

Sasa Polyester Sanayi A.Ş.

**01.01.2020 – 31.12.2020
ANNUAL REPORT**

SASA POLYESTER SANAYİ A.Ş.
CMB SERIAL II – PREPARED IN ACCORDANCE WITH COMMUNIQUE NO 14.1
1 JANUARY – 31 DECEMBER 2020 ANNUAL REPORT

GENERAL INFORMATION

Reporting Period

1 January 2020 - 31 December 2020

Company's Title / Trade Register Number

Sasa Polyester Sanayi A.Ş. / 5722

Contact Information

Main Site

Sarihamzalı mah. Turhan Cemal
Beriker Bulvarı No: 559
Seyhan / Adana / Turkey

Tel: +90(322) 441 00 53- PBX

Fax: +90(322) 441 01 14

İstanbul Office

Reşitpaşa Mahallesi Eski Büyükdere Caddesi Park Plaza No: 14/29
12.Floor Maslak / İstanbul / Turkey

Tel: +90(212) 345 10 10

Fax: +90(212) 345 10 20

Ankara Office

Söğütözü Mahallesi 2176. Cadde No 9 /17-18 Çankaya / Ankara

Tel: +90(312) 502 26 96

İskenderun Tank Area and Loading

Akçay Mevkii Güzelçay Mahallesi 616 sokak No: 6 P.K.91 31200
İskenderun / Hatay / Turkey

Tel :+90(326) 626 21 14-15

Fax:+90(326) 626 2113

Website

www.sasa.com.tr

Corporate E-mail

info@sasa.com.tr

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ACTIVITY REPORT FOR 2020
CHAIRMAN OF THE BOARD OF DIRECTOR’S MESSAGE

Dear Sasa stakeholders,

COVID-19 Pandemic began to expand in the first quarter of 2020 and changed all balances in the world economy upon being converted into a serious crisis. While the biggest shock was being experienced in the global economy in the recent history, production, consumption and trade volume have fallen down simultaneously. For these reasons, OECD, in its estimations, set forth that; the world economy would contract by 4,2 percent whereas Turkish economy would contract by 1,3 percent in 2020.

Petroleum prices, which have direct effect on Polyester raw materials, due to contracting global trade volume, regressed from 60 USD/ barrel in 2019 to 20 USD/ barrel in 2020. The sector was affected from this rapid fall and fluctuation. Generally, in the sector, stock costs increased, on the other hands drops were observed in profitability.

Despite all recessions, restrictions and crises sourced from pandemic in 2020 , Sasa reached its highest turnover and tonnage figures through its 55 years history in 2020. Sasa’s rapid adaptation ability to the changing needs and its supply of raw materials for health and hygiene sector played important role for this increase. Turkey reached 2 percent of worldwide polyester capacity in 2020 thanks to Sasa which continued its investments despite economic crises during this period.

Sasa increased its sales amount by 90% in 2020 which was 380 thousand ton in 2019 and reached 722 thousand ton. On the other hand, company’s turnover reached 5.040 million TL by an increase of 82 percent compared to previous year, whereas EBITDA figure for 2019 which was 290 million TL was enabled to reach 1,27 billion TL by an increase of 437% .

Our company continued its investments, which is one of the most effective weapon against unemployment which is one the most basic problems of our country and which becomes more efficient during crises, and upon the commissioning of POY, Texturized and Plastic Bottle Resin plants in 2020 the company increased its total production capacity to 1,4 million ton/year capacity, thus 4 fold of its capacity in 2016 was achieved, whereas number of employees was brought from 1.000 to 4.000 persons again by 4 times – increase.

According to data of production and sales in 2019, our company is the 68th biggest company in Turkey and the top company in Adana and has been taking firm steps towards being included into the petrochemical giants of the world.

Believing that the real owner of every item of product which is being produced , all plants which are being constructed and all values which are being created under the slogan “Only Domestic Only National” is our big nation and government, Erdemoğlu Holding has been commissioning its investments one by one during the last fifteen years in Sasa on one hand and has been making new investment plants on the other hand. It is hereby planned that our plant with 1,5 million/ ton capacity which would produce PTA, the raw materials of Sasa, shall be commissioned in 2023, and this plant is expected to provide additional EBITDA around 200 Million USD due to its cost advantage. Besides, it was decided that an investment shall be made for Plastic Bottle Chips plant with 330 thousand ton annual capacity which is expected to be commissioned in the same year and this will provide a support of 350 Million USD to the turnover.

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Our turnover is expected to reach 1,400 million USD in 2021 and 2022 in our current plants, is expected to reach 2.600. Million USD in the next year after PTA and PET Resin plants are commissioned.

Harvesting its fifty years- experience with contemporary technology Sasa has been acting with the awareness and sensitivity of environment in all its operations and investments. With its investments, solutions including environmental advanced technology are being applied.

The share value of Sasa which takes place in BIST 50 index revealed an increase of 12 fold during 5,5, years- process starting from 2015, in which the company included therein within the scope of Erdemođlu Holding, until the end of 2020, and the growing company continued to share its increasing profitability with our shareholders who believed us and accompanied us through this journey.

I hereby wish to our employees, stakeholders, customer and suppliers a healthy and fruitful 2021 where all economic and social difficulties are overcome and I hereby convey my appreciations to every one who believed us on behalf of our Board of Directors.

İbrahim Erdemođlu
President of Executive Board

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SASA MILESTONES

1966	Establishment of the Legal Entity and Launch of the Assembly Work
1968	Production using ICI's Batch Technology (6 kilotonnes / year Polyester Fiber)
1974	Batch Filament Production
1976	First DuPont CP-1 (14 kilotonnes / year fiber)
1977	DMT Investment (60 kilotonnes/year)
1991	DMT Capacity Increase (120 kilotonnes/year)
1998	DMT Capacity Increase (280 kilotonnes/year)
2000	Title change – The Beginning of SASA DuPontSA
2004	Title change – The beginning of Advansa SASA Polyester Sanayi A. Ş.
2006	The Sale of PET Resin Facilities to LA SEDA (Artenius)
2011	PTA Based Fiber Facility
2011	Title change – The Beginning of SASA Polyester Sanayi A.Ş.
2011	Batch Polimer-4 Beginning
2014	Innovative Products
2015	Acquisition by Erdemoğlu Holding A.Ş.
2015	Establishment of Sasa Dış Ticaret A.Ş.
2016	Start of Solid-state polymerization plant investment
2016	Start of New Fiber Investment
2017	Start of Poy, Textured Yarn and Pet Plants Investment
2018	Obtaining Incentive Certificate within the Scope of Project-Based Investments
2018	Obtaining R & D Center Certificate
2019	Starting to Get EIA Report within the Scope of Petrochemical Investment
2019	New Fiber Investment Starts to Operate
2020	Commissioning of POY and Texturized Yarn Production Plant and Plastic Bottle Plant (Bottle Chips- Textile Chips) investments

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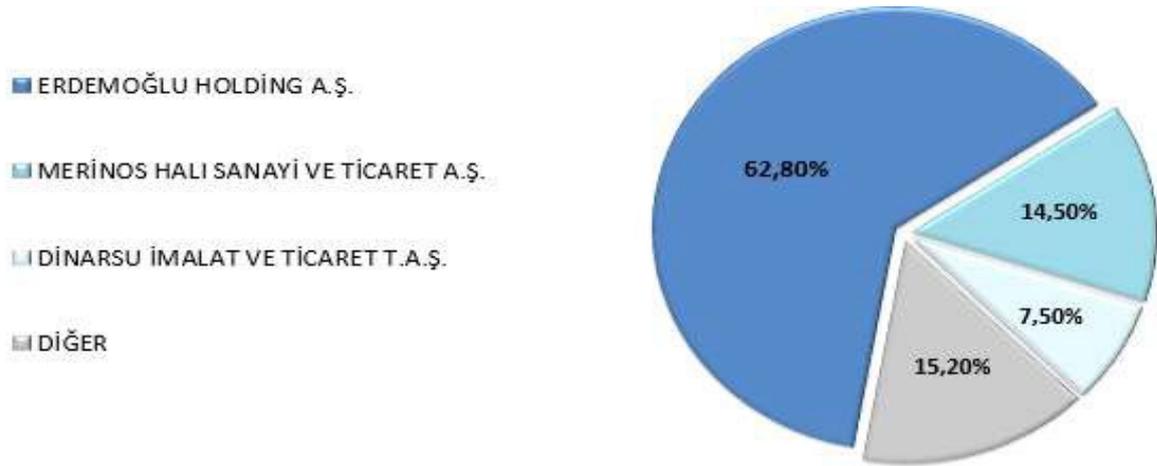
1. GENERAL INFORMATIONS ABOUT SASA

1.1. Partnership Structure and Capital

Registered Capital : 3.000.000.000.-TL

Paid Capital : 830.000.000.-TL

Partnership Structure as of 31 December 2020



SHAREHOLDER	RATIO IN CAPITAL(%)	SHARE IN CAPITAL (TL)
ERDEMOĞLU HOLDİNG A.Ş.	62,80	521.271.850
MERİNOS HALI SANAYİ VE TİCARET A.Ş.	14,50	120.350.000
DİNARSU İMALAT VE TİCARET T.A.Ş.	7,50	62.250.000
OTHER	15,20	126.128.150
GRAND TOTAL	100,00	830.000.000

On 3 September 2015, Sasa Dış Ticaret A.Ş. was established with capital of TL 2.000.000.- by 100% participation of Sasa Polyester Sanayi A.Ş. in order to the fact that Sasa's exportation activities come to the fore; and financial statements and explanatory notes will be published as "Consolidated".

1.2. Overview of the Company

Sasa, operating in the industry of polyester fibres, filaments and polymers constitutes a major share in Turkey's production capacity in this field with its polymerization capacity of 1,365,000 kilotonnes / year. Our Company provides tailored solutions for all sectors in the polyester market with especially the Research and Development activities for specialty polymers and chemicals business and by monitoring market trends closely.

Our Company's main production lines, and Sectors that use these products are as follows:

Fiber

Sasa Fiber Section makes production for 3 different sectors with its products in different segments:

Textiles: Polyester cut fibers and tops products, 100% polyester and/or mixed (cotton, viscose, acrylic, wool, nylon) yarn production, and also later knitting and weaving processes are rendered into fabric. SASA becomes prominent in the textile sector with its white products with higher strength and with higher module with higher affinity to dyes, and the black fiber with 10XTM branded, of which manufacturing technology belongs to SASA. 10XTM creates difference against the competitive fibers in the market for our customers with its specifications of deep black, high color purity, easily machinability and be gatherability.

Comfort & Padding Sector: It is rendered as pillow, padding into toys, quilt, all kind of coats, furniture padding, bed, decorative toss pillows after the paddings are combed, rendered in bead form or fiber tying. SASA which has the highest capacity with bi-component fibers production in Europea region with technology developed by itself provides, for its customers, the washable, durable and long-lasting padding materials with the conjugated fibers which has spring feature.

