despite the supply of continuous energy for the continuity of our operations. Processes are improved via projects executed during the working year in order to save energy by using energy more efficiently.

Energy efficiency projects in the reporting period provided energy savings of **84,329 GJ** thermal energy with **%52** more productivity and **9,747 GJ** electric energy with **%92** more productivity. Due to these savings, we achieved **10,562 tons** of CO<sub>2</sub> reduction.

According to the regulation, the source combustion emissions of our energy production facilities are monitored on-line by 24/7 ÇSİM and ÇŞB with Continuous Emission Measurement Systems. Thanks to the projects carried out throughout the year and the continuous monitoring provided, the relevant emissions values were well below regulation targets. Our greenhouse gas emissions were added to the online system of the Ministry of Environment and Urbanization this year as part of our legal obligation to the "Greenhouse Gas Monitoring Plan" and audit conducted by the Ministry was completed successfully.

### Biodiversity

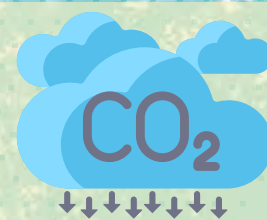
Aksa is running its operations with an approach that takes into account the possible effects on species and people living in the area

where it operates. It plans its activities together with environmental risk analyzes, starting from the investment decision stage. This approach, which has been put into effect in the investment stage, is supported by measures to reduce environmental risks, environmental protection studies and environmental mitigation practices.

In **The Ecosystem Report**, prepared together with Hacettepe University, an Aksa in 2016, it was reported that there would be no negative impact on the ecosystem if Aksa continued its sensitive work to protect the area while maintaining operations. The study is planned to be reviewed in certain periods regarding new investments plans.

### CO<sub>2</sub> Reduction

Within reporting period, we achieved **10,562 tons** of CO<sub>2</sub> reduction.



### Energy Efficiency

Energy efficiency projects in the reporting period provided energy savings of **84,329 GJ** thermal energy with **%52** more productivity and **9,747 GJ** electric energy with **%92** more productivity.



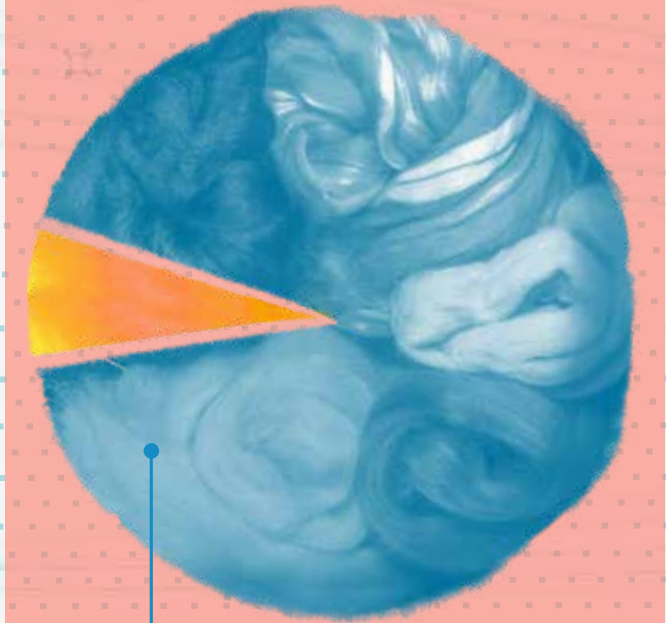
### Green IT Applications

In 2017, approximately **56,000 transactions** are processed via eBA new developed applications (e.g. Project Management, Incoming / Outgoing Documents, Meeting Notes, Announcements, Unit Work Permits, Work Tracking Systems) via Electronic Document Stream and time and paper savings were realized.



### Green Building Certificate (LEED-GOLD)

We received the LEED-GOLD "Leadership in Energy and Environmental Design" Green Building Certificate in 2017 for our new headquarters, to which we moved last year.



**93% of the waste is considered for recycle and as raw material contribution in other sectors.**

### Waste Management

As a manufacturing company, Aksa conducts its operations with the awareness that the waste generated from the processes should be managed with precision. The resulting effluents are managed in line with the waste management hierarchy. Reduction of waste at the source, separate collection and disposal according to the nature of the waste is provided in line with the legislation.

Aksa's basic human resources policy; is to bring together accountable, creative, participating, self-confident, enthusiastic and happy employees to serve the Company's main goals. Practices shaped by this policy and investment in human resources support Aksa's core strategies and facilitates the achievement of business targets.

The Human Resources Department, in its practices developed for 2017 and long-term targets, focused on improving talent management, training and development, leadership development, employee commitment, spreading ethical values, performance management system, improving wage and layer system and shift order, and improvement in operational efficiency.

With our belief in promoting leadership from within, eight of our existing employees were promoted to managerial roles in the next level in 2017 in line with our organizational needs. 25 of our employees were found to be proficient for a higher level expertise position, while 20 operators were promoted to senior operator as a result of Evaluation Center practices. 11 employees at or above expert level and 25 employees at operational level have been reassigned to another department with new duties. Effective January 2018, 19 employees will be promoted to the managerial roles or will rise in management ranks.

In our process of employee selection in line with our aim at placing right people for the right jobs, we focused on PR efforts and continued to visit universities in 2017. 11 student internships were provided within our Long-Term Internship Program. Two successful candidates joined us from new graduate process we participated through Akkök.

We base our human resources practices on respect for human rights. Aksa believes that it is talented, creative, attentive and happy employees who will carry the global business success forward. Aksa knows that its' contributions to employees' careers will impact its business success directly. Aksa uses systems that ensure that all employees do the right job at the right time, develop their knowledge and skills as they need, and receive constructive and timely feedback on their performance. With effective talent management practices, future leaders are selected among employees. Through various internal communication practices, employee participation is reinforced, efforts are made to increase employee commitment and all measures are taken to provide a healthy and safe work environment.

We Are Growing

Among the aggregate number of employees that reached 1.307, 140 people joined the Aksa Family in 2017, 1 in executive level, 22 in expert and engineer level, and 117 in operational level. Our Filament and Modacrylic investments have played a role in this increase.

Discipline Ordinance

Disciplinary Regulation was revised according to current legislation and personnel regulations, Ethics Committee and Disciplinary Committee Bylaws were arranged. Disciplinary Process which was followed in the paper environment is computerized within the scope of Corporate Memory efforts. All the duties and disciplinary history of the employee referred to the disciplinary committee, and if any, the old penalties, the disciplinary meeting's minutes and the necessary approvals for the decision are all computerized.

Investment in Technology: Oracle HCM

Aksa Akriklik became the first company in Turkey that installed Oracle Cloud HCM module. The Oracle Cloud system was introduced in 2017 to track Human Resources systems more effectively from start to end in electronic means and HR processes started to work interactively in a single integrated system. Core HR, Performance Management System and Talent Management modules were actively used during this period. The infrastructure studies of the Recruitment and Training modules have been completed.

"Great Place To Work" in 2017

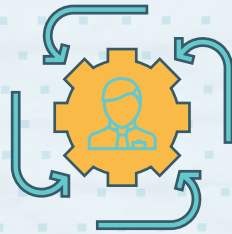
12 project groups were formed to fulfill the actions expected to improve our workplace after the survey conducted in 2015 within the scope of our "Great Place to Work" Project. The activities of the groups were completed in 2017. 92 actions, including large-scale projects and applications, were carried out. In this framework; several skills recognition practices were developed such as rotation for experts and higher positions, career maps for operational level, determination of critical roles, extension of ideal employee concept, tree-planting and honorary certificate distribution for employees on their birthdays.

In order to see the effectiveness of the actions taken and the point we have reached, we are planning to repeat our survey in 2018 with Great Place to Work® Turkey which is an independent institution.

