

2014 SUSTAINABILITY REPORT





ABOUT THE REPORT

Soda Sanayii A.Ş. (hereafter referred to in this report as “the Company”) is pleased to present its first sustainability report that has been prepared in accordance with the GRI G4 Reporting Guidelines for the 12 months’ period ending 31 December 2014 to core level.

The GRI G4 guideline provides a framework for reporting on the economic, environmental and social impacts of companies in terms of their sustainability, their targets, the activities that they undertake in relation to these impacts and the results of these activities. Further information can be found at the following link: www.globalreporting.org

This report represents the Company’s performance on the issue of sustainability as determined in parallel with the feedback of its stakeholders. This report covers all legal entities of Soda Sanayii A.Ş. operating in Turkey.* There is an index according to GRI G4 principles at the end of the report.

This report addresses the economic, environmental and social impacts and performance of the Company’s operations in Turkey in 2014. To align the economic indicator data with the Company’s consolidated financial reports, both Turkish and overseas operations are included in the economic performance. It is the Company’s intention to continue to expand the scope of its sustainability reporting to cover its overseas entities in the future reporting periods.

The Period and Frequency of the Report

This report covers the 2014 calendar year. Where available and relevant, we have also included 2013 data for comparative purposes as well as relevant updates from the year-to-date in 2015. Soda Sanayii A.Ş. plans to report on its sustainability performance and impacts yearly.

Feedback

Collecting stakeholder feedback is vital for helping us improve both our practices and reporting processes. We closely examine every issue that comes to our attention, and we use any feedback from our stakeholders to continuously improve our practices. We invite our stakeholders to forward any opinions, suggestions or complaints to the Company’s contact person.

Bediz Ezici

Process Control and Analytical Services Manager

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* The sustainability data covers all Soda Sanayii A.Ş.’s subsidiaries in Turkey but excludes our joint venture operation, Oxyvit Kimya Sanayii ve Ticaret A.Ş..



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CORPORATE SOCIAL RESPONSIBILITY



GRI G4 INDEX

LETTER FROM ŞİŞECAM CEO



OUR FOCUS IS ON INTEGRATING SUSTAINABILITY IN ALL THAT WE DO AND ON BEING A RESPONSIBLE CORPORATE CITIZEN AND GLOBAL LEADER IN OUR INDUSTRIES IN TERMS OF INNOVATION AND TECHNOLOGY



To Our Stakeholders,

I am delighted to present Soda Sanayii A.Ş.'s first Sustainability Report prepared following the Sustainability Reporting Guidelines (GRI) G4 Core level of the Global Reporting Initiative for 2014. In addition to this Sustainability Report, we have simultaneously issued Sustainability Reports for the operations in Turkey of Şişecam Group, Flatglass, Glassware and Glass Packaging Businesses in accordance with GRI G4.

We have been operating as a responsible company for 80 years that is fully committed to respecting people and the environment whilst creating high-quality and energy-efficient products that enhance people's lives. At the same time, we are steadily moving towards our target of being one of the top three glass companies globally and in providing products that add value and that can enrich all aspects of life.

In addition, we are in constant interaction with our global stakeholders. Our products reach millions of customers through our operations in 44 plants in 13 countries and our exports to 150 countries as a result of

our production network across the globe in Flat Glass, Glass Packaging, Glassware and Chemicals Businesses.

With the production of 4.2 million tons of glass, 2.1 million tons of soda ash and 4 million tons of industrial raw materials in 2014, our Group is taking concrete steps towards sustainable growth with our financial performance. Despite difficult economic conditions in some of the markets where we operate in 2014, Şişecam Group not only increased its net sales income by 15% to TRY 6.9 billion but also increased its share of international sales to 52% of total turnover. We also successfully maintained our BA1 and BB+ corporate credit ratings by international rating agencies Moody's and S&P in 2014. In addition, as exemplifying our strong reputation as an ethical and responsible company, our Group was evaluated* for its Corporate Governance practices for the first time in 2014 and achieved a high score of 9.28, which placed us in the upper ranks amongst the highest scoring industrial companies in the initial assessment.

* The Corporate Governance assessment is conducted by Saha Kurumsal Yönetim ve Kredi Derecelendirme Hizmetleri A.Ş. (SAHA).