Technical Textiles: It is used as main raw material of hygiene (wet towels, pads, cosmetic tissues), medical (bandage, surgery covers, masks), automotive (roof, floor and rear parcel shelf carpets, insulating materials), artificial sub leather carriers, filter (liquid-gas), cleaning cloths, all kind of ready wear fusings, plush, geotextile (sub asphalt stabilizers, drainage, underground, garden), construction (acoustic insulation, roof insulations, floor coating) and similar products with its different fiber connection methods (mechanical, water pinning and chemical). SASA creates value with special solutions and special products for its customers in “Technical Textile” sector provides services for very different and wider sectors.

Sasa is in the leader position in Turkey and Middle East for production of polyester fibers for different sectors.

Filament

Sasa Filament Department mainly produces poy and textured yarns to be used in knit and woven fabrics.

Synthetic filament yarns produced from 100% polyester are made for textile industry (Home Textile, Carpet, Underwear and Outwear, Denim and Socks) as well as packing, health, automotive industries which are directly or indirectly supplied by textile industry.

Textured yarns look like natural fibers such as cotton, wool, cotton in terms of appearance and characteristics, and they are also used to deliver superior attributes to the final product. On the other hand, POY has a semi-drawn, non-curved and non-twisted structure, and transformed into drawn and curled state through texturizing process. Textured yarn obtained by this process is softer, more flexible and have higher heat-retention capacity compared to straight yarns.

SASA offers consumers yarns with perfect dye absorption and color fastness in semi-gloss ecru and black colors. Our product range includes mild-medium-strong intermingled yarns and plied yarns (x2, x3, x4) on demand.

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Having adopted a customer satisfaction oriented production concept, SASA tests its products at in-house laboratory. (Drawing, Resistance, Color, Intermingling and Denier, etc.)

Special Polymers and Chemicals

Sasa Special Polymers and Chemicals Section provides production around the vision of development and supplying them to the customers of the products sensitive to human and environment in the geography in which it provides services. The line of work that was organized according to this vision provides services for following sectors:

Tekstil Textile Sector: Standard and high viscosity polyester polyethylene terephthalate and polybutylene terephthalate polymer products are rendered into first as the yarn and fibers, and later weaving, knitting fabrics made of these, and also non-woven textile surfaces.

Industrial Sectors: High viscosity polyester polyethylene terephthalate and polybutylene terephthalate polymer products are used in industrial applications requiring higher strength by depending on their final use places.

Film & Packaging Sector: Polyester polyethylene terephthalate polymer products that were specially manufactured in accordance with its final use of aim are used in the production of film and packaging material which can or don't be in contact with food. The film type polyester polymers which is an antimony-free product and have importance have special importance in contact to food also take place in the product portfolio.

Engineering Polymers: Polybutylene terephthalate and thermoplastic elastomers are used in the production of automotive parts, electrical/electronic components, durable goods and other plastic parts with the plastic injection method.

Plasticizers: Sasa Plus 88, a phthalate-free product, is used as a plasticizer in PVC production. As chemicals that include phthalate are known hazardous to human health, and are classified as hazardous materials, the significance of Sasa Plus 88 is increasing gradually in the industry. Sasa sells its Specialty Polymers and Chemicals mainly to Europe but also delivers to Turkey, the Middle East, North America and Asia.

1.3. Vision & Mission & Values

Vision ;

Launching the largest polyester entities in the most efficient manner around the world except for Far East and become environmentally friendly polyester production base of Europe, Middle East and Northern Africa with respect to values of life for a sustainable future, and become a leader in those markets.

GROWTH

Grow in Turkey and neighbor territories by maintaining leadership status in Polyester Fiber, Yarn and Polymers industry, and increase production and sales figures.

BECOME A RECOGNIZED BRAND

Become a company that maintains and increases its recognition around the world.
Create a strong value and brand perception.

EXERCISE CORPORATE MANAGEMENT STANDARDS

Observe and exercise corporate management principles.

COMPETITIVENESS

Become a well-established company among main actors in target markets.
High market share.

ADOPTING A CULTURE THAT SUPPORTS INNOVATION

Increase portfolio through product development and offer those innovations to customers.

CUSTOMER-ORIENTATION

A customer oriented structuring.
High customer satisfaction and loyalty.

Mission;

Facilitate Polyester Fiber, Yarn and Chips at our high security premises in line with humane working principles, environmental awareness and by fulfilling our social responsibilities and attaching utmost importance to customer satisfaction.

Values and Principles;

Observing laws and legal regulations closely.
Working with occupational safety and environmental awareness.
Adopting business ethics principles.
Maintaining commitment to principles of transparency.
Work hard and value effort and people.

Our Code of Business Ethics:

Integrity

- Integrity and honesty are our core values in all our business processes and interactions. We act in integrity and honesty in all our relations with the employees and stakeholders.

Confidentiality

As employees of Sasa;

- We give utmost importance to protecting the privacy of our customers, employees and other associated individuals and companies and the confidentiality of their information.
- We protect confidential information regarding the activities of the Company, use this information only for the purposes of the Company, and share this information only with relevant authorized parties.

Conflict of Interest

Conflict of Interest is defined as the use of Company resources, name, identity and power for personal benefit and situations that might have a negative affect on the organization's reputation and image.

Employees of Company, we intend to keep away from conflict of interest and pay attention to the following situations:

- We do not obtain personal benefit personally or through our family or relatives from the individuals and organizations with which we enter a business relationship by benefiting from our current responsibilities.
- We do not enter a business activity based on an additional financial benefit. However, employees may only work for third party (family member, friend, other third persons) and or an organization in return for a payment or a similar benefit outside business hours with the condition that this activity;
 - Does not create any conflict of interest with their current role in their company,
 - Complies with the other business ethic codes and with the policies supporting these codes,
 - Does not have a negative impact on their performance at the company,
 - And written approval from management,

is obtained. The approval shall be granted by Chairman of the Board for General Manager; and approval of other positions shall be made by Company General Manager based on the Company Ethics Compliance Officers's and Company Human Resources Manager's advice.

- We avoid using Sasa name and power, our Sasa identity for obtaining personal benefit.
- In case of a potential conflict of interest, we apply legal and ethical methods when we believe these methods will protect the benefits of the relevant parties in a safely manner.
- When we hesitate in cases, we confer with Human Resources Function, Code of Business Ethics Consultant or Ethics Board for counsel..

Our Responsibilities

A. Our Legal Responsibilities:

- We execute all our domestic and international activities and procedures within the framework of the laws of the Republic of Turkey and international laws; and we submit all required information to regulatory authorities and institutions in a correct, compete, clear and timely manner.

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- In executing all activities and procedures, we do not expect any benefit from, and keep an equal distance to all public institutions and organizations, administrative bodies, non-governmental organizations, and political parties; and we fulfill our liabilities with a sense of responsibility.

B. *Our Responsibilities Towards Our Customers:*

- We adopt an approach which is focused on customer satisfaction and proactive responding to customers' needs and demands in appropriate and timely manner.
- We deliver our services on time and under the promised conditions; we approach our customers with respect, honor, fairness, equality, and courtesy.

C. *Our Responsibilities Towards Our Employees:*

- We enable our employees to use their personal rights fully and correctly.
- We approach employees with honesty and fairness; and ensure a non-discriminatory, safe, and healthy working environment.
- We undertake the necessary efforts to enable personal development of our employees.
- With a social awareness we support them in volunteering for appropriate social and community activities.
- We respect and assure the balance between their private and professional lives.

D. *Our Responsibilities Towards Our Partners:*

- Dedicating prime importance to continuity of the Sasa, and in line with our goal to create value for our partners, we avoid taking on unnecessary or unmanageable risks, and strive for sustainable profitability.
- We act with financial discipline and accountability, and manage our companies' resources, assets and our professional work time with a sense of efficiency and economy.
- We work to enhance our competitive power, and to invest in areas with growth potential and which offer the highest return on allocated resources.
- We give timely, correct, complete, and clear information on our financial statements, strategies, investments, and risk profile to the public and our shareholders.

E. *Our Responsibilities Towards Our Suppliers/Business Partners:*

- We act respectfully and fairly as expected from a good customer, and ensure to fulfill our liabilities on time. We carefully protect the confidential information pertaining to the persons, organizations and our business partners.

F. *Our Responsibilities Towards Competitors:*

- We compete effectively, only in areas that are legal and ethical, and avoid unfair competition.
- We support all efforts to construct a competitive structure targeted within the society.

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G. Our Responsibilities Towards Community, Society and Humanity:

- Preservation of democracy, human rights and conservation of the environment; education and charity activities, eradication of crimes and corruption is of utmost importance to us.
- We pioneer in social affairs with an awareness of good citizenship and responsiveness; we try to play a role in non-governmental organization, in services and activities for the benefit of the society and public.
- We act in a responsive and sensitive manner in Turkey and towards the customs and culture of those countries where we undertake international projects.
- We do not offer and accept bribes or gifts in forms of products and services, etc. beyond commonly accepted reasonable limits.

H. Our Responsibilities Towards concerning the “Sasa” Name:

- Our business partners, customers, and other stakeholders trust us due to our professional competence and integrity. We strive to keep our reputation at the highest level.
- We offer our services within the framework of company policies, professional standards, our commitments, and ethical codes, and we ensure to fulfill our liabilities.
- We offer services in areas where we believe we are or will be professionally competent; and we seek to work with customers, business partners, and employees demonstrate integrity and legitimacy.
- We do not collaborate with those impairing social ethics, and damaging the environment or public health.
- We do not express our personal opinions; only communicate our companies view in public, and in areas where we are perceived as representing our company.
- When faced with complicated situations that may jeopardize company, we consult first with the relevant personnel, following the appropriate technical and administrative consulting procedures.

1.4. MEMBERS OF BOARD

The names of Board Members and their resume are given below by the date of 31 December 2020.

Members of Board Name Surname	Executive or Non- Executive Member	Position
İbrahim Erdemoğlu	Executive member	President of Executive Board
Ali Erdemoğlu	Non-Executive member	Vice President Of The Executive Board
Mehmet Şeker	Executive member	Member of Executive Board
Mehmet Erdemoğlu	Non-Executive member	Member of Executive Board
Kadir Bal	Non-Executive member	Independent Member of Executive Board
Haci Ahmet Kulak	Non-Executive member	Independent Member of Executive Board
Mahmut Bilen	Non-Executive member	Independent Member of Executive Board

Members of Board did not carry out operations with the Company in 2020 and undertake any enterprise which could compete with the same activity issues despite they have been entitled to the right to take action pursuant to the Articles 395 and 396 of Turkish Commercial Code by resolution of General Assembly.