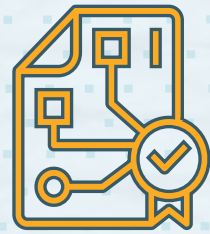
12 PROJECT GROUPS



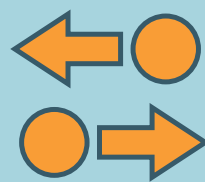
Rotation



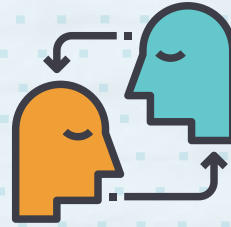
Career Maps



92 ACTION



Skills Management Recognition



WE BELIEVE IN GROWING THE LEADERS WE SEEK FROM WITHIN THE COMPANY. WE PREPARE OUR EMPLOYEES WHO SERVE AKSA, TO FUTURE SUCCESS.

# EMPLOYEE DEVELOPMENT AND SKILLS MANAGEMENT

At Aksa, in line with strategic business objectives, utmost importance is given to attract qualified workforce to the company; The performance of skills management is subject to continuous improvement with effective performance appraisal, employee development and career management practices. In line with the great importance we give to the Skills Management process, the competencies and development areas of our employees are determined by modern human resources methods, support is provided for continuous improvement, and activities are underway to guide the career development of employees.

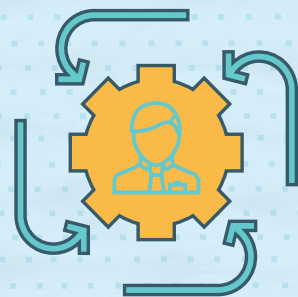
## Training portal

The competencies and development areas of our employees are determined by modern human resources methods, support is provided to ensure continuous improvement and activities are going on to guide career development of our employees. In 2017, the feedbacks from 360 degrees evaluation process were completed and evaluation center applications continued. Following the trainings of the Project Management System, Energy Management System, Information Security Management System and Business Ethics Principles, the content of the Environmental Legislation Training which is required by law from our employees to be completed every year, was prepared in the electronic learning platform and offered to our employees' access in 2017.



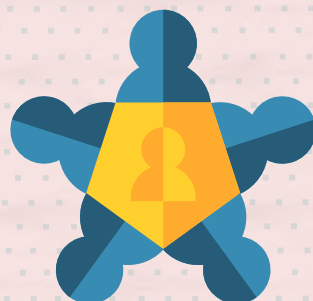
## In-house rotation

A decision was made to establish a system that supports intra-company mobility, believing that experiencing different positions will make a significant contribution to both individual and professional development. A rotation system was set up in 2017 for the development of best practices for assigning different positions within the Company and for evaluating the potentials of experts and employees. With this; it was aimed to enrich the jobs with different viewpoints, to discover different team formations, to make the organization more dynamic, agile and sustainable, to increase the job satisfaction and motivation of the employees and to keep the talents by creating career opportunities within the organization.



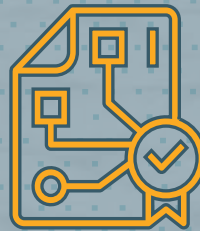
## Mentoring program

The "Mentoring Program" was launched for staff at manager or above levels, in order to sustain commitment of employees and also that the corporate culture is conveyed to the future leaders of the company. The program supports employees' personal and professional development and aims to contribute to their success. In this context, mentor and mentee trainings were realized. Mentors consist of; general manager, directors and directors, and mentees consist of; managers and specialists. Within the scope of mentor-mentee and coaching applications, a 1-year mentor-mentee program was completed between our Mentors who consists of Directors and Supervisors and 15 Mentees from Executive and Expert levels in 2017.



## Career maps

The talent management process in the operational level, which started in 2016 with the creation of career maps in which career paths are mentioned, continued in this period. Transition criteria for the roads in career maps were determined and published in 2017 and the system was transparent. The counter backup plan applied in specialist and above levels was expanded to operational level in 2017. For this level, the backup roles of the critical roles were established and the development plans of the backups were prepared.



## Employee development trainings

In order to ensure continuous improvement of our employees; experts and above level employees have prepared plans for improvement in line with development needs and the feedback of their managers. In 2017, 36 man \* hours of training was organized in line with our organizational needs, taking into account the orientation, development plans, legislative requirements and professional development needs.



## Leader development

24 of our managers joined in the Effective Feedback, 34 first level managers joined in the Multidimensional Leadership Training, 2 of our managers started the Turquality Manager Development Program. In addition to these, Akkök's Executive Development Program, Boomerang-HR Cap Manager, Winning Talent Begins with an Interview, Leading at Confidence, Working at Confidence, Managing Today's Business and participating in Akkök Orientation programs



## Aksa Institute program

The Aksa Institute program, which consists of course titles determined by the departments, was designed to enable our employees who work in specialist positions and above to learn about processes outside their departments.



## WORKING LIFE IN AKSA

One of our main corporate values is to provide an honorable working environment for our employees. In our entire organization, human resources processes are introduced that avoid discrimination, respect employees' rights, and adhere to the principles of global human rights. It is essential for us to spread this approach throughout our value chain and we are working on this direction.

In Aksa, from recruitment and performance evaluations to career management practices, we are acting in light of these values; without discriminating against gender or race, we recruit only on grounds to the requirements of the position. In our recruitment policies, we treat all our potential employees equally, regardless of age, physical disability, race, ethnicity, gender, religion, belief, sexual orientation. We are placing our disabled workers to accommodate their particular needs and are aiding the socio-economic development of the region where we conduct our operations with our local employment policy.

### "Journey From Me to Us"

Employee meetings were held to increase the communication of our employees with Human Resources. An activity of 14 sessions involving all our employees named "Our Trip to Turkey" was organized, in order to support departmental and inter-departmental communication, cooperation and team work. While our employees spent pleasant time together all day in outdoor activities, they also shared the enthusiasm of joint success.

### Executive handbook

We created an Executive Handbook, to ensure that managers get quick answers to frequently asked questions, to standardize practices across departments, to guide our colleagues in a standard way, and to guide our new managers.

### Aksa Culture and Internal Communication Project

Aksa Culture and Internal Communication Project was launched in 2017 to determine the elements of our culture and to strengthen our interaction and communication with our employees in line with the dynamics of our culture. The short-term aim of the project is to determine the essential elements of the existing and desired Akxa culture, and to determine Akxa's promise to employees as an employer and to set internal communication standards by measuring the perception of employees at different levels, and examining the current practices that make up the workplace culture; To carry out studies aiming to strengthen internal communication and to ensure the processes and practices of the Human Resources send messages in line with our culture and employer's promise.

To this end, over 100 documents have been reviewed which reflect the inner workings and practices regarding employees. In order to determine the Akxa culture perception of our employees and how to improve our communication, 16 one-on-one interviews were held. With 9 focus group activities, 174 employees were gathered together including 13 managers, 25 executives, 30 experts and 106 operations personnel. The long-term objective of the project is, to spread the cultural elements which will contribute to Akxa's strategic goals, to improve internal communication, to raise ownership, loyalty and employee motivation by focusing on employee experience, to promote of Akxa as an ideal employer brand by turning employees to our brand representatives, to strengthen corporate reputation and its attractiveness, to retain talent and improve access to highly qualified candidates.

### University-Industry Cooperation

Our employer brand "Myth or Reality" was created within Akk k Holding, and while strengthening our values internally we also began to spread externally. The Akk k Group participated in various university activities to increase the level of recognition and awareness of the sector and its companies. In the process of recruitment and placement in 2017; university visits were held to gain candidates to carry our company into the future who have the knowledge, skills, experience and competencies required by the job and position, in line with our corporate culture and values..

### "Aksa Glossary of Terms", all the terms you are looking for are here!

Aksa has completed the dictionary project which was started to contribute and accelerate the adaptation process of newcomers to the business. The "Aksa Glossary", which was created to enable new employees to easily access and learn key terms used in business processes, contributes to the creation of corporate memory. The Glossary of Terms is also of great importance in serving to form a common language within the company. Employees can add new terms whenever they want to the glossary in which 800 terms were already entered in the first phase.

İşinize dair  
aradığınız  
tüm terimler  
burada!