Being fully aware of our responsibilities in the global ecosystem, we consider sustainability not just as financial continuity but as a long term vision that incorporates issues and opportunities related to environmental protection, natural resources, raw materials, consumptions, customers, employees and values and we integrate our sustainable activities

ENERGY EFFICIENCY

We are one of the largest energy consumers in our country with an approximate annual natural gas consumption of 1.5 billion m³. Therefore, energy and energy management are among our most material topics. Our Group targets using natural resources as efficiently as possible, reducing the environmental effects of our operations and continually increasing energy efficiency as part of our corporate environmental and energy strategy. Linked to these plans, we have started applying our Environmental and Energy

INNOVATION

We are targeting being the leader in our selected areas and adapting the fast developments in glass science and technology, during constant innovation to develop highly competitive products and technology ownership. Our Group has incorporated our corporate R&TD (Research and Technological Development) activities that started in 1976, under our "Science and

COMPLIANCE WITH INTERNATIONAL STANDARDS

As a global player, our Group is committed to keeping its operations at international standards level. Consequently, almost all of our facilities both in Turkey and internationally have been certified to international standards for their quality, environment, energy, and occupational health and safety management systems.

All of our activities related to occupational health and safety are performed in line with international best practices. As a result, our Occupational Health and Safety Policy has been implemented to cover all our facilities in Turkey and internationally. Programs, training and activities are being implemented to help us move towards our target of reducing accidents and injuries to zero in all our workplaces.

While improving and applying strategies that support our global vision, we have continued to improve our

fully throughout our operations. Consequently, our Group focuses its sustainability activities on current and emerging topics through the value chain with the most activities connected to three main topics: energy efficiency, innovation, and compliance with international standards.

Policy, in all our global operations. We have already achieved significant savings as a result of increasing energy efficiency and reducing energy consumption and associated greenhouse gas (GHG) emissions in our operations in Turkey and internationally. We have many innovative projects focused on increasing energy savings and there are numerous examples outlined in this report, such as energy efficient furnaces, waste heat recovery and recycling projects.

Technology Center" which is the only and most well equipped center of glass and glass products in Turkey, and one of only a few in Europe.

The future in glass requires in depth expertise and innovation. As a result, we are focused on developing production technologies and enriching our product portfolio with products that add value.

human resources management in order to attract and retain the workforce that will add value globally and in extending our corporate culture. Similarly, we place importance on equal opportunity in performance management, career development, and training and development programs for all our employees.

In recognition of our responsibilities as a global company, we are determined to continue to improve our sustainability performance and make further progress in sustainability by launching new targets and projects throughout our global operations.

I would like to take this opportunity to thank all our stakeholders for their support, valuable contributions and the trust you have shown in Şişecam Group as we progress along our sustainability journey.

Sincerely,

Prof. Dr. Ahmet Kirman

Şişecam Vice Chairman and CEO

LETTER FROM CHEMICALS PRESIDENT



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IN OUR AMBITION TO STAY A WORLD-CLASS SODA ASH AND CHROMIUM COMPOUND MANUFACTURER, WE ARE COMMITTED TO THE IMPLEMENTATION OF GLOBAL AND INDUSTRY BEST PRACTICES IN ALL OUR ACTIVITIES FROM PRODUCTION PROCESSES TO ENVIRONMENTAL MANAGEMENT.

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To Our Stakeholders,

I am delighted to present our first Sustainability Report prepared in accordance with the GRI G4 Sustainability Reporting Guidelines of the Global Reporting Initiative for 2014.

Soda Sanayii A.Ş., the flagship company within the Chemicals Business of Şişecam, increased its soda ash production to 2.1 million tons in 2014 from its production facilities in Turkey, Bosnia & Herzegovina and Bulgaria. Considering the aforesaid amount of production, the Company is ranked as the 4th biggest soda ash producer in Europe and the 10th in the world. Notwithstanding challenging economic conditions locally and internationally, Soda Sanayii A.Ş. achieved an increase in total sales of 14.5% from the prior year to TRY 1,607 million in 2014.

INVESTMENT ON SUSTAINABILITY AND ENERGY EFFICIENCY

Taking into consideration its current and future responsibilities, Soda Sanayii A.Ş., a company operating in energy intensive sectors, has prioritized subjects such as energy efficiency and innovation, which can significantly affect its operations.