İbrahim ERDEMOĞLU
Chairman of the Board
Tenure: 07.04.2020 – 07.04.2023

He was born in Adıyaman, Besni, in 1962. He graduated from Elementary School, Middle School and High School in Gaziantep. He completed his university education at Physics Section of The Black Sea Technical University of university. He began to the carpeting business which is his father profession in 1983. He also continued to the carpet business to which he had begun during his university education after he graduated from the university. Today, he maintains his duty as President of the Board of Directors of Erdemoğlu Holding that is emphatically advancing in the direction of becoming a brand of the world, and also containing the brand of Merinos. He is married and has 3 children.

Ali ERDEMOĞLU
Deputy Chairman of the Board
Tenure: 07.04.2020 – 07.04.2023

He was born in Adıyaman, Besni, in 1959. He was graduated from Primary School in Besni. He began to work at rugs and carpet looms which is his father profession in his earlier ages without continuing his education. He functioned at all levels of the production. Ali Erdemoğlu, who had spent great labors in past and today of Merinos, still continues his duty as the President of the Board of Directors of Merinos Halı San. ve Tic. A.Ş. He is married and has 3 children.

Mehmet ŞEKER
Member of the Board
Tenure: 07.04.2020 – 07.04.2023

Şeker, who was born in Gaziantep, completed her primary, secondary and high school education in Gaziantep. He graduated from the Faculty of Medicine of Çukurova University. Since 1993, Erdemoğlu has held various positions within the Holding. He made membership at 24th and 25th Term T.G.N.A. He is still a member of Erdemoğlu Holding Board of Directors. He is married and father of two children.

Mehmet ERDEMOĞLU
Member of the Board
Tenure: 07.04.2020 – 07.04.2023

He was born in Gaziantep, in 1985. He graduated from Elementary School and Middle School and High School in Gaziantep. He completed his university education at Machine Engineering Section of Koç University in year 2010. First, he began his career at Merinos Mobilya Tekstil Sanayi ve Ticaret A.Ş. which is one of the companies within the body of Erdemoğlu Holding. Today, he still continues as Member of the Board of Directors at the energy companies which is one of the line of works take place in within the body of the holding.

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Haci Ahmet KULAK

Member of the Board (Independent)

Tenure: 07.04.2020 – 07.04.2023

He was born in 1969 in Besni-Adıyaman. After graduating from Anadolu University Faculty of Business Administration, Kulak began to work as a freelance accountant in 1995, and in 2001, he successfully completed the Certified Public Accountant Exam and earned the title of Independent Accountant and Financial Advisor. He has about 25 years of experience in the field of accounting. He became an Independent Auditor in 2014 and an Expert in 2017. In 2017, he completed her MA degree at Gaziantep University Institute of Social Sciences. Throughout his career, he has worked as a financial consultant and independent auditor in established companies. Kulak is married and has three children.

Mahmut BİLEN

Member of the Board (Independent)

Tenure: 07.04.2020 – 07.04.2023

He was born in 1969 in Ceyhan-Adana. After completing Adana Erkek High School, he entered İ.Ü. He received his 1992 license from the Faculty of Economics and the Department of Economics, his master's degree in 1994 and his Ph.D. In 2008-2010 he was a post-doctoral visitor scholar at the University of Illinois at Urbana-Champaign. Bilen, who was Associate Professor in the Department of Economics of Sakarya University in 2011 and Assistant Professor in 2011, has been working as a Professor in the same institution since August 2016. Bilen, who has published many works, is married and father of a girl child.

Kadir BAL

Member of the Board of Directors (Independent)

Term of Office: 07.04.2020 – 07.04.2023

Mr. Kadir Bal was born in 1966 in Kayseri. He graduated from Yahyagazi High School. He enrolled to the Middle East Technical University, Mechanical Engineering Department in 1984 and graduated in 1992. Mr. Kadir Bal completed his post graduate education of Management and Finance at the University of Ottawa in 2000. Mr. Kadir Bal acted as the Deputy General Director of General Directorate of Agreements within the scope of T.R. Ministry of Economy and T.R. Ministry of Trade, Deputy Undersecretary and General Director of Imports.

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1.5. Distribution of Senior Management Tasks

Name - Surname	Position
Mustafa Kemal Öz	General Manager
Şakir Sabri Yener	Vice General Manager - CFO
Güven Kaya	Vice General Manager
Alper Söğüt	Vice General Manager
Sivakumar Natarajan	Vice General Manager

1.6. The Committees Created Within the Board of Directors

Since there is no committee for nomination and compensation committee in the present configuration of Executive Board, works of mentioned committees are executed by the Corporate Management Committee. In the meeting of the Board of Directors dated 15.08.2013, our company decided to be organized "The Committee for Early Determination of the Risk" pursuant to Corporate Management Principles of Capital Market Board with the Seral IV, No 63 in order to exclude the risk matted included from the duties of this Committee that had been included into the duties and responsibilities of the Corporate Management Committee.

Members of the Board of Directors entitled to the authorities nominated and determined by Turkish Trade Law and Articles of Incorporation and also other related legislation

Audit Committee

Name Surname	Position	Qualifications of Member of Board
Haci Ahmet Kulak	President of Audit Committee	Member of Board (Independent)
Mahmut Bilen	Member of Audit Committee	Member of Board (Independent)

The Committee meets up four times in a year at least once every three months; and creates minutes of the results of the meeting and presents to the Board of Directors. The aim of the Committee Responsible from Auditing is to financial reporting to Sasa Polyester Sanayi A.Ş. of Board of Directors, to carry out accounting system and financial reporting, to declare the financial information to the public, to give information about the independent auditing and functioning and effectivity of the internal audit; and also to support to the studies about the pursuance studies of the Group to, first, Capital Markets Board Legislation and also to the related laws and Corporate Management Principles and ethic rules; and also to carry out related observation function on the mentioned matters. The Committee Responsible from Auditing presents its activities, the finding it found in relation to its duty and responsibility area and its recommendations to the President of the Board of Directors of Sasa.

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Corporate Management Committee

Name Surname	Position	Qualifications of Member of Board
Mahmut Bilen	President of Corporate Committee	Member of Board (Independent)
Haci Ahmet Kulak	Member of Corporate Committee	Member of Board (Independent)
Ali Bülent Yılmazel	Member of Corporate Committee	Not a Board Member

In accordance with the "Corporate Management Principles" of Capital Markets Board, Corporate Management Committee consists of three members of which two are Independent Members of the Board of Directors. The President of Corporate Management Committee is appointed from amongst the independent members by the Sasa Board of Directors. Corporate Management Committee meetings are annually held four times a year at least at place approved by the President.

Corporate Management Committee was created in order to help to the fact that the duties and responsibilities of the Board of Directors are properly fulfilled. Corporate Management is the management process depends on ethic values of Sasa Polyester Sanayi A.Ş., responsible against inside and outside, with risk awareness, transparent and responsible in its decisions, observing the benefits of the shareholders, aimed to sustainable achievement. The Committee makes proposal and recommendations to Sasa Board of Directors in order to the fact that Corporate Management Principles are determined pursuant to the Management Principles of Capital Markets Board and other International Accepted Corporate Management Principles.

It was decided to be organized " The Early Detection of Risk Committee " under the decision of the Board of Directors dated 15.08.2013 and numbered 2013/22.

The Early Detection of Risk Committee

Name Surname	Position	Qualifications of Member of Board
Mahmut Bilen	President of The Committee for Early Determination of the Risk	Member of Board (Independent)
Haci Ahmet Kulak	Member of The Committee for Early Determination of the Risk	Member of Board (Independent)

The aim of the Committee is the fact that the precautions and remedies for the early determination of all kind of strategic, operational, financial and other risks that may endanger the existence, development and maintaining of Sasa Polyester Sanayi A.Ş. are applied and the risk is managed.

The Committee consists of two members, one of them is President, appointed by the Board of Directors. The President of the Committee is appointed from amongst the independent members by the Sasa Board of Directors.

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The Committee reviews the risk management systems at least once a year; and carries out the observation of the fact that the applications in relation to the risk management are realized pursuant to the decisions of the Committee. The meetings are held at least six times per year at a place and date to be approved by the President. The duty period of the members of the Committee created in the structure of the Board of Directors are parallel to the duty period of the members of Board of Directors. The Committees are recreated following the selection of the members of Board of Directors.

The Committees continue their works regularly from the date they are created. In Committees, no conflict of interest was happened in 2020. The Committees act within their authorities and responsibilities; and create recommendations for the Board of Directors.

2. INVESTOR RELATIONS

2.1. Amendments to the Articles of Association within the period

The amendment of Article 5 titled "Headquarters and Branches", Article 8 titled "Capital" and Article 10 titled "Issuance of Various Securities" of the Company's Articles of Association was accepted by the shareholders at the 2019 Ordinary General Assembly meeting dated April 7, 2020 and it was registered by Adana Trade Registry Office in April 2020.

2.2. Selection of Independent Auditing Company

DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.S. (Deloitte) at its registered address Eski Büyükdere Cad. Maslak Mah. No:1 Plaza 34398 Sarıyer / Istanbul was selected by our Board to audit financial reports of our Company for the fiscal period 2020 in accordance with the guidelines stipulated by the Turkish Commercial Code (TTK) no.6102 and the Capital Market Law no. 6362 and conduct other activities within the context of regulations provided in these laws, taking into account the advice of the Audit Committee.

2.3. Changes in Share Price

The share price of our Company amounts to 20,22 TL as of 31.12.2020 and has shown an increase of 262%, compared with the share price of 7,73 TL at the end of 2019.

2.4. Dividend Distribution Policy

All matters required to take into consideration were provided for in the Article no. 4 of the Communiqué on Dividends published in the Official Gazette of 23rd January of 2014 by the Capital Market Board and entered into force. Accordingly, the dividend distribution policy of our company was revised as follows so that it should meet the minimum requirements provided in the relevant Communiqué and was approved by our shareholders during the Ordinary General Meeting held in 2014.

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The Dividend Distribution Policy of the Company, Sasa Polyester Sanayi A.S. has been determined in the framework of the provisions of the Turkish Commercial Code, the Capital Market Legislation and other relevant legislations and the relevant article on the dividend distribution provided in our Articles of Association as well as in accordance with Sasa's mid-term and long-term strategies and financial plans, by taking into consideration the situation of the national economy and the industry and paying regard to the balance between shareholders' expectations and Sasa's needs.

Notwithstanding that according to the General Assembly Resolution general requirements for determining the dividend amount to be distributed were adopted, it was accepted as a principle by the General Assembly to distribute a cash dividend at the rate of 50% of distributable profits to the shareholders during the distribution of dividends.

Notwithstanding that it was approved to distribute the dividends on an equal basis and within the shortest time - regardless of their date of exportation and acquisition, they will be distributed to the shareholders on a particular date set by the General Assembly upon approval of the General Assembly, within time intervals that are legally determined.