## "STARS OF AKKÖK" RECEIVED THEIR AWARDS

**Award in Operational Excellence to Aksa team at Stars of Akkök Award Process.**

The Aksa team deserved to receive an award in the area of Operational Excellence In the Stars of Akkök Award Process, which took place in the second year of 2017. Stars of Akkök Awards are established in order to recognize and

appreciate achievements, to prioritize exemplary competencies and behaviors, to increase internal and inter-company solidarity, to increase employee loyalty, motivation and productivity, to uncover and disseminate best practices.



## SUCCESSFUL TRAINING FROM AKT IN HARSH WEATHER

**Aksa Rescue Team (AKT) successfully completed team coordination, durability and development training in nature despite the harsh weather conditions.**

Aksa Rescue Team (AKT) conducted team coordination, durability and development training in nature between 28-30 September 2017. Education was successfully completed in Altınova Geyikdere Çamlık zone despite harsh weather conditions with the support and participation of Yalova and Bursa

Governorship Provincial Disaster and Emergency Directorate (AFAD). The AKT members, who come together once a year to improve the physical and mental endurance of their members, to form a team spirit and to keep alive, are trained for team co-ordination, endurance and development in nature conditions.



## "LONG TERM INTERNSHIP PROGRAM" IN AKSA STARTED

**Within the scope of the Long Term Internship Program, 11 students have successfully completed the exam and interview process among candidates applying to the stands established at universities.**

The program, which provides the opportunity for Aksa employees to better understand future colleagues and to make better evaluations, is being carried out with İşkur's "Occupational Training Program". Following the OHS trainings held on June 19, Recep Buğra Mert, Ali Cem Bulut, Nur Saka, Kubra Dağcı, Taner

Süzen, Anıl Devrimsel, Türker Ertürk started his internship trainings. In addition, Nazlı Altunbulak, Dilek Güneş, Güzde Işık and Tarık Çevik were placed as trainees.



## HUMAN RESOURCES CONTINUE TO MEET STUDENTS

**Aksa Akrilik continues to visit universities in order to acquire candidates who will carry the company to the future.**

Aksa Akrilik, along with other group companies under Akkök Holding roof, participated in the Human Resources Summit in Istanbul Technical University (ITU) Ayazağa Campus on February 21-22, the Middle East Technical University (METU) Career Fair held at Culture and Congress Center on March 2-3, Yıldız Technical University Career Panel organized by Yıldız Management Club on March 28<sup>th</sup> and finally P & R Days Career Fair organized by Bogaziçi University Operations Research Club on April 3<sup>rd</sup>. Aksa Human Resources team, which met students at these organizations, received job and internship applications while promoting the company.

**Aksa Akrilik welcomes hundreds of students from various different educational institutions and various trainings who want to learn about production processes.**

The guests who have the opportunity to closely monitor the production processes during the visits according to the departments where the students are educated and according to special requests, can also get information about the issues that they are curious about from Aksa employees. The visit program continues with Aksa presentation and field trip. In the field, eye unit, laboratories, fiber drawing unit and textile fields can be visited. Depending on the area of interest of the program, which can be shaped according to the student profile, visits to different sections such as power plant and port can also be added.



# OCCUPATIONAL HEALTH AND SAFETY

In Aksa, it is our primary responsibility to create a healthy and safe working environment for our employees.

Aksa conducts its activities regarding health and safety under the OSH Management and Occupational Health Unit Management under the HSE Directorate. When conducting the OHS activities, the OHS Code, regulations, communiqués and national and international standards are used. Since 2007, Aksa has become an exemplary in the sector with its OHSAS 18001 applications.

In Aksa, it is our primary responsibility to create a healthy and safe working environment for our employees. An effective Occupational Health and Safety management is presented, in which risks related to operations are periodically analyzed, preventive measures are taken and action plans are prepared for possible emergencies. Our performance from our main sustainability priorities is constantly improving, with pioneering practices covering all stages of our value chain.

**Seveso**  
2017 was an important year for the implementation of Seveso projects. Aksa completed the safety report in 2017 despite the fact that the delivery of the Security Report was delayed to 31 December 2018 within the scope of the Regulation on the Amendment

of Regulation 30127 dated 18 July 2017 on the Prevention and Reduction of Major Industrial Accidents. Having carried the existing security level to the next level every day with the works done and being done, Aksa aims to reach international standards in this area.

The OHS Board, which is the most crucial stakeholder engagement application in the OHS field consists of 15 people, including 1 employee representative and 1 foreman representative elected by Aksa employees in person. The Board consists of employers' representatives, business security experts, workplace physicians, human resources managers, administrative affairs managers (civil defense experts). The Board leads Aksa's policy on occupational health and safety transactions.

Evaluated in a very dangerous business class, Aksa does not employ people who below 18 years old. In the same way, the sub-employer or the contractor does not take workers on the factory floor who are not 18 years old.

During the reporting period, there were no accidents or occupational illness cases resulting in death at the Company.

## OUR OHS PERFORMANCE IN NUMBERS <sup>1</sup>

	2013	2014	2015	2016	2017
Accident Frequency Rate	4.87	8.86	5.70	5.12	3.24
Accident Severity Rate	125.25	184.04	186.00	155.27	54.10

<sup>1</sup>Accident Frequency Rate = Number of Work Accidents / (Total Number of Days with Premium \*8) \*1,000,000  
Accident Severity Rate = Total Number of Days Lost Due to Work Accidents / (Total Number of Days with Premium \*8) \*1,000,000

## BEST PLACE FOR SAFE WORK

- "Safe work is a joint action of all teams! Different color helmets are more effective. "
- "The path of the safe environment is through the safe operation."
- "AKAT is everywhere all the time"
- "A late precaution is an early messenger of an accident"
- "Our employees are entrusted to us by their children."
- "Work safety culture should not remain in mottos. We must apply in fields."
- "O Aksa, you remove the behavior risks, let us remove the obstacles as AKAT."
- "No job is as urgent and important as it is to be insecure."
- "Companies can buy equipment for the units, but they cannot buy organs for us. Let's try to put on headphones in loud environments."
- "Together with locking and labeling, maintenance is safer."
- "The future is the gift of our safe work."

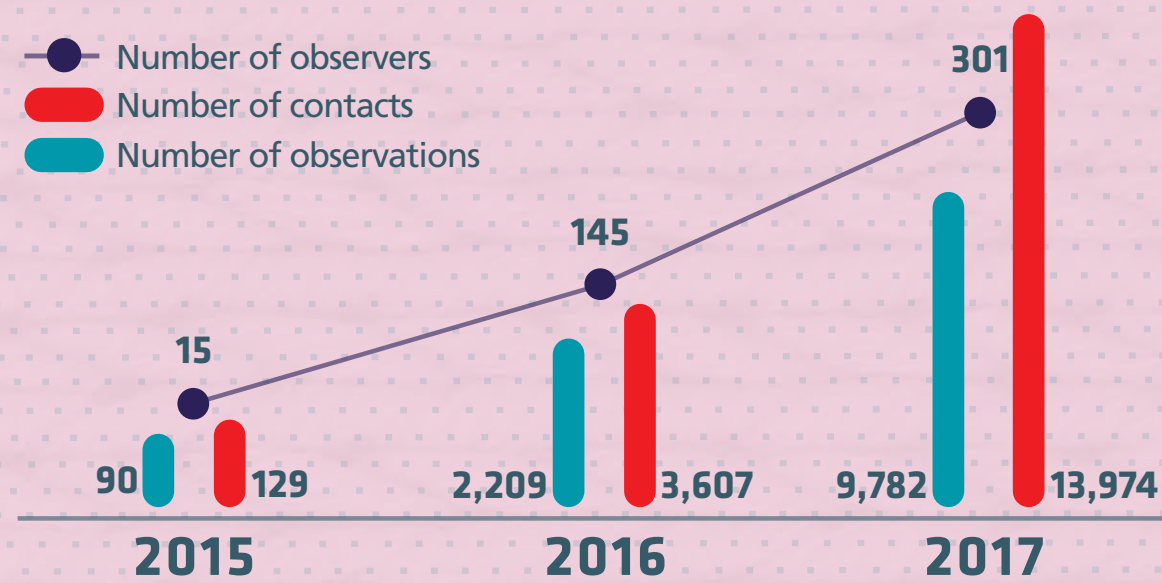
## OHS TRAININGS PROVIDED TO EMPLOYEES BY YEARS (PERSON X HOUR)



In 2017, a total of 23% of Aksa employees were observers. We started to cover all our employees in terms of monthly contact rate. Activities in the second half of the year concentrated on the obstacles identified in the observations, and improvements began to support safe working cultures in department-based working environments.