Within Chromium Chemicals, the Company has an important position in the market, with its Kromsan Chromium Compounds Plant in Mersin and Cromital S.p.A. in Italy, as the world's largest sodium bichromate producer, largest basic chromium producer with its Tankrom brand and 4th largest chromic acid producer.

As one of the leading companies in the world in its business lines, Soda Sanayii A.Ş. maintains this leadership position through a continued focus not only on financial indicators but also on critical issues such as sustainability, brand management, adaptation of global standards and effective collaboration with its key stakeholders across all areas of the business.

The need to operate sustainability is inherent to all that we do and is already firmly embedded in our business strategy. With its 28 billion megajoule Joule energy consumption in 2014, our company attaches special importance to efficient management

of energy. We have established systematic policies and processes to measure, monitor and improve our energy management performance, through which we managed to decrease our energy consumption per unit soda ash production by 5% in the last 2 years. Lowering our levels of energy consumption will continue to be one of our key parameters for our financial and environmental sustainability.

As another important aspect of environmental sustainability, water consumption levels are also constantly monitored and projects to decrease water consumption are developed. In order to use water resources effectively, 84% of the water used in the process is recycled for re-use. As a result, our water consumption levels are well below ESAPA* BAT** levels. Compared to 2012, our water consumption per ton product has decreased 8.7%. Such projects to decrease water consumption will continue to stay as one of our key focus areas in the future.

Thanks to our continuing investments in new equipment and technology, we managed to increase our performance, along with completing many projects aiming energy efficiency and improvement of product quality.

The Development Department under Soda Sanayii A.Ş. works to improve processes with environmentally

friendly practises and low-cost technologies to increase the product range with higher value-added products and to seek proactive ways to turn risks into opportunities. As a result, it creates new know-how and skills and increases efficiency with innovative, focused projects as well as exceeding global environmental standards and preserving our high product quality. Our Waste-Neutralization project, initiated and led by the Development Department, converts old-technology waste to non-hazardous waste and is a first in the world in industrial sense.

In our ambition to stay a world-class soda ash and chromium compound manufacturer, we are committed to the implementation of global and industry best practices in all our activities from production processes to environmental management. As part of this process, all our factories in Turkey and internationally are already certified to the Energy Management Standard ISO 50001.

We are confident that with the continued commitment and drive from our employees, together with feedback and guidance of our stakeholders, we will continue to succeed and achieve even better results as we progress along our sustainability journey. I would like to thank all our employees and our partners for helping us reach our great achievements in 2014.

Sincerely,



Tahsin Burhan Ergene

Chemicals President

* European Soda Ash Producers Association

** Best Available Technique



Soda Sanayii A.Ş.: an Introduction

- ◆ Organizational Structure
- ◆ Mission, Vision and Values
- ◆ Risk Management and Internal Audit Activities
- ◆ Compliance with the Law and Regulations
- ◆ Ethics and Code of Conduct

ORGANIZATIONAL STRUCTURE

Soda Sanayii A.Ş. is a leading company within Şişecam Chemicals, founded in 1935 by İş Bank under the directives of Atatürk, which is a world giant today in the fields of Flat Glass, Glassware, Glass Packaging and Chemicals. Şişecam Chemicals operates in the fields of soda ash, chromium chemicals, glass fiber, industrial raw materials, vitamin K3 derivatives and sodium metabisulphite products. Core operations of the Şişecam Chemicals are carried out by Soda Sanayii A.Ş. which was founded in 1969 to produce soda, one of the main raw materials of the glass industry. Soda Sanayii A.Ş. is a reliable supplier with a large manufacturing capacity, high product quality and an extensive marketing network, which not only meets Turkey's demand but also has a strong position in international markets.