With reference to the Article no. 31 of our Articles of Association, it is also likely, in case of any authorisation to be granted by the General Assembly, to distribute an advance dividend to the shareholders, based on the decision of the Board. The General Assembly is entitled to reserve the net profit in whole or in part as extraordinary reserve fund. In case of any proposal not to distribute the profit which is submitted by the Sasa's Board to the General Assembly, the shareholders will be well advised during the Ordinary General Meeting why the profits are not distributed and how non-distributed profit will be used. This information shall also be released to the public by sharing in the annual report and on the website of the company.

The dividend distribution policy is submitted for the approval of shareholders in the General Assembly Meeting. This policy is reviewed by the Board every year, in case of any negativity in the national and global economic circumstances or according to the situation of actual projects and funds. Any amendments to this policy are also submitted for the approval of shareholders in the first General Assembly Meeting following the relevant amendments and are released to the public on the website of the company.

2.5. Issued Equity Securities and Bonds

There is no Capital market instrument issued between 1 January - 31 December 2020.

2.6. Gross Dividend Amount and Rates

No Dividend Distribution was realized between 1 January - 31 December 2020.

3. DEVELOPMENTS AND ACTIVITIES IN 2020

3.1. Industry Analysis

Covid -19 (Corona Virus) pandemic which started by the end of 2019 in the People's Republic of China and affected the whole world has also dragged the world into a deep economic recession in 2020.

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The news of vaccine which were received in the last quarter of 2020 and the commencement of vaccination around the world has lead a positive wind in the markets. This period was reflected into the production of polyester and the price axis positively and strong expectations of recovery were begun to be formed in the polyester market and in the world economy in 2021.

In 2019 the average price per barrel of crude oil was around 65 USD– level, but in 2020 the average price per barrel of crude oil fell to 42 USD due to Covid -19 pandemic and deceleration in consumption . Along with the recovery in early 2021, the annual average price is expected to reach 60 USD- level. The recovery process of the crude oil price course is expected to take around for 12-18 months. In order to avoid the abundancy of increase in the crude oil prices OPEC is expected to extend the production restrictions up to the end of the first half of 2021.

In 2020 pandemic suppressed the economic growth where as a strong recovery expectation exists for 2021. When GNP (Gross National Product) growth rates for 2020 are reviewed in terms of regions, a contraction around 8% was experienced in European Economy in 2020. For 2021, a contraction by a rate of 4,3% is expected whereas a growth rate between 1,5 - %2 is expected to occur for 2022 and thereafter. In United States of America, Reel Gross National Product slowed down by 4% depending on the uncertainty created by the second phase of the pandemic. The expectation of growth rate for 2022 and following years takes place in the interval of 2,5 - %3.

In 2020 the growth rate of Gross National Product of People’s Republic of China was expected to be limited with 1,8% whereas the growth rate is expected to be 8% in 2021. With the sharp drop in crude oil prices and due to Covid-19 pandemic; the Gross National Product of Middle East countries narrowed by 6,9% in 2020 but it is expected to increase between 3-3,5% in 2021 and following years.

70% of the staple fiber production in the world is accomplished in People’ s Republic of China, however despite the drops in the world polyester production values in 2020 one of prioritized countries which leads the increase in production has been Turkey thanks to Sasa. The Turkish production which was 545.000 ton In 2019 rose to 566.000 ton in 2020.

Despite all recessions, restrictions and crises which were all caused by pandemic the capacity which was 102 million ton/year in 2019 reached 106 million ton/year. Productions which almost stopped totally due to Covid 19 measures dropped from 86 million to 81 million respectively in 2019 and 2020; but due to the polyester’s importance and the need for it, the production has increased again.

Our production capacity was 700.000 ton / year in 2019. Along with POY and Texturized Yarn Production Plant which was completed in July 2020 and Plastic Bottle Plant investment which were completed in September 2020, the production reached 1.365.000 ton / year.

In 2020 Turkey provided serious contribution to this increase in the world capacity thanks to Sasa which maintained its investments despite Covid 19. Due to investments in 2020, Turkish capacity exceeded 2% of the world capacity.

Although World polyester production for 2020 was affected negatively due to the measures which were taken both globally and regionally, due to top level measures taken by our company, the product range variety and technologic infrastructure, the relevant process is hereby being managed in the best productive manner and without any interruption.

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3.2. Production Activities

Significant productivity booster opportunity were created thanks to the improvements in particularly our production operations in also year 2020 such as those in the last year, and thanks to the projects that will prevent waste formation in maximum level by establishing our waste management system on “0” waste, and will provide recovering and recycling of the wastes were produced.

The improvement works carried out in our managements in order to increase the productivities, to minimize the lost times and, parallel to this, process control methods were started to be applied to large extent, played a value added increaser role in our production.

Our studies that make a difference on so many subjects continued on a lot of subjects started in the previous years such as Energy Efficiency, Sustainability, Corporate Risk Management, Renovation, Innovation, Investment for Human; and they continue to contribute in a sustainable frame.

Sasa's systematic efforts to achieve global competitive advantage in sustainable excellence continue rapidly, and work continues to be included in the application process for the Turkey Excellence Award.

We intensively carry out our successful activities, and creates Value Added for our company activities such as ISO 9001 Quality Management Systems and Process Management, ISO 50001 Energy Management System, ISO 31000 Corporate Risk Management Systems, 5S, PSRM and TPM by contributing our continuous renewal philosophy within this year such as done in the previous year..

Production Volumes (Tonnes)

Production volumes in our main product groups are given below in comparison.

Production Group	2020	2019	Change (tonnes)	Change (%)
Polyester Elyaf	343.379	211.865	131.514	62%
Polyester Cips	255.249	169.676	85.573	50%
Dmt	194.897	215.457	-20.560	-10%
Poy	128.131	24.989	103.142	413%
Polyester İplik	76.446	11.555	64.891	562%

Capacity Information

Polymerization by processing PTA with Monoethyleneglycol (MEG) in TA-based production facilities where liquid polymer is obtained. 1.085.000 tons / year of the company PTA based production capacity available. The DMT facility which is a petrochemical plant manufactures DMT by using paraxylene and methanol as raw materials. Our operating needs DMT which is sent to polymerization facilities in liquid form to be processed with the raw material- Monoethyleneglycol (MEG) and there finally converted to liquid polymers. The Company has a DMT capacity of 280.000 tonnes/year. Our company's total DMT and PTA based it has a polymerization capacity of 1.365.000 tons / year.

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The fibre, filament and polyester chips plants convert the polymers that they receive into tow, staple fibre, POY, filament and polyester chips. Some of our poy production is processed as a textured yarn in the spinning mill and sold to the market as a poy.

The Company's production capacities are: 510.000 tonnes/year fibre, 397.000 tonnes/year POY, 178.000 tonnes/year yarn and 548.500 tonnes/ year polyester chips, 24.000 tonnes/year SSP chips.

The utilization ratio of the polymerization capacity for 2020 was 71 % (2019: 72%).

3.3. Safety, Occupational Health & Environmental (SHE) Activities

SHE Department activities, carried out under the consideration of a belief that the health and safety of everybody involved in its operations and the protection of the natural environment are very important and integral to the success of the business.

Decreasing of waste and improvement of re-cycling were specified as a basic performance criterion of SASA and various projects about waste, waste water and energy management were carried out as a value driven company.

Also in 2020, as a consequence of sustainability projects, biogas(Metan/CH₄) was produced from anaerobic system. The biogas that is a renewable energy transformed in to steam by burning and nature gas savings were accomplished.

SASA will keep on focusing sustainable improvement at each process and operations by being aware of environmental & social responsibilities and according to legal liabilities on safety & occupational health issues and watching over efficiency of sources carefully.

3.4. Investment and R&D Activities

On 12 June 2017, according to the announcements made to the public for POY and Texturized Yarn Production Plant, the investment amount was expected to be around 350.000.000 USD and the amount of contribution to turnover was expected to be 450.000.000 USD. The plant was commissioned in 2020

On 21 June 2017, according to the announcements made to the public for Plastic Bottle Plant, the investment amount was expected to be around 100.000.000 USD and the its amount of contribution to turnover was expected to be 250.000.000 USD. The plant was commissioned in September, 2020.

In support to the petrochemical investment that is planned to be constructed in the Province of Adana at the Yumurtalık region, a license and technical service agreement has been signed with American Invista (Koch Industries) for the Adana plant where the existing production plants are located within the scope of PTA Production Plant Investment of which the investment amount is around 935.000.000 USD and having 1.500.000 ton / year capacity. Besides, for the establishment of the plant in turn-key basis between the company and Tecnicas Reunidas, a goodwill agreement has been signed which includes Engineering, Purchase and Assembly services.

Sasa continued its Research & Development activities in 2020 as well for developing new product and business branches within its strong corporate competence areas, including sustainable and environment sensitive products which would add value for its stakeholders, primarily the customers.

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The Company, within the scope of Law No 5746 on the Support of Research, Development and Design Activities; has acquired the Research-Development Center Certificate granted by the T.R. Ministry of Industry and Technology.

Assessing the customer and market needs in detailed manner and combining them with its technical opportunities under the competitive and rapidly changing conditions of the sector which the company takes place, Sasa has used its information knowledge and advanced technology effectively in its works for creating and developing new business opportunities

Project works were continued in 2020 as well in line with the main company strategies which may be summarized as follows:

- Growth in the area of polyester based polymers and development of new polymer solutions,
- Growth in the field of fiber and product portfolio optimization,
- Growth for the development of new business opportunities by cooperating with other enterprises

In 2020, resource was allocated for the development of environment and human sensitive “friendly” new products in line with sustainable, new local and international regulations and during the year, relevant works were continued for the commercialization of various special products within special polymers class and for introducing them into the market.

Specialty Polymers and Chemicals

PTA based Polymers: SASA, sector leader of the DMT based polymer products, now also creates PTA based polymer products portfolio within its scope of “Customer Oriented Product Development” and commercialized wide range of products differentiated to the various industries especially packaging and textile. Also in 2020, Customer Oriented Product Development studies will continue by gathering speed.

Low Melt Polymers: SASA has extended the existent low melt product portfolio for the several end uses with the various additives in line to the market demand conducted from the customers. In this manner, SASA develops several both homo-polymer and co-polymer products with different crystallization, glass transition and melting point temperatures by means of differentiated compositions. Our work continues also in 2020 as well.

Textile grade heavy metal free polyester: In polymer production, chemicals called “catalyst” are used to start and complete the process. Heavy metals in polymers are generally undesired at some specific end-uses. SASA, who produced the first heavy metal free polymers commercially in food contact packaging sector, has also developed heavy metal free catalyst system for textile grade polyester in 2014. Also in 2020, the textile grade polyester heavy metal free products have been differentiated and expended the end uses.

Going forward, all R&D activities will be focused around the technological capabilities where we can maximize our technological innovation to create added value in new and emerging markets.

3.5. Corporate Risk Management

With the help of the past experience, knowledge and own energy, our company carries out the Corporate Risk Management according to the ISO 31000 / Risk Management, Principles, Guidelines Standard, Sasa Corporate Risk Management Regulations.