Within the scope of the project, 300 AKAT observers are in contact with more than 1,000 observations per month and 1,500 employees.

With the project, our Business Security Leaders carried AKAT activities to the field and were asked to answer the question "How can we work more securely?" in a positive atmosphere based on mutual trust relationship. By observations, by touching the employee or team, the problems during their activities were evaluated together.



# WE WILL UPROOT THE CAUSES OF ACCIDENTS AT AKSA!

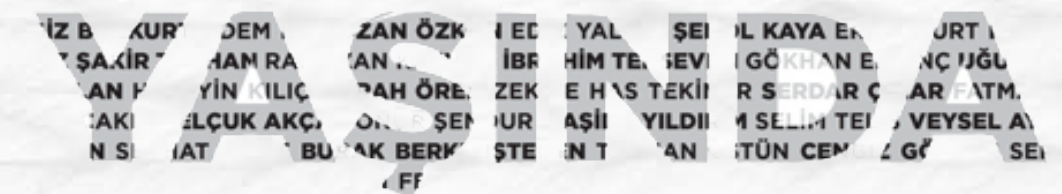
Targeting operational excellence in its operations, Aksa considers its greatest strength not as technological facilities that span large areas, but as its employees. Aksa wants all his employees to work in healthy surroundings and return to their families safely. In this context, while focusing on productivity and productivity, the project has been implemented since 2015 with the adoption and implementation of the safest behaviors in the safest environments. For the past three years, the project has continued to increase in scope and employee participation. AKAT activities voluntarily participated by employees began to be rewarded with bonuses thanks to senior management ordinance. Our main goal is to ensure the sustainability of the project in 2018.

## AKAT - Integration of sub-employer employees

Within the scope of the project, an important step taken in 2017 was the integration of the off-staff into the project. We are very careful to comply with the same standards of safety and efficiency of subcontractor and contractor services that we receive in Aksa processes. KÖK - Accident Prevention Culture AKAT - Aksa Accident Reduction Team The safety work culture development project required the participation of sub-employer companies. With the contribution of our long-time working colleagues in this team whose number is from time to time exceeds 500, the project has become reachable to every person under the AKSA roof.



AY AKPINAR OKY AKA HÜSEYİN ALTINTAŞ İSMAIL KAMAŞTIRANLI KEMAL  
BÜYÜK SEZAL AKYIL MURAT ÖZTAŞ İSA AKÇAL ŞENOL KALYON MUSTAFA  
KEMAL TEVFIK ATIK MURAT DERELİ MEHMET SEVİM MÜHİN DURAK BİLGİHAN  
STAFKA BEKTAŞ MUHAMMED TERZİOĞLU TUNCAŞ BAŞYİĞİT ÖZGEN BAŞ  
YİĞİTİN ŞİMŞEK ERKAN ŞANLI CİHAN YAVUZ ERŞİN DANGAÇ MELİH ÖZKAN  
AHMET TORLAK AHMET FEDALİ CÜNEYT TUNA BERKİT KADİR YILMAZ  
MURAT KARATAŞ MESUT AYIK OLCAY VARİŞ TURGAY ÖZER BARIŞ ALKIN İHSA  
ŞİN BAKİ TAYFUR YİĞİT ŞENOL YILMAZ İBRAHİM FİDAN SEDA AYDIN MUR  
YDİN BAKŞİ GİZEM HAKYEMEZ MURAT MERT YAMAN AYŞE NUR ÖZAR  
DİM TAVUKÇU YUSUF ŞÖLEN AHMET EKİCİ TAYFUR ACAR AH  
ŞİNBAŞ UMUT DURU ŞÜKRÜ CEYLAN ERTUĞRUL GÜZEL  
AKTAŞ ÖZKAN ARSLANDAĞ ÖZKAN KÜÇÜK  
MAHALLELİ SELÇUK GÜL ALPER K



Focusing on developing solutions for the needs and problems of the whole society, especially the local people in the operational area in its corporate social responsibility projects and activities, Aksa aims to create the highest possible value for its stakeholders.

Aksa focuses on social awareness-focused, human and environmentally sensitive practices. Within the scope of corporate social responsibility projects, Aksa encourages stakeholder participation through effective and transparent communication mechanisms and a volunteer-based approach that listens to the expectations of stakeholders. Aksa also supports Akkök Holding's social responsibility projects and is leading the sustainable development of the society that is a part of with the practices that it developed in education, culture, arts, sports, environment and health.

Aksa, which listens to its stakeholders' expectations with its effective and transparent communication mechanisms and encourages stakeholder participation through volunteer-based approach, gives priority to human awareness-oriented, human and environment-friendly practices.

Aksa is aware that sustainability in social development is possible with educated, equipped, sophisticated, initiative taker, environmentally and socially responsible

generations. The Corporate Social Responsibility activities, which the company has continuously developed with new projects, added value to every region where Aksa's name passed in 2017. The expenditure details that Aksa made under the name of Donations and Social Assistance in 2017, including education, culture, arts and sports activities, are given in the table.

#### Aksa continues to grow in social media, now on Twitter and Instagram!

Continuing to meet its followers on social networks, Aksa Akrilik recently established accounts on Twitter and Instagram. Having entered the digital world with corporate Facebook and LinkedIn accounts last year, Aksa Akrilik opened its doors to followers on Twitter and Instagram from the world's largest social networks as of April 2016.

Through these accounts, much interesting information is shared, including current developments, new investments, social responsibility projects and acrylic fiber usage areas. All stakeholders, including customers, partners and members of the press, can access up-to-date information and news about the company through these proprietary social media accounts.

#### Open Door Visits Continue

In 2017, Open Door Visits continued intensely. Within the scope of the visits, NGOs, local residents, schools, customers, benchmarking teams, domestic and overseas visitors, had the opportunity to visit the Aksa production area and satisfy their curiosity. Surveys conducted after each visit were evaluated according to Aksa's improvement strategies.

#### Rhythm Workshop with Okay Temiz

While Rhythm Workshop with Okay Temiz made it possible for the students to receive training from the best trainers in the field, the concert held at Taşköprü Cultural Center was given as a result of the intense work of the children.

#### Aksa supports Yalova Animal Shelter

Aksa Akrilik, who gives priority to social responsibility activities, delivers all the dishes that are not consumed or served to the shelter with his own vehicles daily in the scope of the cooperation with Yalova Municipality Animal Shelter.

#### DONATIONS AND SOCIAL AIDS IN 2017 (TL)

Donations and Social Aids	Amount
Associations, Foundations and Municipalities	60,000
Others	16,507
<b>Total</b>	<b>76,507</b>



As Aksa, we structure our social responsibility across a wide spectrum; from sports to education, from environment to youngsters, and we are conducting effective programs and activities commencing with our employees and the city in which we reside.

## AKSA'DA HER YAŞ, YENİ BİR AĞAÇ...

Aksa ve Çekül Vakfı hem sizleri hem de doğayı mutlu edecek bir iş birliğine imza attı. Bundan böyle doğum günlerinizde yeni fidanlar toprakla buluşacak ve her yıl sizler adına, pek çok defa, doğaya yeni bir can katılacak.

Geleceği, hep birlikte yeşil ve yaşanabilir kılmak dileğiyle...



## AKSA İLE YÜZLERİ GÜLDÜRME ZAMANI: HAYATIN ENGELLERİNE

İçtiğiniz su şişesinin ya da damacananın, zeytinyağınızın, meşrubatınızın kapağını çöpe değil; yemekhanelerimizdeki kutulara atın, Türkiye Omurilik Felçlileri Derneği'ne ulaştırılabilir.



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Aksa, 23 Nisan Ulusal Egemenlik ve Çocuk Bayramı'nda Yalovalı çocukları **Maşa ile Koca Ayı** filmine götürüyor.