The Company is continuously improving its production technologies and is able to draw on Şişecam's expertise in R&D activities of more than 30 years. Soda Sanayii A.Ş. is focussed on developing products with high added value and in harmony with the environment. Production in compliance with TSE¹ product standards in both Soda and Kromsan Chromium Compounds Factories is carried out according to management systems certified for compliance with ISO 9001 2008, ISO 14001, ISO 22000, OHSAS 18001 standards, ISO 50001 Energy Management System Certificate and

ISO 10002 Customer Satisfaction Management System Certificate. Soda Sanayii A.Ş. has largely completed its product records since 2010 in an effort to fulfil its obligations under the REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) program, a highly important consideration for the European Union. In 2014, the formalities and procedures in the "lead registrant" category were brought to completion in the chromium chloride product, taking the number of the Company's registered products in chromium compounds to six. Soda Sanayii A.Ş. implements its environmental and occupational health and safety management systems under "Responsible Care Commitment", a voluntary initiative led by the European Chemical Industry Council.

Adopting a responsible approach, the Company is continuously investing in the field of environment and meets its steam requirements through its own Cogeneration Plant. Having an electricity generation capacity of 252 MW, the Cogeneration Plant generated 4.2 million tonnes of steam and 1.9 billion kWh of electricity in 2014.

Soda Sanayii A.Ş.'s strategies focus on sustainable and profitable growth and on maintaining its position as one of the leading companies in its sector globally as outlined below.

SODA SANAYİİ A.Ş. IMPLEMENTS ITS ENVIRONMENTAL AND OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEMS UNDER "RESPONSIBLE CARE COMMITMENT", A VOLUNTARY INITIATIVE LED BY THE EUROPEAN CHEMICAL INDUSTRY COUNCIL.

- ◆ To focus on sustainable and profitable growth
- ◆ To strengthen its position among the leading players
- ◆ To follow a partnership approach and be a reliable solution provider for customers
- ◆ To create synergies with acquisitions and strategic partnerships
- ◆ To support profitability with continuous cost reduction
- ◆ To improve its product portfolio with value added products

¹ Turkish Standards Institute

SODA SANAYİİ A.Ş. SHAREHOLDING STRUCTURE

The shareholding structure of Soda Sanayii A.Ş. is summarized below. It can be seen that the principal shareholder of the company is Şişecam Group ('T. ŞİŞE

VE CAM FAB.A.Ş. '), which, at the reporting period end, held over 60% of the company shares whilst, in total, Şişecam Group companies held over 80% of the shares.

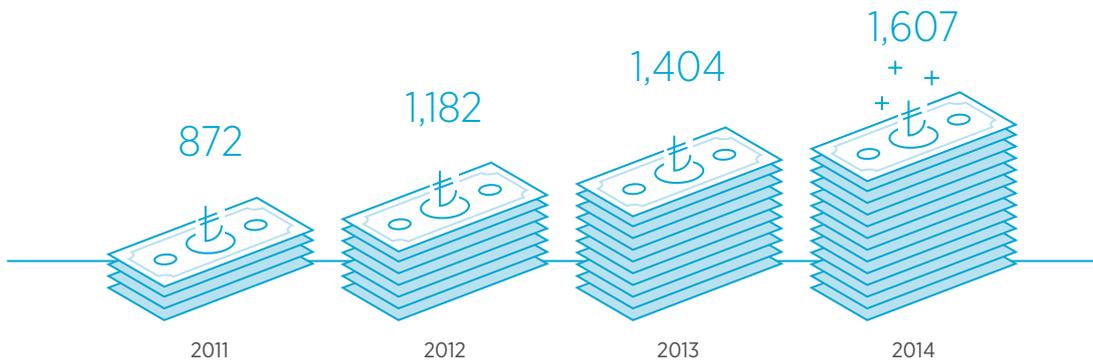
SODA SANAYİİ A.Ş. SHAREHOLDING STRUCTURE AS OF 31.12.2014

Shareholder	Amount (TRY)	Share in Capital (%)
T. Şişe ve Cam Fabrikaları A.Ş.	306,808,228	61.00
Anadolu Cam Sanayii A.Ş.	79,543,822	15.81
Trakya Cam Sanayii A.Ş.	51,233,299	10.19
Camiş Madencilik A.Ş.	132,326	0.03
Denizli Cam Sanayii ve Ticaret A.Ş.	125,248	0.02
Şişecam Group Companies Total	437,842,923	87.05
Free Float	65,157,077	12.95
Total	503,000,000	100.00

FINANCIAL PERFORMANCE

Despite a number of negative economical and political developments, Soda Sanayii A.Ş. managed to increase total sales by 14,5% in 2014.

