

SASA POLYESTER CO. INC.

Existing Facilities and New Investements

Non-Technical Summary

1. About SASA

SASA started its production in the polyester sector in 1966; and it has always maintained its rapid growth process with its sustained investments.

SASA produces polyester fiber, filament, polyester-based polymers, intermediates and specialty products in its existing facilities and is one of the leading manufacturers in the world. With its strong market network, SASA conducts investments such as capacity increase or additional facilities/units correspondingly to the market demand, facility improvement studies in its existing facilities.

The company has ISO 9001 Quality Management System, ISO 14001 Environmental Management System, ISO 45001 Occupational Health and Safety System, ISO 27001 Information Security Management System and ISO 50001 Energy Management System certificates.

SASA has integrated production facilities and head office located on an area of 2,181,000 m² in Adana; its raw material storage facility on an area of 55,625 m² in Iskenderun; and liaison offices in Istanbul and Ankara.

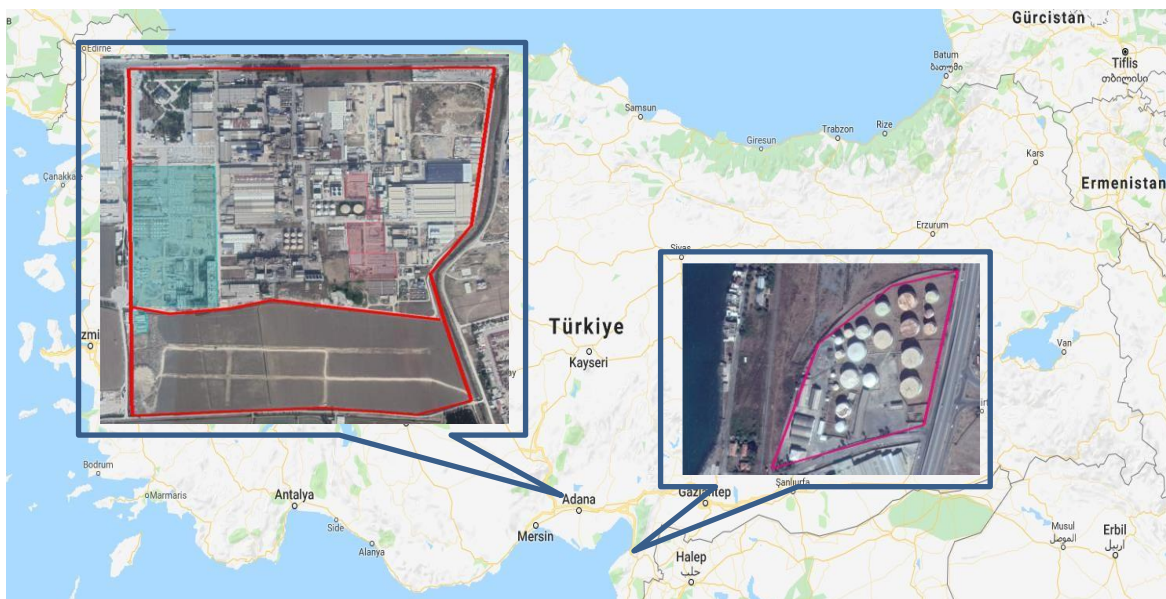


Figure 1: Adana and Iskenderun Facilities of SASA

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2. About Investments

With its growing facilities, SASA continues its investments with 2 large projects at its Adana facility, following the construction of PTA Production Facility Project which started in 2021. These investments include fiber and pet chips production facilities. In addition, it has been planned to establish the Solar Power Plant (SPP), which will be commissioned in 2022 in our Adana central facility.

2.1 PTA Production Plant Project

The planned annual capacity of the PTA Production Facility Project is 1.5 million tons, and the purified terephthalic acid (PTA) to be produced will meet the raw material needs of the existing facility and the excess part will be sold until additional investments are put into use.

2.2 Fiber Production Plant

It is planned to establish Fiber Production Facilities with polymer production capacities of 1100 tons/day and 100 tons/day. With the obtained polymer, 1150 tons/day mono, bico, colored and low melt fibers will be produced. In addition, 700 tons/day of textile chips can be optionally produced.