Aim;

Its aim is to define, evaluate and report the risks encountered within the structure of Company or anticipated potentially and ensure that Corporate Risk Management systems are constituted, performed effectively with the aim of strategizing properly and implementation of Corporate Risk Management activities are assured.

By this means it is intended to get the following benefits:

- To raise risk awareness throughout the Company, minimize surprises by conducting proactive administration rather than a reactive administration in line with determined risk appetite of Company,
- To decrease losses and costs which may be encountered depending upon risks,
- To ensure income stabilization and sustainable growth,
- To enhance reputation and reliability of Company within social responsibility activities,
- To assure durability of compliance with legal arrangements,

To develop Corporate Risk Management culture in order to Company's entity and/or operations continuous progression.

Scope;

The scope is that definitions, content, functioning, relevant organization and responsibilities in the matter of Corporate Risk Management within the structure of Sasa Polyester Industry Inc. are to be defined and determined.

In Corporate Risk Management activities are being applied as to cover financial, operational, strategic and environmental risk element belonging to all processes in all functions which are in service throughout Company.

Risk Management Policy

In order to provide all its stakeholders with maximum value as a globalised integrated polyester and chemicals producer, Sasa Polyester Industry Inc. has internalized an understanding which ensures;

- To protect value of their entity, create and implement a Risk Management System which is based on the operational safety and sustainability principles and complies with strategic objectives,

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- To be foreseen, managed, monitored potential risks in all process and functions, to be formed necessary activity plans beforehand and be improved continuously,
- To determine the responsibilities related to Risk Management in order to resolve risks or decrease them to an acceptable and applicable level by taking into account all risk levels in activities,
- To convey system objectives to employees, to make them understood clearly and therefore to ensure communication channels to be kept open,
- To ensure the policies and system to be reviewed periodically by the Senior Management and its continuation,
- To obtain all kinds of source need required by determined risk management,
- To comply with the applicable law, by law and regulations, fulfill its responsibilities towards environment, customer, supplier and employees which it interacts with.

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3.6.Financial Results and Ratios

Total Net Sales Revenues

Basic Financial Indicators (TL Million)					
	2020	2019	2018	2017	2016
Net Sales	5.041	2.764	2.179	1.655	1.183
Gross Profit	1.088	315	475	319	197
Operating Profit	1.023	246	551	311	187
EBITDA	1.214	290	563	323	199
Net Profit	312	1.064	597	204	137
EBITDA Margin(%)	24	10	26	20	17
Net Profit Margin(%)	6	38	27	12	12

FINANCIAL RATIOS	2020	2019
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Liquidity Ratios		
Current Ratio	0,63	0,48
Liquidity Ratio (Acid-Test Ratio)	0,27	0,19
Cash Ratio	0,10	0,03

Financial Structure Ratios		
Total Liabilities/Equity	2,74	2,00
Total Liabilities./Total Assets	0,73	0,67
Short-Term Payables/Total Assets	0,41	0,44
Long- Term Payables/Total Assets	0,32	0,23
Equity/Total Assets	0,27	0,33
Interest Coverage Ratio: EBIT/Interest Expenses	5,39	2,24

Profitability Ratios		
Total Asset Profitability : Net Period Profit /Total Assets	0,03	0,14
Equity Profitability :Net Period Profit /Equity	0,11	0,41
Gross Profit Margin : Gross Profit/Net Sales	0,22	0,11
Net Profit Margin : Net Profit / Net Sales	0,06	0,39

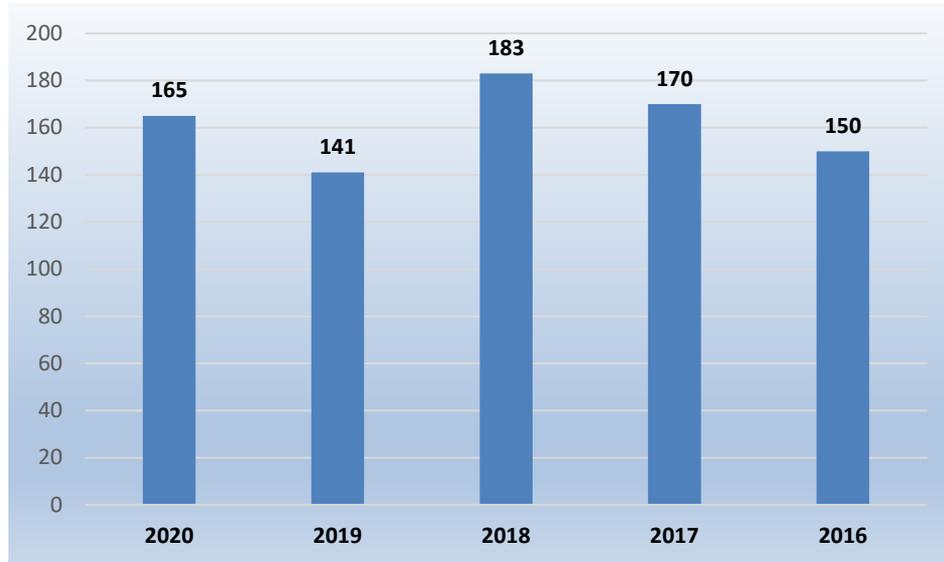
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Product Sales Volumes and Revenues

The sales volumes and revenues on our main product groups are given below in comparison.

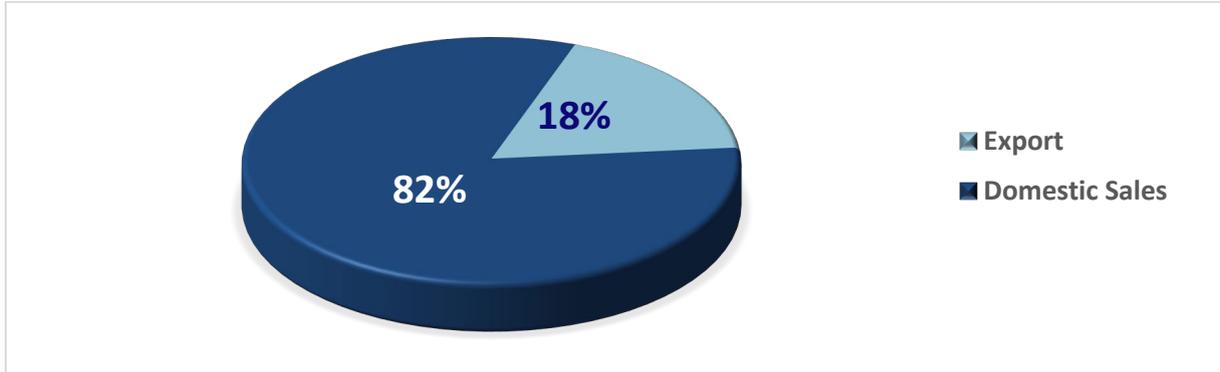
	January-December 2020		January-December 2019	
	Quantity (Tonnes)	Amount (Thousand TL)	Quantity (Tonnes)	Amount (Thousand TL)
Polyester Fiber	355.193	2.348.140	198.254	1.392.102
Polyester Chips	229.375	1.472.528	146.486	1.085.033
Polyester Flament	72.602	743.001	11.508	113.836
Poy	50.970	389.653	12.845	99.497
Commercial Commodity	6.414	42.694	6.971	53.083
Others	4.463	44.932	3.450	20.194
Total	719.017	5.040.948	379.513	2.763.745

❖ **Export (FOB million USD)**

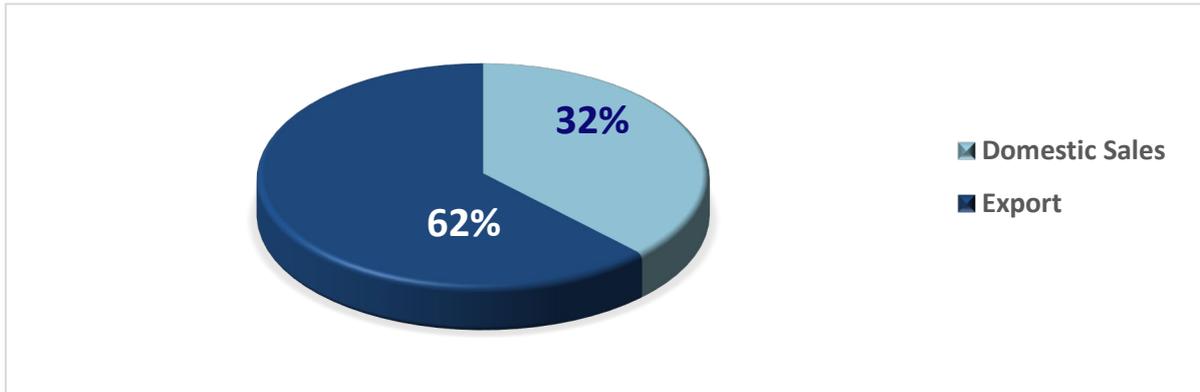


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Distribution of Fiber- Tops- Filament-Poy Sales Volumes in 1 January - 31 December 2020



Distribution of Special Polymers and Chemicals (SPC) - Polyester Cips, Dmt Sales Volumes in 1 January - 31 December 2020



3.7. Internal Audit and Internal Control

Internal audit and internal controls is done in order to be carried out safely and without any interruption of the activities and services of the Company, and development of the Risk Management, control system and Corporate management applications of the company, and to contribute to the fact that Company reaches to its Corporate and economical targets, and to provide the integrity, consistency, reliability of the information obtained from the accounting and financial reporting system.

Availability, functioning and effectivity of the internal audit and internal controls are carried out by the Committee Responsible from Auditing created within the Board of Directors. The Committee Responsible from Auditing presents its activities, the finding it found in relation to its duty and responsibility area and its recommendations to the President of the Board of Directors.

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In addition, in order to the fact that internal audit and the internal control mechanisms maintain their studies, Internal Audit Manager affiliated to the President of the Board of Directors operates.

The Audit Committee negotiates the adequacy of the internal control system by regularly meeting with Internal Audit Division.

In every year, the processes to be audited are determined by reviewing the risks in relation to all of the processes. The audiable processes was determined by the Audit Axis created within the Company; and balance risk scores were determined pursuant to the situations of natural risk factors and internal control system.

In relation to the deficiencies of inner control found under the framework of the Audit Reports, actions that had been taken by the Company Managers were followed up later, and observed its effect on the risk level, and also the adequacy of the taken actions were interrogated

3.8. Subsidiaries and Share Rates

On September 3, 2015, Sasa Dış Ticaret A.Ş. was established with a capital of TL 2.000.000.as a 100 % subsidiary of Sasa Polyester Sanayi A.Ş.