TOTAL SALES IN TURKISH LIRA (MILLIONS)



25%

GROWTH IN SALES REVENUE ON
SODA ASH PRODUCTS IN 2014



4th LARGEST SODA
MANUFACTURER IN EUROPE AND
10th IN THE WORLD



LARGEST
SODIUM BICHROMATE AND
BASIC CHROMIUM SULPHATE
MANUFACTURER IN THE WORLD



TOTAL ASSETS
TRY 2,121
MILLION

WHAT WE MAKE

Soda Chemicals

As the 4th largest soda producer in Europe and the 10th in the world, we produce high quality sodium bicarbonate, heavy and light soda ash and sodium sulphate in our soda facilities in Turkey, Bosnia & Herzegovina and Bulgaria. Our soda chemicals serve as primary raw materials to the glass industry, as well as to detergent, chemical substances, paper, textile and food sectors.

Light Soda Ash

Main compound (Na_2CO_3) is white, powder, hygroscopic, easily dissolved in water and has a bulk density of 0.5 g/cm^3 . Light soda used in the production of glass, detergent, soap, textile, paper, food, petroleum

Heavy Soda Ash

Main compound is white, granule, hygroscopic, easily dissolved in water. Its bulk density is 1 g/cm^3 . It is produced by crystalizing light soda. It is used in the

production of glass, detergent, chemicals and other sodium compounds. Due to its dusting behaviour, it is hard to store and move it. Light soda ash is also utilized by dense soda production process.

With production facilities in three countries, our total soda ash production reached 2,1 million tons in 2014. We managed to ship 64% of the total sales out of these three facilities to international markets.

The Company's main products are outlined below.

production of glass, detergent, chemicals and other sodium compounds.



Refined Sodium Bicarbonate

Main compound is sodium bicarbonate. It looks like powder consisted of white, opaque, tiny monoclinic crystals or very tiny crystals. It is produced by refining

sodium bicarbonate and used in the production of pharmaceutical products, food, textile and detergent.

Sodium Sulphate (Anhydrous)

Anhydrous Sodium Sulphate is white free flowing powder and easily soluble in water. It is used in a variety of industries such as glass, paper, textile dying and

chemicals. Areas of use in chemicals industry include the production of potassium sulphate, aluminium sulphate, sodium silicate and and sodium sulphur.

Chromium Chemicals

Soda Sanayii A.Ş. maintained its position as the world's leading sodium bichromate and basic chromium sulphate producer in 2014 and was the 4th largest producer of chromic acid. The company generated 82% of its sales revenues from international markets.

and chrome III products, we are the primary supplier for leather, metal plating, wood preservation and many other sectors. Chromic Acid, which we included in our product portfolio in 1998, is heavily used in metal plating, surface treatment and wood industries.

In the Mersin Kromsan Chromium Compounds Factory, sodium bichromate, basic chromium sulphate, chrome syntan, chromic acid and chrome III products are produced with environmentally friendly technologies and the best available technologies. With our basic chromium sulphate under "Tankrom" brand, chrome syntan under "Resintan" brand, magnesium-oxide-based basification substance under Kromofix brand

In addition to the Kromsan Factory, Soda Sanayii A.Ş. strengthens its position in international markets with its Cromital Facility in Italy, as well as the sales organization and warehouse located in China. Following the path of becoming a center that covers the liquid basic chromium sulfate demand of the European market, Cromital S.p.A holds an important role in the value-added chromium III chemicals market.

Sodium Bichromate

Main ingredient of all chromium chemicals is sodium bichromate. Used in a variety of industries such as cosmetics, pharmaceuticals and textile dyes, chromic acid and chromium pigments production in the leather industry.

Chromic Acid

Used in metal plating, wood preservation, magnetic tapes and the production of some organic chemical compounds.

Leather Chemicals

Include 33% and above basicity chrome tanning agents, self-basifying chrome tanning agents, high basicity chrome tanning agents used for leather tanning.

Cr (III) Surface Finishing Chemicals

Used in surface treatment and metal plating industries.