## Sen de gel, eğlenceyi kaçıрма!

Tarih: 23 Nisan 2017, Pazar / Yer: Özdilek Cinetime, Yalova

## Maşa ile Koca Ayı™

Seanslar:  
Salon 3  
10:45 / 12:15  
13:45 / 15:15 / 16:45  
18:15 / 19:45

Biletler  
19-22 Nisan 2017 tarihleri  
arasında Özdilek Cinetime  
Gişeleri'nden alınabilir.

Sinema salonuna yalnızca  
15 yaş ve altı çocuklar  
alınacaktır.

Mısır ve içecek ikramıyla!



Ayrıca Elyaf Atölyesi'nde  
eğlence dolu anlar da  
çocukları bekliyor!



## 23 Nisan'da renklere dokunuyoruz!



acryluna

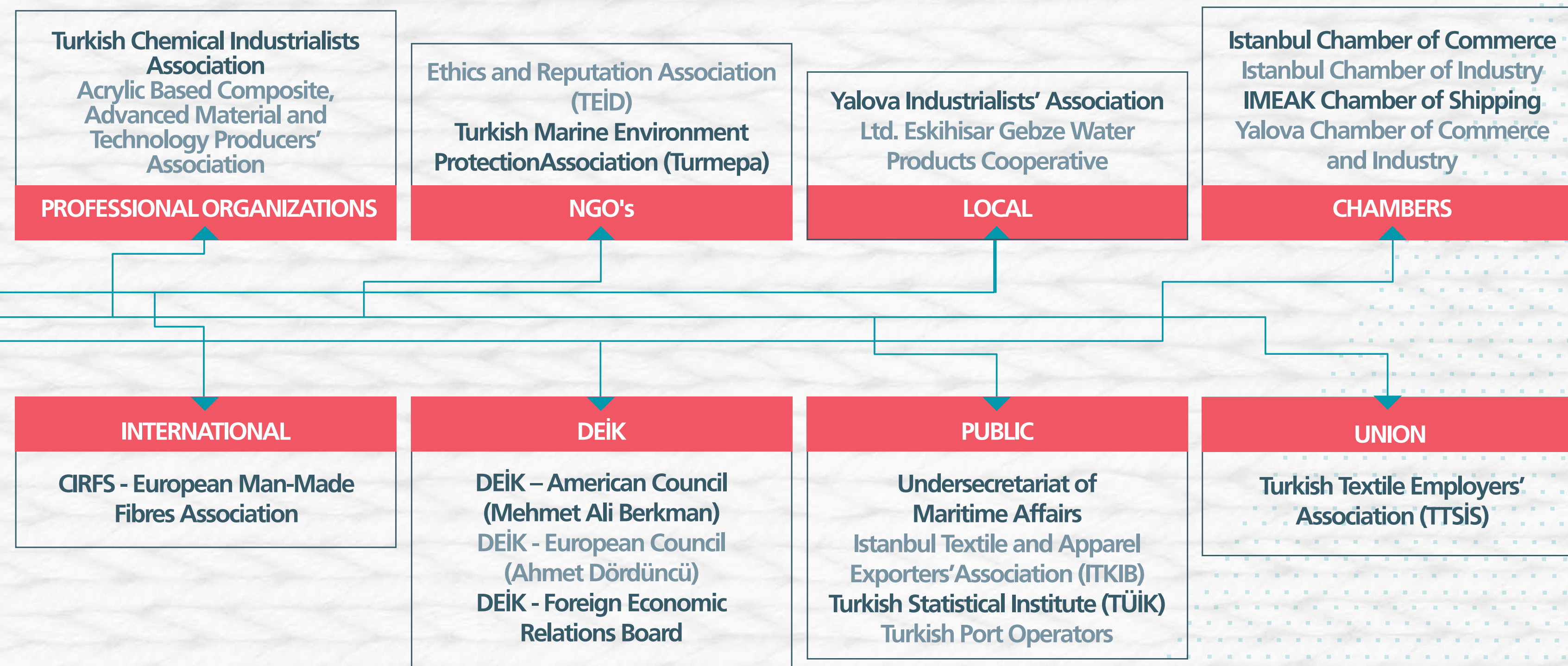


Acryluna'nın rengarenk dünyası ile çocuklar eğlenceyle buluşuyor. Aksa'nın düzenlediği Elyaf Atölyesi'nde elyaflarla yapılacak resimler, boyama etkinlikleri ve kendilerinin elyaf kullanarak süsleyecekleri aksesuarlar çocukları bekliyor.

Tarih: 23 Nisan 2017, Pazar  
Yer: Özdilek AVM, Yalova  
Saat: 12:00



# CORPORATE MEMBERSHIPS



# METHODS FOR COMMUNICATION WITH STAKEHOLDERS

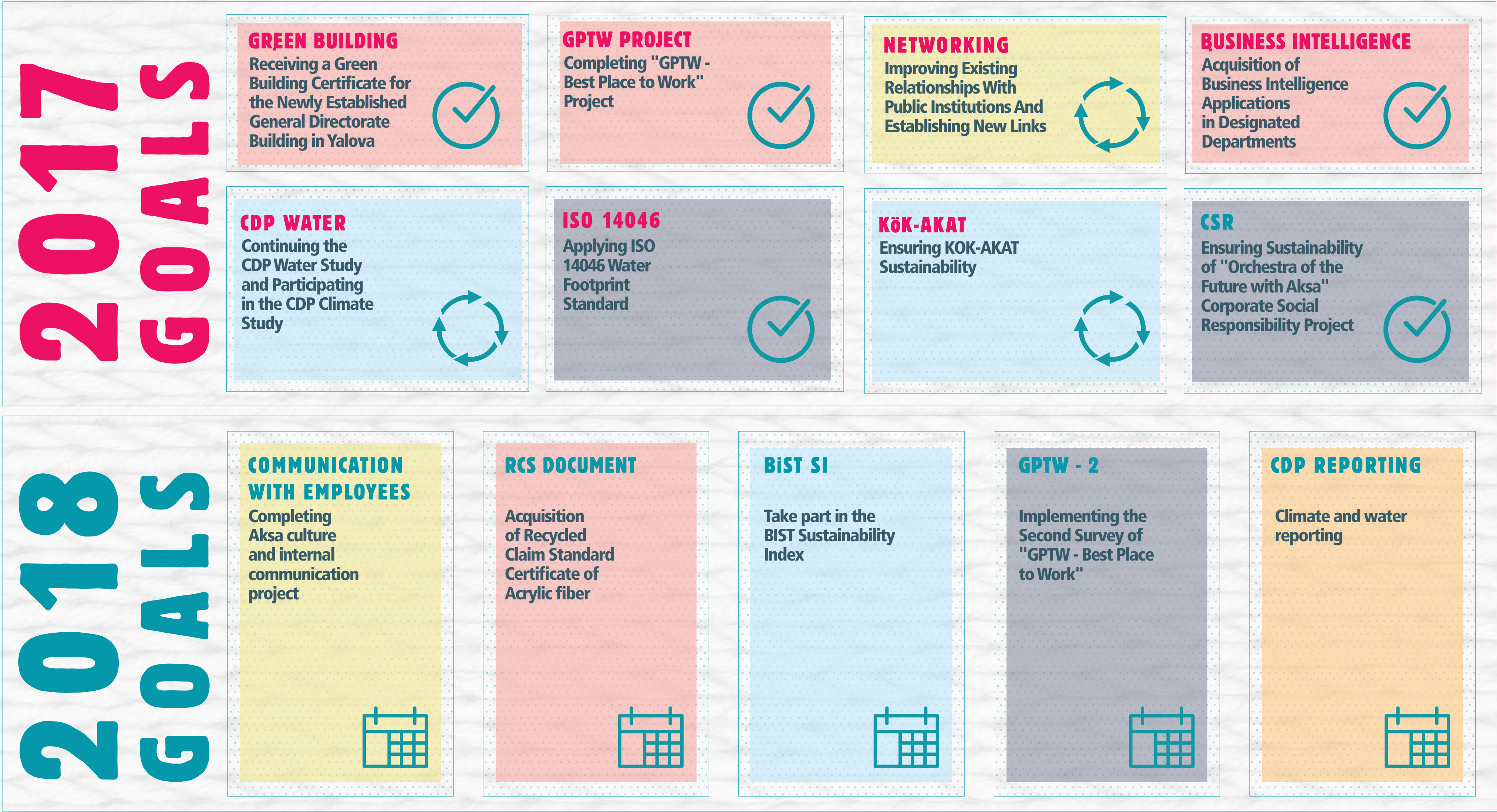
<div>CUSTOMERS</div> <div>Fiscal Reports Sustainability Reports Customer Satisfaction Surveys Corporate Website Activities Social Media Accounts</div>	<div>INVESTORS</div> <div>Fiscal Reports Sustainability Reports Investor Relations Line Corporate Website Annual Reports Investor Presentations Social Media Accounts</div>	<div>NGOs</div> <div>Corporate Website Joint CSR Projects Sponsorships Sustainability Reports Corporate Publication (Aksa News) Social Media Accounts</div>	<div>EDUCATION AND RESEARCH INSTITUTIONS</div> <div>SANTEZ TEYDEB Research Projects Support for Master and Doctorate Studies Face-to-face Meetings Visits Social Media Accounts</div>
<div>EMPLOYEES</div> <div>Sustainability Reports Open Door Practices E-mail Employee Engagement Surveys Trainings CSR Projects AKEK and AKSET Organizations Representative Committee Suggestion System OHS Committee Corporate Publication (Aksa News) Social Media Accounts Corporate TV</div>	<div>PUBLIC INSTITUTIONS</div> <div>Fiscal Reports Official Correspondence Audits Sustainability Reports Corporate Publication (Aksa News) Social Media Accounts Surveys</div>	<div>LOCAL COMMUNITY</div> <div>Open Door Practices Sustainability Reports Face-to-face Meetings CSR Projects Corporate Publication (Aksa News) Social Media Accounts</div>	<div>MEDIA</div> <div>Corporate Website Press Releases Press Conferences Sustainability Reports Corporate Publication (Aksa News) Social Media Accounts</div>
<div>SUPPLIERS</div> <div>Face-to-face Meetings Auctions, Corporate Website Corporate Website Audits Social Media Accounts</div>	<div>LOCAL AUTHORITIES</div> <div>Fiscal Reports Official Correspondence Sustainability Reports Open Door Applications Corporate Publication (Aksa News) Social Media Accounts Surveys</div>	<div>INDUSTRIAL ASSOCIATIONS</div> <div>Sectoral Association Memberships at Different Levels Industrial Meetings Social Media Accounts</div>	<div>COMPETITORS</div> <div>Corporate Website Sustainability Reports Fiscal Reports Sector Researches Annual Reports Social Media Accounts</div>
		<div>AKKÖK GROUP OF COMPANIES</div> <div>General Assemblies Portakal Portal Periodical Reporting Practices Corporate Publication (Aksa News) Social Media Accounts</div>	