3.9. Information with Regard to its Own Shares acquired by our Company

At our company's meeting of the board of directors held on 21 November 2017, it was decided that, Sasa Polyester Sanayi A.Ş. should repurchase Sasa shares up to 50.000.000 TL as a maximum amount ; the repurchase amounts in terms of years are as follows: in 2017; 1.593.884 lot and 10.532.055 TL- transaction amount, in 2019; 1.000.000 lot and 5.155.926 TL-transaction amount and in 2020; 1.500.000 lot and 10.341.940 TL – transaction amount. As a result of share increases conducted free of charge on 17 May 2018 and 3 May 2019, Group's p' total number of shares acquired reached : 5.707.087 lot and a rate of 0,6876%. Besides, at the Company's Board Decision held on 4 December 2020; due to the price formed in Sasa Polyester Sanayi A.Ş. share as a result of fluctuations occurred in the market, it was decided that Sasa Polyester Sanayi A.Ş. should be permitted to repurchase Sasa shares up to 200.000.000 TL as a maximum amount.

3.10. Important Information About Filed Against The Company and Ongoing Litigation and Their Possible Results

There is no on going litigation that may affect the financial results of our Company's activities.

3.11. Important Information About Sanctions and Penalties to Company and Board of Directory Members Sourced From Applications Contradictory to the Provisions of the legislation

There is no important qualities in administrative sanctions or penalties related with applications contradictory to the provisions of the legislation due to the Company and the Board of Directory Members in the year 2020.

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3.12. Ordinary and Extraordinary General Assembly Information

Ordinary General Assembly

At our Company’s Ordinary General Assembly meeting for 2019 held on 7 April 2020, Tuesday at 11:00 hrs. at our Company’s Head Office located at; Sarıhamzalı Mahallesi Turhan Cemal Beriker Bulvarı No:559 Seyhan / Adana, below listed decisions were made.

- Board of Director’s Activity Report was approved.
- Financial Statements for the account period of 2019 were certified.
- Members of the Board of Directors were released for the Company’s activities for 2019.
- It was decided that the number of the Member of the Board of Directors should be 7 and Members of the Board of Directors were selected for a term of office of three years.
- Monthly gross fees which are required to be paid the Board Members were determined.
- It was decided that no dividend distribution should be made.
- It was certified that; some alterations should be made in the article 5 of the Company’s Articles of Association with the head line; “Company’s Head Office and Branches”, article 8 of the Company’s Articles of Association with the heads line, “Capital” and in the article 10 of the Company’s Articles of Association with the head line; “ Issuance of various securities”.
- It was decided that; in 2020, the total maximum amount of donations which may be made by the company should be 3.000.000-TL.
- DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. was appointed as the authorized agency to audit the company’s financial reports for the accounting period of 2020 and to execute other activities as specified in relevant applicable laws.
- Chairman of the Board of Directors and the Members of the Boards of Directors were decided to be authorized to do the actions specified in articles 395 and 396 of the Turkish Commercial Code.

3.13. Material Disclosure

54 Material Event Disclosures have been made on Public Disclosure Platform with respect to CMB regulations between 1st January and 31st December 2020. All disclosures were made on time and there were no sanction to Company by CMB or Istanbul Stock Exchange.

4. SUSTAINABILITY

Within the scope of the Sustainability Principles Compliance Framework, the studies have been completed to a large extent, and in accordance with the Capital Market Legislation annual activity report to be completed in 2021 and published in 2022 will be shared with the public in its report.

4.1. Human Resources

Human Resources Policies

In accordance with the vision and strategies of our changing and developing company, as Human Resources, our main goal is to create a change & development oriented team, consists of employees with high caliber which is required for a sustainable competitive advantage, loyal to the organization and directed towards aims of the company with proud of working in Sasa, and maintain an effective organizational structure that provides continuous labor peace.

Sasa, for achieving its strategies and goals; believes that long term relationship with its open-minded and continuously developing employees and protecting company culture, knowledge accumulation, core values of the Company are the basic elements for success and makes investments in people in this respect.

With a view towards achieving sustainable success in its strategy and goals and having an organization that creates a competitive advantage;

- Organization structure has been reviewed in accordance with continuous re-assessment of the human resources systems, processes and the requirements,
- Qualified labor force that will carry the company into the future has been employed and in this respect the cultural diversity is being supported,
- To improve the competencies, knowledge and abilities of employees related with their positions, for realizing their potentials, personal and occupational development activities has been organized,
- To support institutional and personal development; an effective performance management is implemented where employees and managers can monitor their performance regularly and assume their own development responsibilities in an open communication environment,
- Within the scope of “Organizational Succession Planning”, critical positions are backed up with high potential and competent employees,
- Necessary platforms for information sharing on relevant subjects regarding company & employee issues are created for employees and their representatives to express themselves clearly within a participative management approach,
- Sasa Work Ethics, including rules ensuring fair and equitable (no discrimination on gender, religion, language, etc.) work environment, are applied to all employees,
- A common company culture, which is created by developing approaches that increase corporate commitment, where employees can unearth their potential, in a safe, healthy and change-oriented environment.

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Recruitment

In our company, Job Family Model and a grade structure that defines job size and wage structure are implemented for white collar employees. The recruitment process is executed in line with the role descriptions and responsibility areas defined within the frame of the Job Family Model, according to Recruitment and Dismissal Regulation.

We execute our recruitment processes in line with our company's strategies, goals and principles of equal opportunity for equal jobs, with the purpose of securing the best candidates who are qualified for an open position and believe in the values of our company; are open to development and change; are highly self-confident, well educated; and have the competencies to make a difference in their work.

Remuneration and Fringe Benefits

- The remuneration system of labor union member employees is managed with collective agreements that are signed between labor unions and the employer with a management approach supporting unionism.
- The remuneration system of white collar employees is created by considering the results of job valuation and market data..

Fringe Benefits

Depending on the grade of the position of white collar employees, Sasa provides private health insurance, individual pension system with corporate contribution and life insurance. Also, for all employees, Sasa provides meal and transportation services.

Remuneration of the Executive and Board Members

The total cost of the Members of board and Senior Managers remuneration to Company between 01.01.2020 and 31.12.2020 was 3.971 thousand TL

Training and Personnel Development Programs

As Sasa Human Resources, creating an organizational climate that increase individual awareness and performance, ensures participation in projects and activities, supports creative development of our employees, is among our priorities.

Orientation Program

Orientation program lasts 6 months and is organized so that white collar workers who are newly employed can be familiar with the departments of the company, meet the employees and is completed with actual presence of the staff in all departments of the company and all shifts.

In-House Training Program

Training programs for legal obligation such as Job Safety, Health and Environment, Technical, ISO 9001 and 50001, Sasa Code of Business Ethics, etc.

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Personal Development Training Programs

Personal and professional development programs that are organized according to the personal development areas of white collar employees and the jobs they perform.

Occupational Development Trainings

Trainings that are organized in certification, seminar, course formats for providing occupational development through improvement the knowledge and abilities of employees.

Personnel Information

As of 31 December 2020, the number of employees is 4.022 person. (31 December 2019: 1.978 person)

As of 31 December 2020, the distribution of our staff by central and off-center units is as follows:

Adana Central	4.002	Person
İskenderun	18	Person
İstanbul	2	Person
TOTAL	4.022	Person

4.2. Administrative Activities

Collective Labor Agreement

21st Term Collective Bargaining Agreement in Chemistry Business Branch, on 9 July 2020 has been signed and in effect for three years from 01.01.2020 to 31.12.2022 will remain.

4.3. Donation Information

Our company made a donation of 515 Thousand TL in 2020.

5. RELATED PARTY TRANSACTIONS

The legal actions that our Company has made with the Group companies are given below. Related party transactions and amounts realized in 2020 are as follows;

a) Receivables from related parties (TL Thousand):

	31 December 2020	31 December 2019
Merinos Halı San. Tic. A.Ş.	37,163	73,642
Dinarsu İmalat ve Ticaret T.A.Ş.	25	24,335
Zeki Mensucat Sanayi ve Tic. A.Ş.	-	1,479
	37,188	99,456

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b) Sales to Related Parties (TL Thousand):

	1 January - 31 December 2020	1 January- 31 December 2019
	Goods	Goods
Özerdem Mensucat San. Tic. A.Ş.	157,780	77,814
Merinos Halı San. Tic. A.Ş.	161,100	103,058
Zeki Mensucat Sanayi ve Tic. A.Ş.	93,969	71,970
Dinarsu İmalat ve Ticaret T.A.Ş.	71	75
	412,920	252,917

c) Purchases from Related Parties (TL Thousand):

	1 January - 31 December 2020	1 January- 31 December 2019
	Goods	Goods
Özerdem Mensucat San. Tic. A.Ş.	1,916	2,186
Merinos Halı San. Tic. A.Ş.	406	256
Zeki Mensucat Sanayi ve Tic. A.Ş.	36	-
Merinos Mobilya Tekstil San. Tic. A.Ş.	-	260
	2,358	2,702

d) Interest income from related parties:

	1 January - 31 December 2020	1 January- 31 December 2019
Merinos Halı San. Tic. A.Ş.	664	8,012
Dinarsu İmalat ve Ticaret T.A.Ş.	280	11,074
Erdemoğlu Holding A.Ş.		
	944	19,086

e) Financial foreign exchange income from related parties:

	1 January - 31 December 2020	1 January- 31 December 2019
Merinos Halı San. Tic. A.Ş.	15,314	7,055
Özerdem Mensucat San. Tic. A.Ş.	6,463	2,600
Zeki Mensucat San. Tic. A.Ş.	659	370
Dinarsu İmalat ve Ticaret T.A.Ş.	1	15,979
	22,437	26,004

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f) Remuneration of Board of Directors and key management personnel and similar benefits:

The remunerations and similar benefits paid to the Board of Directors and senior management during the periods ended at 31 December 2020 and 2019 are as follows:

	1 January - 31 December 2020	1 January- 31 December 2019
Short-term benefits provided to key management	3,971	2,371
	3,971	2,371

6. STATEMENT FOR COMPLIANCE WITH CORPORATE MANAGEMENT PRINCIPLES

1. Statement for Compliance With Corporate Management Principles

Sasa Polyester Sanayi A.Ş. (hereinafter to be referred as Company) complies with the compulsory principles under the scope of "Corporate Management Statement" of Capital Markets Board entered into force by being issued on the Official Gazette dated 3 January 2014 and numbered 28871; and applies these principles.

The Corporate Management Principles Compliance Report of our Company were presented at web site of www.sasa.com.tr under the title of "Corporate Management Compliance Report" Division of "Investor Relations", and also in our activity reports related to these years for the information of the investors.

Sasa adopted, as principle, to comply with The Corporate Management Principles and four principles that is Transparency, Equity, Responsibility and Accountability of the Corporate Management issued by Capital Market Board; and to make corrections on the subjects to be complied with by depending on the developed conditions.

Sasa took necessary steps pursuant to the The Corporate Management Principles; and showed that it is in conscious of its responsibility with its stability about its all of activities it has realized up to date pursuant to the The Corporate Management Principles against all of its shareholders and all of beneficiaries.