CORPORATE GOVERNANCE

Soda Sanayii A.Ş. is a subsidiary of Şişecam Group and follows the Group's principles in corporate governance. Şişecam's principles of equality, transparency, accountability and responsibility are the cornerstone of its approach to corporate governance. Our vision is to be a global industry leader, and technological development, innovation and a strong commitment to corporate governance are the core aspects to achieving

this vision. In order to realize our long-term vision for our company, the adoption of corporate governance principles and implementation of best practice are paramount. This vision helps ensure we can appoint board members and senior managers with the skills, experience and perspective to make the strategic decisions needed to allow us to realize our long-term goals.

MISSION, VISION AND VALUES

The Mission and Values of Soda Sanayii A.Ş. are aligned with those of Şişecam Group and are summarised below.

ŞİŞECAM GROUP MISSION:

"To be a company that adds value to life through its high-quality products, offering comfort, and that respects people, nature and the law."

SODA SANAYII A.Ş. VISION:

Soda Sanayii A.Ş. is a major soda ash supplier, aiming to strengthen its position in the global soda ash market and leading chromium chemicals supplier, targeting strong leadership in its all activities in the global chromium chemicals market.

VALUES OF ŞİŞECAM GROUP

Soda Sanayii A.Ş. is a subsidiary of Şişecam Group and follows the Group vision, mission and values.



WE DERIVE STRENGTH FROM OUR TRADITIONS AND SUPPORT ONE ANOTHER:

- ◆ We shall initiate changes that would create a successful future based on strength from our experience and knowledge.
- ◆ We shall enhance our reputation through our sustainability commitments and results-oriented approach.
- ◆ We shall maintain our legacy and tradition, and it shall be our duty to pass these onto the future generations.



WE THRIVE AND DEVELOP ONE ANOTHER

- ◆ We shall encourage each other to constantly develop our skills.
- ◆ We shall continuously be open to changes that would bring us closer to our vision; and we shall make efforts to develop and improve each other with the help of our stakeholders.
- ◆ We shall consider creativity and innovation as a means of development, and inspiration.



WE EXHIBIT A FAIR AND TRANSPARENT MANAGEMENT APPROACH

- ◆ We shall treat all of our stakeholders equally, and we shall pursue win-win strategies that benefit both our stakeholders and our business.
- ◆ We shall measure the performance with the same scales, and make the performance evaluations in a fair manner.
- ◆ We shall act consistently toward our stakeholders; and we shall not give promises we cannot keep.



WE CARE FOR OUR ENVIRONMENT

- ◆ We shall commit to our business to achieve the growth and profitability expectations of our shareholders and business partners.
- ◆ We shall be customer-focused; we shall quickly respond to suggestions and complaints of our customers, and improve the quality of products and services.
- ◆ We shall closely monitor technologies and make appropriate investments as part of our responsibility to the environment and nature; we shall also promote awareness on these issues.



WE RESPECT DIFFERENCES

- ◆ We shall hire employees from different countries and different cultures; we know that this diversity shall add value to our business.
- ◆ We shall freely express our different opinions.
- ◆ We shall allow different job categories to work as a team, to learn from each other, and to develop each other in order to sustain our shared-values.

RISK MANAGEMENT AND INTERNAL AUDIT ACTIVITIES

Soda Sanayi A.Ş., as a subsidiary of Şişecam Group, operates in an intensively competitive environment and follows Şişecam's risk management and internal audit activities. Şişecam Group implements efficient risk management and internal audit processes in order to provide adequate risk assurance to its stakeholders. The global crisis that started in 2008, coupled with the geopolitical risks that have become tangible in geographies where we operate, resulted in increased uncertainty. Within the increasing customer expectations, tightening regulatory requirements and developments in corporate governance, Risk Management and Internal Audit functions were separated in order to focus on all the plants by the year 2014.