# SECTION - III INDICATORS

## 3 PRESTIGIOUS AWARDS TO AKSA'S 12<sup>TH</sup> SUSTAINABILITY REPORT

Our company received 3 awards from world's leading  
award programs Mercomm Galaxy and LACP Spotlight for  
our 12<sup>th</sup> sustainability report.





# PRIMARY FINANCIAL INDICATORS

CONSOLIDATED BALANCE SHEET	31.12.2013 THOUSAND USD	31.12.2014 THOUSAND USD	31.12.2015 THOUSAND USD	31.12.2016 THOUSAND USD	31.12.2017 THOUSAND USD
<b>ASSETS</b>	<b>848,805</b>	<b>861,643</b>	<b>775,236</b>	<b>748,172</b>	<b>889,285</b>
<b>Current Assets</b>	<b>401,625</b>	<b>421,320</b>	<b>369,907</b>	<b>394,287</b>	<b>492,832</b>
Cash and Cash Equivalents	109,267	83,010	117,901	130,229	148,343
Trade Receivables	171,202	210,987	160,898	175,627	193,498
Stocks	86,770	101,931	63,652	61,810	111,115
Other Current Assets	34,386	25,392	27,456	26,621	39,876
<b>Non-current Assets</b>	<b>447,180</b>	<b>440,323</b>	<b>405,329</b>	<b>353,885</b>	<b>396,453</b>
Trade Receivables	-	30,376	27,327	29,943	27,248
Investment Property	-	-	16,652	13,399	12,167
Financial Investments	1,103	1,016	-	-	-
Investments Accounted for Using the Equity Method	114,842	104,613	83,690	60,881	58,860
Tangible Fixed Assets	317,908	292,611	247,137	215,060	273,533
Intangible Fixed Assets	7,460	5,781	28,531	22,257	21,131
Other Fixed Assets	5,867	5,926	1,992	12,345	3,514

CONSOLIDATED BALANCE SHEET	31.12.2013 THOUSAND USD	31.12.2014 THOUSAND USD	31.12.2015 THOUSAND USD	31.12.2016 THOUSAND USD	31.12.2017 THOUSAND USD
<b>LIABILITIES</b>	<b>848,805</b>	<b>861,643</b>	<b>775,236</b>	<b>748,172</b>	<b>889,285</b>
<b>Short-term Liabilities</b>	<b>288,879</b>	<b>324,184</b>	<b>258,325</b>	<b>311,933</b>	<b>401,451</b>
Financial Liabilities	105,824	121,717	140,423	165,037	193,733
Trade Liabilities	159,821	186,056	105,036	138,573	198,398
Provision for Period Tax Liabilities	4,890	4,796	5,002	2,106	2,180
Other Short-term Liabilities	18,343	11,615	7,864	6,217	7,140
<b>Long-term Liabilities</b>	<b>69,139</b>	<b>57,334</b>	<b>87,486</b>	<b>81,130</b>	<b>123,000</b>
Financial Liabilities	58,387	43,977	72,239	72,054	111,308
Financial Derivative Instruments	-	-	-	323	-
Provision for Employee Benefits	7,186	9,309	6,956	5,436	6,410
Deferred Tax Liabilities	3,395	4,048	2,485	3,317	5,282
Other Long-term Liabilities	171	-	4,806	-	-
<b>Shareholders' Equity</b>	<b>490,787</b>	<b>480,125</b>	<b>429,425</b>	<b>355,109</b>	<b>364,834</b>

# HUMAN RESOURCES INDICATORS

	2013	2014	2015	2016	2017
<b>Employee Breakdown by Gender</b>					
Male	798	1,125	1,143	1,121	1,172
Female	98	123	128	127	127
TOTAL	896	1,248	1,271	1,248	1,299
<b>Employee Breakdown by Status</b>					
Blue Collar	727	1,047	1,059	1,038	1,088
White Collar	169	201	212	210	211
TOTAL	896	1,248	1,271	1,248	1,299
<b>Employee Breakdown by Age</b>					
<30	277	443	406	381	296
30–50	584	766	818	836	953
50<	35	39	47	31	50
<b>Employee Breakdown by Contract</b>					
Board of Directors	8	12	12	9	8
Permanent Staff	855	1,216	1,226	1,240	1,286
Permanent Pensioner	13	3	10	8	13
<b>Employee Breakdown by Employment Type</b>					
Full-time	894	1,258	12,69	1,247	1298
Part-time	2	2	2	1	1
<b>Employees Subjected to Performance Appraisal by Employee Categories</b>					
Blue Collar	712	951	1,054	1,038	1,012
White Collar	152	162	193	210	197