2.3 Pet Chips Production Plant

Pet Chips Production Facility will have a polymer production capacity of 1050 tons/day. The obtained polymer will be used in the production of 900 tons/day PET resin bottle chips and 1050 tons/day PET textile and/or film chips.

2.4 Solar Power Plant (SPP)

It has been planned to invest in a Solar Power Plant (SPP), which will produce 28,000 MWh of energy annually, to be commissioned in 2022, on the roofs of the buildings in our Adana central facility.

3. Environmental and Social Studies

An Environmental and Social Due Diligence (ESDD) study has been drafted by Ramboll UK Limited as independent environmental social consultant for the proposed financial investment program of the PTA Production Plant Project. According to the draft ESDD report, PTA Production Plant Project is classified as category A under IFC Environmental and Social Standards, Equator Principles 4 (EP4).

4. Aim of the Document

This document is a non-technical summary. The non-technical summary document contains a summary of the outputs of the Environmental and Social Due Diligence study, providing an assessment of the project.

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5. Scope of Environmental Social Due Diligence (ESDD) Studies

Environmental and Social Due Diligence (ESDD) was carried out at the production facilities and investment sites in Adana. The activities carried out in the specified stages are as follows;

- Performing gap analysis to assess compliance of the Project to the national legislation, IFC Performance Standards (2012), IFC Environmental, Occupational Health and Safety (EHS) Guidelines (industry-specific and general), World Bank Group EHS guideline (2007) and Equator Principles 4 (EP4) (2020) (“Applicable Standards”)
- Evaluation of various environmental and social documents to assess compliance with Applicable Standards
- Preparation of a preliminary Environmental and Social Action Plan with recommendations on how to close the identified gaps, additional assessments necessary for the Project to meet the Applicable Standards, and collection of additional data.

6. ESDD Action Plans

Within the scope of Environmental and Social Due Diligence (ESDD), action plans will be created to reduce environmental and social impacts. The main topics are as follows;

Table 1: Action List of Environment and Social Due Diligence

No	Subject/Findings	Actions To Be Taken
1	Analysis and Management of Environmental Social Impacts	<p>a) Control of Environmental and Social Management Plans, Climate Change Risk Assessment (CCRA), Life Cycle Analysis and Human Rights Screening reports which are given below,</p> <ul style="list-style-type: none"> ✓ Environmental Social Management Plan ✓ Health and Safety Management Plan ✓ Hazardous Materials Management Plan ✓ Waste and Wastewater Management Plan ✓ Grievance Procedure (Internal and External) ✓ Stakeholder Engagement Plan ✓ Workers Accomodation Plan ✓ Contractor Management Plan ✓ Environmental Emergency Preparedness and Response Plan ✓ Air Quality Management Plan ✓ Community Health Safety Management Plan ✓ Cultural Heritage (Chance Findings) Procedure

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		<ul style="list-style-type: none"> ✓ Human Resources Management Plan ✓ Top Soil Management Plan ✓ Biodiversity Management Plan ✓ Traffic Management Plan ✓ Training Plan ✓ Noise Management Plan ✓ Security Management Plan ✓ Water Resources Management Plan ✓ Campsite Management Plan ✓ Climate Change Risk Assessment Report ✓ Human Rights Scan ✓ Life Cycle Assessment <p>b) Supervision of the Environmental and Social Management System applications of the contractors at the construction sites, improvement with drills and trainings, implementation of the reward/sanction system according to their performance</p>
2	Management of Internal and External Grievances	<p>The follow-up and evaluation procedure of wishes, complaints, suggestions is checked in terms of the following issues:</p> <ul style="list-style-type: none"> ✓ Handling anonymous grievances in the same way as non-anonymous complaints, ✓ Availability of request/complaint/suggestion forms on site, at gates, mukhtar's offices in the neighborhoods which are within the area of influence, and on the company's website, ✓ Evaluation of all grievances based on the confidentiality of personal data, ✓ Recording verbal grievances in order to better monitor the solutions offered and to evaluate the efficiency of the grievance mechanism, ✓ Hanging posters about the project's wish, grievance and suggestion mechanism in the mukhtar's offices of the neighborhoods which are within the area of influence (AoI), ✓ Determining the closing periods in accordance with the severity of the grievance regarding the actions to be taken or any related non-compliance, ✓ Complainants will receive a response from SASA within 5 days of submitting the complaint informing that they have received the grievance.