Under this structure, Şişecam Group handles existing and potential risks with a proactive approach and carries out audit activities with a 'risk-based' perspective. At Şişecam Group, risk management and internal audit activities have been structured

RISK MANAGEMENT

At Şişecam Group, risk management activities are carried out with a holistic and proactive approach based on enterprise risk management principles. The potential effects of such risks with each other and the characteristics of the countries where the Group operates are also taken into account in the course of operations. Thanks to this perspective, geographical distribution and risk diversification are converted into a significant advantage, and any risks encountered as specific to a country and/or a business segment are integrated with the risk processes before they are implemented elsewhere and the interaction of risks with each other is monitored. Thus, decision support

INTERNAL AUDIT

The objective of the internal audit activities, which have been carried out within Şişecam Group for many years, is to assist the healthy development of the Group's companies, to ensure uniformity in practices, and to guarantee that all activities are performed in compliance with internal and external regulations, as well as the execution of corrective actions in a timely manner. In line with the stated objectives, audit

under the parent company. The activities are directly reported to the Board of Directors of the parent company in coordination with the CEOs, managing the core operational areas. The results of regular and planned meetings held with the 'Risk Committee', the 'Audit Committee', and the 'Corporate Governance Committee' which have been established in Şişecam Group companies listed in Istanbul Stock Exchange, are reported to the Boards of Directors in accordance with the legislation. During the activities carried out with the aim of establishing a corporate structure, providing the required assurance to stakeholders, protecting the tangible and intangible assets of Şişecam Group, minimizing the losses caused by uncertainties and maximizing benefit from potential opportunities, communication between the internal audit and risk management functions is maintained at the maximum level and is directed toward the goal of supporting decision-making processes and increasing management efficiency.

processes are assisted and efficient use of resources is ensured. The risk catalogues for all business segments across the Group are periodically updated with the participation of the Group employees and the risks are ranked according to their importance. By taking the "risk appetite" of the Board of Directors into account, with regard to analysed risks, the strategies to be implemented are established and the necessary measures are taken. These risk management activities are not only limited to financial and strategic risks, but also cover operational risks such as production, sales, health and safety, emergency management, information technologies, environment.

activities are being carried out on ongoing basis within the bodies of the companies of the Group operating domestically and abroad. Internal audit is carried out in accordance with the periodic auditing programs approved by the Board of Directors. During the preparation of the audit programs, the results of the risk management activities are also used, meaning that "risk-based audit" practices are implemented.

COMPLIANCE WITH THE LAW AND REGULATIONS

Soda Sanayii A.Ş., along with all Şişecam companies, pays regard to complying with the law and legislation with care and caution in every respect and it always shows maximum awareness in obeying competition law and acts due to being the leader in Turkey in its sectors.

In this regard, employees of Şişecam Group are subjected to training regarding regulation and legislation of the competition by the legal consultancy department from time to time. Şişecam Group management expects all its group companies to observe the competition legislation in all their agreements, actions and conducts and that the Legal Consultancy Department will supervise whether they follow the rules in an effective way.

Soda Sanayii A.Ş. follows the comprehensive policies and principles in terms of anti-bribery and corruption, internal audit and risk management. For example, the aim of the Anti-Bribery and Corruption Policy² is to clearly set out the commitments and position of Şişecam Group with regards to bribery and corruption clearly and to help uphold the corporate image. This policy, being an integrated part of Code of Conduct adopted by the Group, aims to provide the necessary information for prevention of bribery and corruption in all Group activities and to specify responsibilities and rules in that regard.

ETHICS AND CODE OF CONDUCT

Soda Sanayii A.Ş. carries out its activities following Şişecam Group Code of Conduct. There are five main principles in the Code of Conduct: Honesty, Transparency, Impartiality, Confidentiality, and Compliance with

laws and regulations. For the complete Şişecam Code of Conduct, please visit the following website: www.sisecam.com.tr/en/investor-relations/code-of-conduct/



2 <http://www.sisecam.com.tr/en/investor-relations/anti-bribery-and-corruption-policy-2/>



Our Sustainability Approach

- ◆ Sustainability Governance
- ◆ Approach to Stakeholders
- ◆ Approach to Materiality
- ◆ Approach to Standards and Organizations

Soda Sanayii A.Ş. has an organisational structure supporting the Şişecam's policy of sustainability. Health, Safety and Environmental (HSE) Department and Process Control Department of Soda Sanayii A.Ş. work compatible with the Corporate Development and Sustainability Department of Şişecam. As mentioned above environment, energy and raw material consumption are the most important issues. Soda Sanayii A.Ş. takes care about sustainability as much as

quality. When defining the process principles, making decisions about supply of the raw materials, controlling the efficiency of the processes; sustainability is always regarded as the main issue. These departments are also supported with the environmental officers of the plants in terms of working in compliance with the governmental regulations, carrying out the Environmental Management System and its audits at the plant.