	2013	2014	2015	2016	2017
<b>Starting Employees by Age Group and Gender</b>					
<30	94	217	71	70	90
30–50	90	237	35	34	44
50<	5	17	1	2	1
Male	181	181	122	95	118
Female	8	290	12	11	17
<b>Leaving Employees by Age Group and Gender</b>					
<30	27	41	63	36	33
30–50	35	57	48	88	35
50<	12	10	13	22	12
Male	62	62	116	114	71
Female	12	50	8	32	9
<b>Senior Managers</b>					
Male	20	18	19	8	8
Female	1	1	1	0	0
<b>Mid-level Managers</b>					
Male	34	46	44	44	46
Female	7	9	9	10	10
<30	0	0	3	4	1
30–50	27	45	45	46	47
50<	12	5	5	4	8
Two-year Degree and Below	1	0	0	0	0
Bachelor's Degree	32	45	42	42	42
Master's Degree and Above	8	10	11	12	14

# ENVIRONMENTAL INDICATORS

	2013	2014	2015	2016	2017
Greenhouse Gas Emissions (ton CO <sub>2</sub> e)					
Direct Green-house Gas Emissions	857,737	1,136,312	1,210,750	1,234,715	1,034,366
Indirect Greenhouse Gas Emissions	20,507	22,700	5,815	5533	132,465*
TOTAL	878,224	1,159,012	1,216,565	1,240,248	1,166,832
Water Consumption (m³)					
Municipal, Sea and Well Water	3,847,412	3,907,162	4,052,386	4,000,200	6,799,788
Waste Water Discharge	2,950,507	2,833,690	2,472,875	2,830,040	2,392,690

ENVIRONMENTAL TRAININGS (PERSON X HOUR)				
2014	2015	2016	2017	
1,045	5,693	4,662	2,350	

AMOUNTS OF WASTE BY DISPOSAL METHOD (TON)	2013	2014	2015	2016	2017
Total Hazardous Waste	3,199	1,446	2,240	1,249*	1,303
Recycle	8	120	532	790	843
Recovery	6	29	0	0	21
Incineration (mass burn)	3,185	1,297	1,708	459	439
Total Non-hazardous Waste	40,397	47,388	17,792	24,646	18,551
Recycle	270	789	789	21,696	13,398
Recovery	32,164	40,407	11,606	2,340	4,179
Landfill	1,799	1,255	1,255	300	686
Incineration (mass burn)	6,184	4,937	4,143	310	288

\* After the opening of the joint treatment plant in 2016, the textile treatment plant was abolished and no dangerous sewage sludge remains there.

PROCESS EMISSIONS			
Total NOx Emission	Total SOx Emission	Total UOB Emission	Other Emissions (PM)
153kg/sa	2.41 kg/sa	7.27 kg/sa	2.65 kg/sa

GRI G4 CONTENT INDEX



INDICATOR	DESCRIPTION	PAGE	EXTERNAL ASSURANCE
STRATEGY AND ANALYSIS			
G4-1	Message from the CEO	13-14	-
G4-2	Message from the CEO	13-14	-
ORGANIZATIONAL PROFILE			
G4-3	Contact	54	-
G4-4	Generated Economic Value Corporate Website <a href="http://www.aksa.com/en/product-selector">http://www.aksa.com/en/product-selector</a>	17-21	-
G4-5	Contact	54	-
G4-6	About Report Generated Economic Value	3 17-21	-
G4-7	Aksa 2017 Annual Report <a href="http://aksa.com/en/i-210">http://aksa.com/en/i-210</a>	-	-
G4-8	Generated Economic Value	17-21	-
G4-9	Generated Economic Value Primary Financial Indicators	17-21 45	-
G4-10	Human Resources Indicators Table	46	-
G4-11	Human and Employee Rights Management	32-38	-
G4-12	Supply Chain	29	-
G4-13	Corporate Website: <a href="http://aksa.com/en/investor-relations/material-disclosures/material-disclosures/i-220">http://aksa.com/en/investor-relations/material-disclosures/material-disclosures/i-220</a>	-	-
G4-14	Corporate Governance	22	-
	Risk Management	22	
	Strategic Planning	23	
G4-15	Management Systems	29	-
	Primary Financial Indicators	45	
G4-16	Corporate Memberships	41	-

INDICATOR	DESCRIPTION	PAGE	EXTERNAL ASSURANCE
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES			
G4-17	About Report Primary Financial Indicators	3 41	-
G4-18	Sustainability Management	23-29	-
G4-19	Sustainability Management	23-29	-
G4-20	About Report Sustainability Management	3 23-26	-
G4-21	About Report Sustainability Management	3 23-26	-
G4-22	About Report; In this report, there are not any restatements of information provided in previous reports.	3	-
G4-23	About Report Sustainability Management	3 23-26	-
STAKEHOLDER ENGAGEMENT			
G4-24	Stakeholder Engagement	23, 26, 27, 42	-
G4-25	Stakeholder Engagement	23, 26, 27, 42	-
G4-26	Stakeholder Engagement Sustainability Management	23, 26, 27, 42 29	-
G4-27	Stakeholder Engagement	23, 27, 42	-
	Our Customers	26	
	Open Door Visits	36	
	Internal Communication and Employee Engagement	34	

INDICATOR	DESCRIPTION	PAGE	EXTERNAL ASSURANCE
REPORT PROFILE			
G4-28	About Report	3	-
G4-29	About Report	3	-
G4-30	About Report	3	-
G4-31	About Report Contact	3 54	-
G4-32	About Report GRI G4 Content Index (Aksa Sustainability Report 2017 was not subjected to external audit.)	3 48	-
G4-33	GRI G4 Content Index (Aksa Sustainability Report 2017 was not subjected to external audit.)		-
GOVERNANCE			
G4-34	Corporate Governance Aksa Annual Report 2017 <a href="http://aksa.com/en/i-210">http://aksa.com/en/i-210</a>	22	-
ETHICS AND INTEGRITY			
G4-56	Ethic Management at Aksa	22	-
MATERIAL ASPECT: ECONOMIC PERFORMANCE			
G4-DMA	Value Contributed to Employees Primary Financial Indicators	32-38 45	-
G4-EC1	Primary Financial Indicators	45	-
G4-EC2	Message from the CEO Energy Efficiency and Climate Change	13-14 29	-
G4-EC3	Value Contributed to Employees	32-38	-
G4-EC4	Aksa 2017 Annual Report <a href="http://aksa.com/en/i-210">http://aksa.com/en/i-210</a>	13-14	-

INDICATOR	DESCRIPTION	PAGE	EXTERNAL ASSURANCE
MATERIAL ASPECT: MARKET PRESENCE			
G4-DMA	Not material	-	-
G4-EC5	Value Contributed to Employees GRI G4 Content Index (The ratio of standard entry level wage to local minimum wage was calculated with respect to employee status)	32-38 48	-
MATERIAL ASPECT: INDIRECT ECONOMIC IMPACTS			
G4-DMA	Value Contributed to Society Supply Chain	39-42 26-27	-
G4-EC7	Value Contributed to Society	39-42	-
G4-EC8	Value Contributed to Society Supply Chain	39-42	-
MATERIAL ASPECT: PROCUREMENT PRACTICES			
G4-DMA	Sustainable Operations	22	-
G4-EC9	Supply Chain	29	-
MATERIAL ASPECT: ENERGY			
G4-DMA	Environmental Management Energy Efficiency and Climate Change	30-31 31	-
G4-EN3	Energy Efficiency and Climate Change	31	-
G4-EN5	Environmental Management Energy Efficiency and Climate Change Environmental Indicators Table	30-31 31 47	-
G4-EN6	Energy Efficiency and Climate Change Environmental Indicators Table	31 47	-
G4-EN7	Energy Efficiency and Climate Change Environmental Indicators Table	31 47	-

INDICATOR	DESCRIPTION	PAGE	EXTERNAL ASSURANCE
MATERIAL ASPECT: WATER			
G4-DMA	Water Management Biodiversity	30 31	-
G4-EN8	Water Management Environmental Indicators Table	30 47	-
G4-EN9	Water Management Biodiversity	30 31	-
G4-EN10	Water Resources Management	30	-
MATERIAL ASPECT: BIODIVERSITY			
G4-DMA	Environmental Management Biodiversity	30-31 31	-
G4-EN11	Biodiversity	31	-
G4-EN12	Biodiversity	31	-
MATERIAL ASPECT: EMISSIONS			
G4-DMA	Emissions Management	31, 47	-
G4-EN15	Emissions Management	31, 47	-
G4-EN16	Emissions Management	31, 47	-
G4-EN21	Emissions Management	31, 47	-