Sasa is in believe of the importance of full compliance to The Corporate Management Principles. However, the full compliance could not be achieved yet because of the difficulties experienced in practice of non-mandatory principles, discussions on pursuance to some of the principles continuing both in our country and international platform, and also some of the principles are not fully comply with the present structure of the market and the Company. The developments in relation to the subject are pursued; and our studies towards to the compliance continues.

The Company complies with all of the principles take place in the Corporate Management Statement with the number of II-17.1 ("Statement"), and compulsory for application.

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Although no company policy is available in relation to the recommendation of "it determines target ratio not lesser than 25% and target time for the women members rate in the Board of Directors and creates policies in order to reach these targets" takes place in Article 4.3.9 of the Statement, the care is taken on this subject.

In addition to this, the liabilities of "Nomination Committee" and "Wage Committee" takes place in Article 4.5.1 of the Statement were undertaken by Corporate Management Committee; and although taking care of the recommendation of "a member of the Board of Directors should not take place in more than one Committee is complied with, one of the member of our Board of Directors may be members of more than one Committee because of the business expertise required by the membership of the Committee. "

In also the next period, necessary studies will be carried out for the compliance to the principles by being taken into consideration of the arrangements and application in the Corporate Management Statement with the number of II-17.1 of Capital Markets Board that was come into force by being issued on the Official Gazette dated 3 January 2014 by the Capital Market Board for the compliance with the principles.

SECTION I - SHAREHOLDERS

1. Shareholder Relations Unit

Shareholder relations unit was formed within Accounting Management of our Company. This unit works operates depending on Accounting Manager, Ali Bülent Yılmazel (bulent.yilmazel@sasa.com.tr). Contact phone number is +90 (322) 441 19 17 and fax +90 (322) 441 01 14

Main duties of the unit are:

- to answer information requests of shareholders,
- to ensure General Meeting to be carried out correctly,
- to issue documents devoted to shareholders for General Meeting,
- to ensure voting results to be recorded and reports regarding these results to be delivered to the shareholders,
- to protect and monitor all kinds of issues concerning public disclosure.

Shareholder relations unit is responsible for conducting relations with shareholders within the frame of Corporate Management Principles. Within these duties, all questions from the phone and also e-mails sent by shareholders were replied in 2020.

Pursuant to CMB regulations, 54 material disclosures were made at Public Disclosure Platform by Company in 2020. These disclosures were done in time and sanctions were not imposed by CMB or İstanbul Stock Exchange.

2. Exercise of Shareholders' Right to Information Act

Shareholders' requests coming through phone, e-mail and at face to face meetings were replied by Shareholder Unit in 2020. For that purpose, information which concern shareholders were announced in obligatory notification processes on web page.

At the Articles of Incorporation, private audit appointment was not issued as a right. A request on that matter was not received from shareholders in 2020.

3. General Assembly Meetings

One Ordinary General Meeting in İstanbul was held on 7th April 2020 and participation of shareholders who represent 86,16 % rates of shares was ensured. Also in electronic media (e- General Assembly) the participation has been achieved for General.

General Meeting notice was done through all kinds of communication means, including electronic communication, which ensure to contact as many shareholders as possible minimum three weeks before the meeting date. Company does not have privileged share. There is one single vote right for each share and there is not any privilege on any share.

Activity Report including also audited 2019 numbers was submitted to the review of shareholders at least 15 days before General Assembly at Company Head Office. Shareholders did not exercise their right to ask questions during General Assembly and any other recommendation apart from agenda topics was not presented.

Important resolutions in Turkish Commercial Code are submitted to the approval of shareholders at General Assembly. All important resolutions which shall be included in amended laws when legislative harmonization of Corporate Management Principles is provided shall be submitted to the approval of shareholders.

4. Voting Rights and Minority Rights

There is not any privileged voting right at Articles of Incorporation. With the thought that entitling cumulative vote right at present partnership percentages and partnership structure may ruin harmonized management structure of Company, any regulation has not been executed at Articles of Incorporation.

5. Dividend Rights

The Sasa Polyester Sanayi A.Ş.'s Dividend Policy is being managed within the frameworks of the provisions of the Turkish Commercial Codes, the Capital Market's Laws and with other relevant legislations and regarding the distribution of profits in accordance with our firm's articles written in the agreement; it is determined by the balance favored, as and among, the Sasa's medium and long-term strategies, the investment and financial plans of which is in line with the Country's economy and by taking the situation of the sector into the consideration and expectations of the shareholders and the Sasa's needs.

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In line with the decision taken at the General Assembly, the determination of some amounts of the dividends to be distributed to the shareholders have been adopted as the principle; the principle has been adopted as to pay off the dividend in cash to the shareholders and the rate to be 50% pieces for per annum.

The dividends, regardless of their date of issuance and acquisitions will be distributed equally to all of the existing shares and it is accepted to dispense as soon as possible and within the legal period and following of the approval of the General Assembly and on the appointed date to be determined by the General Assembly will be distributed to the shareholders.

In accordance of our agreement's article 31st, if authorization is donated to the Administrative Board by the General Assembly and within this decision the Administrative Board can make it possible to distribute advance dividends to the shareholders. The General Assembly, can carry a portion of the net profit or all of it to the extraordinary reserve. If the Sasa's Administrative Board, offers to the General Assembly on not distributing profits to the shareholders, the causes of this condition and as regards the form of the undistributed profit's assessment also should be stated to the shareholders at the General Meeting. Likewise, this information by giving place in the annual report and on the web site to be shared with the public.

The profit distribution policy to be submitted for the approval of the shareholders in the General Meeting. This policy, due to the having any negativity on the national and the global economic conditions and according to the projects and in the availability of the funds is being kept on the agenda and to be revised annually by the Administrative Board. The amendments which are done within this policy and in the first general meeting after changes is submitted to the approval of the shareholders and publicized on the website.

6. Transfer of Shares

Any provision which restricts transfer of shares is not involved in Articles of Incorporation.

SECTION II - PUBLIC DISCLOSURE AND TRANSPARENCY

7. Information Policy

Information Policy revised with respect to last changes in Capital Market Board Regulations by Corporate Management Principles Committee was approved by Executive Board 25th December 2014. It is published on the web site of our Company (www.sasa.com.tr) and on Public Disclosure Platform on same day.

Information and documents designated by legislation, material disclosures and external audited financial statements of 6th and 12th months and non-external audited financial statements of 3rd and 9th months which were issued in accordance with International Financial Reporting Standards (IFRS) are sent to Public Disclosure Platform (PDP) as to be announced to public within the period specified by CMB. These processes are conducted by Shareholder Relations Unit.

The persons who can obtain insider information are Members of Board, Auditors, General Manager, Directors, Managers, Independent Auditing Firm and all other department managers.

8. Company’s Web Site and Its Content

The Company's corporate website is available. The address is www.sasa.com.tr The information contained on the web site is being prepared in English and is given as the information listed in accordance with the CMB's Corporate Governance Principles 2.1.1 on the company's website.

Significant topics which can be followed at the web site are summarized as follow:

- Detailed information regarding corporate identity
- Vision and main strategies
- Information about Members of Board and Senior Management
- Company organization and partnership structure
- Articles of Incorporation
- Trade registry information
- Financial information
- Material Disclosure
- Statements on the date, agenda and agenda topics of General Meeting
- Minutes and List of Participants of General Meeting
- Power of Attorney sample
- Corporate Management implementations and compliance report
- Information policy
- Wages Policy for Members of Board and Senior Managers
- The news in the press about the Company

9. Activity Report

The Annual reports, are prepared within the principles of to the CMB's Corporate Governance Principles and was enacted under the "Principles of Financial Reporting in the Capital Markets Board " that was the CMB’s Official Gazette No. 28676 which was published on 13 June 2013. It is approved by Executive Board and declared to the public with financial statements. Afterwards, it is published at our web site (www.sasa.com.tr).

SECTION III - STAKEHOLDERS

10. Informing Stakeholders

Information which do not have the characteristics of business secret are transparently shared with the stakeholders by means of declaration to the public pursuant to the information policy.

Company employees are informed on their area of expertise and general issues in which they are interested through meetings, seminars, trainings and information delivered via e-mail. There is a portal for the employees and it is ensured that they can reach all kinds of information and documents by means of this portal.

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Company stakeholders have adopted ethical principles and founded an ethical committee in order to protect their rights. Stakeholders can contact to the ethical committee through the email addresses etik@sasa.com.tr and phone number (322) 441 00 89. If required, Audit Committee and/or Corporate Management Principles Committee are informed.

11. Codetermination of the Stakeholders

Codetermination of the employees is carried out through periodical meetings held in Company and annual objective determination and performance evaluation meetings. In addition, employees give feedback to the administration and their colleagues and the results are discussed at management meetings and action plans are organized for necessary amendments. With these

approaches, it is ensured that employees show required participation and contributions for management effectiveness of the Company.

12. Human Resources Policy

Our main objective, as being Human Resources, is to restore Sasa to an efficient organization structure which always ensures labor peace and consists of employees being bound to organization, having high calibre, leading to the aims of the Company and being proud to work at Sasa whom Sasa needs in getting sustainable competitive advantage.

Sasa believes that long-term association with its employees who open to change and are continuously in development, culture of the Company, knowledge and protection of Company's main values are the primary elements of achieving success in accomplishing its strategies and objectives and in this direction invests in human.

In line with having a sustainable success in its strategy and objectives and in order to ensure that it has an organization which creates competitive edge;

- Organization is structured in accordance with necessity by review of human resources systems and processes,
- Skilled labor which shall carry the Company into future is brought in organization and accordingly cultural diversity is supported,
- Personal and professional development activities are organized so as to ensure that employees realize their potentials and continuous improvement of their competence, knowledge and skills concerning their position,
- An active performance management in which they monitor regularly the performance of administrators and employees in an open communication environment and take the responsibilities is implemented in the manner that they support institutional and personal development objectives,
- It is ensured that organization is backed up by skilled personnel with high potential as a part of the organizational success plan of critical positions,
- Platforms in which regular information sharing is done on issues concerning Company and employees and employees can clearly express their and their representatives ideas with a participative management approach are formed for employees,

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- Business Ethic Values which consist of rules related to providing equal (gender, religion, language, etc. Discriminations are not done) and fair work environment are applied to all employees,
- A common Company culture is created by realizing implementations and approaches which shall increase employees' institutional commitment in at stake, reliable and healthy work environment in which employees can show their potentials.

A representative has not been appointed as to conduct relations with Company employees. Any complaint was not received on discrimination from the employees within or before 2020.

13. Codes of Conduct and Social Responsibility

Business ethical codes of the Company has been constituted and put into practice. Informing the employees on these codes is carried out by publishing the codes on inner communication portal of the Company, distributing manuals to all employees and realizing information trainings. Furthermore, employees update their knowledge on business ethical codes via an e-learning program and renew their commitment to these codes by filling "Business Ethics Conformity Declaration" every year.