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3	Management of Environment, Waste, and Wastewater	<p>a) Reducing waste generation and emissions by creating an Operational Resource Efficiency Plan</p> <p>b) For new investments and capacity increases, renewal of environmental permit and license, following wastewater treatment plant project approval, wastewater treatment plant identity document, commissioning.</p> <p>c) Making operational phase water resources management plan considering climate change and specifying the wastewater recovery rate in the ESIA report.</p> <p>d) Ensuring compliances with national legislative obligations and relevant IFC EHS guidelines in chimneys/emission sources within the scope of new investments</p>
4	Management of Environment, Waste, and Wastewater	<p>a) Carrying out noise monitoring studies at the facility border closest to new investments and controlling light pollution during night works in order to demonstrate compliance with the commitments presented in the project documents and legal IFC limits during construction and operation periods.</p> <p>b) Ensuring compliance with the discharge limits in the national and relevant IFC EHS Guidelines after the capacity increase, in terms of the effluent quality of the wastewater treatment plant.</p> <p>c) Referencing Hydrogeological Report in the Climate Change Risk Assessment Report, which includes the analysis of water resources and the analysis of groundwater wells, in order to evaluate the current situation of the facility in terms of groundwater.</p>

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5	Management of Chemicals and Hazardous Materials	<p>a) Renewal of compulsory liability insurance policy for hazardous materials and hazardous wastes before investments.</p> <p>b) Referencing to processes with chemical recovery in Climate Change Risk Assessment and Life Cycle Analysis reports,</p> <p>c) Increasing the number of spill kits available in various areas of the work site.</p>
6	Occupational Health and Safety Plan	<p>a) Updating the Operational Emergency Preparedness and Response Plan following the HAZOP studies,</p> <p>b) Controlling thermal comfort, lighting and noise exposure conditions in risky working areas, determining operational noise reduction methods,</p> <p>c) Adding the COVID-19 measures being implemented in the worksite to the management plans in detail,</p> <p>d) Renewal of Lock Out Tag Out (LOTO) training of facility employees and performing periodic inspections to detect any deficient application regarding the LOTO system.</p>
7	Stakeholder Engagement	<p>a) Updating the Stakeholder Engagement Plan (SEP), which covers the stakeholder grievance mechanism, external communication procedures, information sharing details, meeting frequencies and planned engagement activities.</p> <p>b) To ensure a transparent Stakeholder Engagement, adding external communication reports containing the records of the meetings with the stakeholders to the Annexes of the Grievance Management Plan,</p> <p>c) Making suggestions, wishes, grievance mechanism easily accessible also for vulnerable groups such as illiterate, Syrian, etc. communities in the area of influence.</p>

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7. Stakeholder Engagement Plan (SEP)

SASA has a Stakeholder Engagement Plan to ensure the continuous participation of people or groups that are directly or indirectly affected by the production facility and capacity increase projects. Stakeholder Engagement Plan ensures communication between SASA and stakeholders such as individuals, local governments, official institutions, non-governmental organizations, etc. by sharing the developments related to the project, management of recorded grievances/suggestions.

8. Stakeholder Grievance/Opinion Submission Mechanism

SASA will provide a platform for expressing opinions and wishes by individuals, groups and communities through stakeholder engagement. Stakeholder comments can be sent to the following contact addresses in the form of e-mail or letter;

SASA Polyester Co. Inc.

Address: Sarıhamzalı Mah. Turhan Cemal Beriker Bulvarı No:559 Seyhan, Adana

Telephone Number: +90 322 441 00 53

Contact Person: Ayben Erdem, Social Relations Representative and Board Assistant

Email Address: info@sasa.com.tr

Corporate Website: www.sasa.com.tr