INDICATOR	DESCRIPTION	PAGE	EXTERNAL ASSURANCE
MATERIAL ASPECT: EFFLUENTS AND WASTE			
G4-DMA	Environmental Management Waste Management	30-31 31	-
G4-EN22	Water Management Environmental Indicators	30 47	-
G4-EN23	Waste Management	31	-
G4-EN24	GRI G4 Content Index (During the reporting period there was not any significant spills.)	43	-
G4-EN26	GRI G4 Content Index (There was no body of water significantly affected by Aksa's water use.)		-
G4-EN27	Responsible Production Water Management Waste Management	30-31 30 31	-
MATERIAL ASPECT: COMPLIANCE			
G4-EN29	GRI G4 Content Index (No significant environmental penalties were received during the reporting period for non-compliance with environmental laws and regulations.)	48	-
MATERIAL ASPECT: SUPPLIER ENVIRONMENTAL ASSESSMENT			
G4-DMA	Not material	-	-
G4-EN32	Supply Chain	29	-
MATERIAL ASPECT: EMPLOYMENT			
G4-DMA	Value Contributed to Employees Talent Management	32-38 32-33	-
G4-LA1	Human Resources Indicators Table	46	-
G4- LA2	Value Contributed to Employees	32-38	-
G4- LA3	Value Contributed to Employees	32-38	-

INDICATOR	DESCRIPTION	PAGE	EXTERNAL ASSURANCE
MATERIAL ASPECT: LABOUR/MANAGEMENT RELATIONS			
G4-DMA	Not material	-	-
G4- LA4	GRI G4 Content Index (For serious operational changes, Aksa complies with the minimum period of notice defined by the law.)	43	-
MATERIAL ASPECT: OCCUPATIONAL HEALTH AND SAFETY			
G4-DMA	Occupational Health and Safety	37-38	-
G4- LA5	Occupational Health and Safety	37-38	-
G4- LA6	Occupational Health and Safety	37-38	-
MATERIAL ASPECT: TRAINING AND EDUCATION			
G4-DMA	Talent Management	33	-
G4-LA9	Talent Management Human Resources Indicators	33 46	-
G4- LA10	Talent Management	33	-
G4- LA11	Talent Management	33	-
MATERIAL ASPECT: DIVERSITY AND EQUAL OPPORTUNITY			
G4-DMA	Value Contributed to Employees Corporate Website: <a href="http://www.aksa.com/en">http://www.aksa.com/en</a>	32-38	-
G4-LA12	Human Resources Indicators Table	46	-
MATERIAL ASPECT: EQUAL REMUNERATION FOR WOMEN AND MEN			
G4-DMA	Value Contributed to Employees	32-38	-
G4-LA13	Value Contributed to Employees	32-38	-

INDICATOR	DESCRIPTION	PAGE	EXTERNAL ASSURANCE
MATERIAL ASPECT: INVESTMENT			
G4-DMA	Ethics Management at Aksa	22	-
G4-HR2	Ethics Management at Aksa	22	-
MATERIAL ASPECT: NON-DISCRIMINATION			
G4-DMA	Corporate Governance Value Contributed to Employees Corporate Website: <a href="http://www.aksa.com/en">http://www.aksa.com/en</a>	22 32-38	-
G4-HR3	GRI G4 Content Index (No incidents of discrimination occurred during the reporting period.)	51	-
MATERIAL ASPECT: CHILD LABOR			
G4-DMA	Value Contributed to Employees	32-38	-
G4-HR5	Value Contributed to Employees	32-38	-
MATERIAL ASPECT: FORCED OR COMPULSORY LABOR			
G4-DMA	Value Contributed to Employees	32-38	-
G4-HR6	Value Contributed to Employees	32-38	-
MATERIAL ASPECT: SECURITY PRACTICES			
G4-DMA	Not material	-	-
G4-HR7	GRI G4 Content Index (In line with legal regulations, all security personnel receive trainings, which also include aspects of human rights.)	51	-

INDICATOR	DESCRIPTION	PAGE	EXTERNAL ASSURANCE
MATERIAL ASPECT: INDIGENOUS PEOPLE			
G4-DMA	Not material	-	-
G4-HR8	GRI G4 Content Index (Aksa does not pursue operations with significant negative impacts on local communities.)	52	-
MATERIAL ASPECT: ANTI-CORRUPTION			
G4-DMA	Corporate Governance Ethics Management	22 22	-
G4-SO4	Ethics Management	22	-
G4-SO5	GRI G4 Content Index (During the reporting period there were not any incidents of corruption)	52	-
MATERIAL ASPECT: PUBLIC POLICY			
G4-DMA	Not material	-	-
G4-SO6	GRI G4 Content Index (Aksa does not make directly or indirectly any financial and in-kind political contributions.)	52	-
MATERIAL ASPECT: ANTI-COMPETITIVE BEHAVIOR			
G4-DMA	Corporate Governance Corporate Website : <a href="http://www.aksa.com/en">http://www.aksa.com/en</a>	22	-
G4-SO7	GRI G4 Content Index (There was not any legal action taken against Aksa concerning any anticompetitive behavior, anti-trust and monopoly practices and their outcomes.)	52	-
MATERIAL ASPECT: COMPLIANCE			
G4-SO8	GRI G4 Content Index (During the reporting period there was not any significant fines and nonmonetary sanctions for noncompliance with laws and regulations.)	52	-

INDICATOR	DESCRIPTION	PAGE	EXTERNAL ASSURANCE
MATERIAL ASPECT: CUSTOMER HEALTH AND SAFETY			
G4-DMA	Sustainable Operations Our Customers	26	-
G4-PR2	GRI G4 Content Index (During the reporting period, there was not incident of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle.)	52	-
MATERIAL ASPECT: PRODUCT AND SERVICE LABELING			
G4-DMA	Our Customers	26	-
G4-PR4	GRI G4 Content Index (During the reporting period there was not any incident of non-compliance with regulations and voluntary codes concerning product and service information and labeling.)	52	-
G4-PR5	Our Customers	26	-
MATERIAL ASPECT: MARKETING COMMUNICATION			
G4-DMA	Not material	-	-
G4-PR8	GRI G4 Content Index (There was not any incident of non-compliance with regulations and voluntary codes concerning marketing communications.)	52	-
MATERIAL ASPECT: CUSTOMER PRIVACY			
G4-DMA	Not material	-	-
G4-HR6	GRI G4 Content Index (During the reporting period, there were not any substantiated complaints regarding breaches of customer privacy and losses of customer data.)	52	-
MATERIAL ASPECT: COMPLIANCE			
G4-PR9	GRI G4 Content Index (There were no significant fines for noncompliance with laws and regulations concerning the provision and use of products and services.)	52	-

# UNITED NATIONS GLOBAL COMPACT COMMUNICATION ON PROGRESS

## HUMAN RIGHTS

### PRINCIPLE - 1

Businesses should support and respect the protection of internationally proclaimed human rights; and

p. 32-38

### PRINCIPLE - 2

Make sure that they are not complicit in human rights abuses.

p. 32-38

## LABOUR

### PRINCIPLE - 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

p. 32-38

### PRINCIPLE - 4

The elimination of all forms of forced and compulsory labour

p. 32-38

### PRINCIPLE - 5

The effective abolition of child labour; and

p. 32-38

### PRINCIPLE - 6

The elimination of discrimination in respect of employment and occupation.

p. 32-38

## ENVIRONMENT

### PRINCIPLE - 7

Businesses should support a precautionary approach to environmental challenges;

p. 30-31

### PRINCIPLE - 8

Undertake initiatives to promote greater environmental responsibility; and

p. 30-31

### PRINCIPLE - 9

Encourage the development and diffusion of environmentally friendly technologies.

p. 30-31

## ANTI-CORRUPTION

### PRINCIPLE - 10

Businesses should work against corruption in all its forms, including extortion and bribery.

p. 22

United Nations Global Compact



**AKSA AKRİLİK KİMYA SANAYİİ A.Ş.**

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