As it is included at the Activity Report of the Company but not declared to the public, our Company maintains human health and environment-conscious Labor Safety, Employee's Health and Environment Policies and applies explicitly the ethics codes of Company.

SECTION IV – EXECUTIVE BOARD

14. Structure and Formation of the Executive Board

Company is administered and represented by an Executive Board which is elected by General Assembly pursuant to Turkish Commercial Code and provisions of Capital Market Legislation and consists of minimum six members. Majority of the Members of Board comprise of the members who are not responsible for enforcement defined at Corporate Management Principles. Two Members of Board are independent members and members of Board are elected in line with Corporate Management Principles by General Assembly. Duty term of Members of Board is maximum three years. The member whose duty term is ended can be re-qualified. In the event that a membership becomes vacant by any reason, Executive Board elects a new member for the vacant position and submits it for approval of General Assembly at its first meeting. This member completes the remaining term of its predecessor.

Executive and non-executive and independent member distinction of Company's Members of Board is as follows:

İbrahim Erdemoğlu

Chairman of the Executive Board (executive member)

Ali Erdemoğlu

Vice Chairman of the Executive Board (non-executive member)

Mehmet Şeker

Member of Board (executive member)

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Mehmet Erdemođlu

Member of Board (non-executive member)

Kadir Bal

Member of Board (independent member)

Haci Ahmet Kulak

Member of Board (independent member)

Mahmut Bilen

Member of Board (independent member)

Members of Board have been entitled to the right to take action pursuant to the Articles 395 and 396 of Turkish Commercial Code by resolution of General Assembly.

15. Activity Principals of Executive Board

Provisions regarding meetings of Executive Board are included at Articles of Incorporation and accordingly dates and agenda of meetings of Executive Board are determined by chairman or his agent and it is gathered upon invitation of chairman or his agent. Determined agenda and agenda topics are conveyed to the Members of Board beforehand in order that they can execute required operations.

At the meetings held in 2020, any different thought against resolutions which were taken by Members of Board was not expressed.

Actual participation of the members who had not an excuse was ensured at the meetings of Executive Board. As Members of Board did not have any questions on those matters, it was not appended to record. Members of Board were not entitled to the weighted voting right and/or veto right concerning aforesaid resolution.

Management right and power of attorney of the Executive Board are defined at Articles of Incorporation.

Members of Board did not carry out operations with the Company in 2020 and undertake any enterprise which could compete with the same activity issues.

1. The Number, Structure and Independence of Committees Formed at the Executive Board

We have Corporate Management Committee, Audit Committee and Risk Committee subjected to the Executive Board.

Corporate Management Committee

President : **Mahmut Bilen** (Independent Member)

Member : **Haci Ahmet KULAK** (Independent Member)

Member : **Ali Bülent Yılmazel** (Financial Affairs and Investor Relations Group Manager)

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Corporate Management Committee President is selected among the independent members in compliance with Corporate Management Principles. The Corporate Management Committee meetings are held at least four times a year at a place determined by the president. The Committee arranges meetings at least once a year to revise Risk Management Systems. At the beginning of each year, meeting schedule of the year is prepared and announced to all the members by the Committee President. The others who are approved by the president can participate in the meetings.

Since there is no committee for nomination, early risk determination and compensation committee in the present configuration of the Executive Board, works of the mentioned committees are executed by the Corporate Management Committee.

Audit Committee

President : **Haci Ahmet Kulak** (Independent Member)

Member : **Mahmut Bilen** (Independent Member)

Audit Committee President is selected among the independent members in compliance with Corporate Management Principles. Audit Committee arranges meetings four times a year. At the meetings, the works done by internal control officers, the presentation of the Executive Board, performance of Independent Audit Firm and financial statements are revised and violation and examination of business ethics and rules of behaviors are made agenda topics.

The Early Detection of Risk Committee

President : **Haci Ahmet Kulak** (Independent Member)

Member : **Mahmut Bilen** (Independent Member)

Our Board of Directors of the In the view of the Corporate Governance Principles of the Capital Markets Board of Turkey (CMB) and in accordance with the Turkish Commercial Code No. 6102's via the provisions of official article of 378 and as to be authorized, an The Early Detection of Risk Committee has been established as based on the decision of our Administrative Board on the date of 15.08.2013. The Early Detection of Risk Committee's Chairman and Member meets at least six times per year, according to the principles of the Corporate Governance and these will be selected among the independent members.

The Early Identification of Risk Committee makes efforts to identify and manage the risks that may be threat to the company's existence, development and more of the risks that could jeopardize the company also seeks the creation of management systems and their early detection and takes the necessary measures. The risk management systems are revised at least once a year and regarding to the risk management practices, the Committee carries out and shall monitor of the implementations of the decisions whether is in accordance with their advices.

No conflict of interest occurred among committees during the year of 2020.

Our company has two Independent Members of Board. Our Independent Members of Board, Mahmut Bilen and Haci Ahmet Kulak, are in both committees established by Executive Board.

The Company's Board of Directors has established various mechanisms to provide risk management and internal control. A Risk Committee has been established under the Corporate Governance Committee and this committee meets regularly. In this meeting, the critical risks that the Company is in, the management of these risks and the actions to be taken are periodically monitored.

In addition, the Internal Audit Unit established within the Company is authorized and responsible for conducting internal controls.

18. Strategic Goals of the Company

Our first priority is the safety and health of our staff, the environment (the region where our business is located and its entire environment), our customers and neighbors. One of our most important goals is to be a respected corporate citizen.

Strategic goals set by the managers are approved by the Company's Board of Directors. In addition, the Company's Board of Directors; It reviews the degree of achieving its goals, its activities and past performance through monthly reports prepared regularly every month. In addition, the results of the current year budget and actual comparison prepared by the company officials are also presented to the Board of Directors.

19. Financial Rights

Forms and conditions of all the rights, benefits and payment for the Members of Board are totally mentioned in balance sheets. In extraordinary General Meeting in 2020, it was decided that 7.500 TL salary would be paid to the Members of Board during their duty period.

During the year of 2020, Company did not provide loan, credit, extent credits and did not provide good conditions for this and did not get them use credit through third party and did not give a guaranty to any directors and board of management members.

7. OTHERS

- Company has made an application to Capital Market Board for the issuance of Convertible Bond up to the nominal value of 200.000.000 Euro (two hundred million Euro) with 5 (five) years maturity which are entirely planned to be sold to qualified investors abroad.
- Company announced to the public on 12 June 2017 that POY and Texturized Yarn Production Plant' investment amount was expected to be around 350.000.000 USD and its contribution to the turnover was expected to be 450.000.000 Euro whereas it was further announced to the public on 21 June 2017 that; the Plastic Bottle Plant's investment amount was expected to be around 100.000.000 USD and its contribution to the turnover was expected to be 250.000.000 USD. Later on, both of the aforementioned plants were commissioned.
- Company's Board of Directors decided that a communication office should be opened for the company located at the address, Söğütözü Mahallesi 2176. Cadde No 9 /17-18 Çankaya / Ankara which is planned to be active in terms of 1 July 2020.

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- In support to the petrochemical investment that is planned to be constructed in the Province of Adana at the Yumurtalık region, a license and technical service agreement has been signed with American Invista (Koch Industries) for the Adana plant where the existing production plants are located within the scope of PTA Production Plant Investment of which the investment amount is around 935.000.000 USD and having 1.500.000 ton / year capacity. Besides, for the establishment of the plant in turn-key basis between the company and Tecnicas Reunidas, a goodwill agreement has been signed which includes Engineering, Purchase and Assembly services.
- T.R Ministry of Environment and Urbanization approved the EIA/ Environmental Impact Assessment Application which was made by the Company for the allocation of places for the establishment of production plants for the company's main raw materials which are PTA, MEG and Polymer at a land of 6.800 land measure located in Province Adana District Yumurtalık within the scope of supply of project based government support for the projects and for the establishment of Polypropylene (PP), Polyethylene (PE), Polyvinyl Chloride (PVC), Super Absorber Polymer (SAP), Polyester Chips and Harbor thereof, with a total investment value of 11,8 billion USD.
- Upon the increase observed in recent times in the imports of “Synthetic staple fibers, not carded, combed or otherwise processed for spinning made of polyester” (polyester fiber) under Customs Tariff Statistical Number: 5503.20.00.00.00, The Assessment Board of Protection Measures for Importation, affiliated with the Turkish Republic Ministry of Trade, decided that a protection measure investigation should be opened. This decision was published in the Official Gazette dated 30 May 2020.
- As a result of the investigation opened by virtue of the Communiqué for Protection Measures in Imports (Communiqué no.2020/5) which was published in the Official Gazette no. 31152; additional financial liability was imputed as a protection precaution in Polyethylene Terephthalate Chips (Polyester PET Chips) under Customs Tariff Statistical Number: 3907.69.00.00.00 which is applicable for 3 years. According to the President's Decision published in the Official Gazette dated 13 November 2020, the relevant additional financial liability was determined as 60 USD/Ton for the first year, 58 USD/Ton for the second year and 56 USD /Ton for the third year.
- As a result of the application made by the Company to the T.R. Ministry of Industry and for incentive certificate, the incentive applications made for PTA Production Plant Investment in Adana campus with an average investment amount of 935.000.000 USD having 1.500.000 ton /year capacity and for Polymer/Chips Production Plant Investment with an average amount of investment of 610.000.000 USD having 665.000 ton /year capacity were included into the supply of Project Based Government Support for the investments and this decision was published in the T.R. Official Gazette dated 25.11.2020.

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The amount of investment, which is subject to incentive, is: 11.271.788.151 TL and the incentive factors,
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which the investment will be permitted to utilize, are as follows.

- a) Customs Duty Exemption,
 - b) VAT Exemption
 - c) VAT Return,
 - d) Corporate Tax Reduction (tax reduction rate: 100%, rate of contribution to the investment 85%, rate of use of rate of contribution to the investment during investment periods: 100%),
 - e) Insurance Premium Employer Share (for 10 years without any maximum amount limit),
 - f) Income Tax Withholding Support (10 years),
 - g) Qualified Personnel Support (maximum 30.000.000 TL),
 - h) Energy Support (provided not to exceed 50.000.000 TL up to 10 years in terms of commissioning date, 50% of energy consumption expenses),
- At the Company's Board of Directors Meeting held on 4 December 2020; due to the price formed in Sasa Polyester Sanayi A.Ş. share as a result of fluctuations occurred in the market, it was decided that Sasa Polyester Sanayi A.Ş. was permitted to repurchase Sasa share up to 200.000.000 TL.
 - Company decided to make investment for textile chips, bottle chips, plastic bottle chips production plant with an estimated investment value of 150 Million USD having an annual capacity of 330.000 ton, and this investment was planned to be commissioned until the second half of 2023. This investment's contribution to the turnover is expected to be between 330 - 350 million USD in terms of current figures.