SUSTAINABILITY GOVERNANCE

Sustainability is an integral part of our all-inclusive approach. We consider sustainability not just as financial continuity, but rather as an integrated concept that expands by also preserving the environment, natural resources, inputs, consumption, customers and values. Soda Sanayii A.Ş., as a subsidiary of Şişecam cooperates with Corporate Development and Sustainability Department of Şişecam, regarding sustainability issues.

In this regard, Şişecam Corporate Development and Sustainability Department carries several studies to promote and improve the efficiency in all segments of our business. The chief of this department who reports directly to the CEO of Şişecam is a member of the Executive Board and is responsible for overseeing the following functions beside his other responsibilities.



Environmental Performance

Co-ordinates projects aimed at developing and implementing principles to monitor, report and continuously improve the Group's environmental performance.



Energy Supply

Supplies Şişecam's energy needs, especially natural gas and electricity, by evaluating opportunities for bulk purchases in order to create competitive advantage.



Energy Efficiency

Continuously creates improvement and saving plans with the activity groups and ensures the implementation of such plans. Monitors and develops energy efficiency systems across plants and units.



Corporate Development And Change Management

Responsible for improving processes and operations with continuous development approach, managing the governance of Şişecam Operating Model, leading Project Management Office activities and the Change Management Program in the organization.



OUR APPROACH GUIDES OUR BUSINESS CHOICES, CUSTOMER ORIENTATION, COMMUNITY AFFAIRS AND INDUSTRIAL RELATIONS AND FOCUSES ON THE ISSUES THAT ARE MATERIAL FOR OUR STAKEHOLDERS AS WELL AS FOR OUR COMPANY.

SUSTAINABILITY COMMITTEE

Şişecam Sustainability Committee is established in 2015 in order to prioritize and realize the sustainability related issues for Şişecam Group. The chamber of the Committee is the Chief Corporate Development and Sustainability Officer and the members are Production Vice Presidents of Businesses, Sustainability Director, Human Resources Director, Corporate Communication Director, Industrial Relationship Director.

The Committee has five working groups, which are named as Environment, Energy, Occupational Health and Safety, Innovation and Social Responsibility.

Alongside our continued focus of building on our legacy, Şişecam is adopting a challenging roadmap to

guide our future efforts and initiatives in sustainability. This roadmap includes goals for strong and relevant key performance indicators for our business; leadership in compliance with international sustainability standards and best practice; excellence in research and technological development, and a robust process of working with our stakeholders and re-identifying priority issues for our business. Our approach guides our business choices, customer orientation, community affairs and industrial relations and focuses on the issues that are material for our stakeholders as well as for our company.

We comply with and benchmark ourselves against leading international best practices in sustainability.

SUSTAINABILITY KEY PERFORMANCE INDICATORS

Strategic Goals	Key Performance Indicators
Create strong environmental sustainability principles	Carbon footprint
Enhance and encourage participation in social responsibility projects	Number of social responsibility projects
Strengthen employer brand image and be the most admired and preferred company by the most talented employees	Ranking in the preferred companies lists
Motivate employees	Employee Motivation Index
Enhance the value of our corporate culture	Corporate Culture Index
Customer satisfaction	Customer Satisfaction Index
Efficient use of resources	Raw material and utilities parameters
Occupational health and safety	Incident rate index

ACHIEVEMENTS IN 2014

Key achievements in 2014 included:

- ◆ The Company obtained TS-EN-ISO 50001 Energy Management System Certification and an Online Energy Monitoring System was established.
- ◆ 'Product Conformity Certificates' were renewed for soda ash and chromium products.
- ◆ Supervisory audits were conducted at the Soda and Kromsan Plants regarding the ISO 9001:2008 Quality Management System, the ISO 22000 Food Safety and Global Food Safety Management System for refined bicarbonate, the ISO FSCC 22000 Management System, and the GMP (Good Manufacturing Practices) and management systems for feed-grade refined bicarbonate.

- ◆ The Company received ISO 10002 Customer Satisfaction Management System Certification.
- ◆ Interim supervisory audits were successfully passed for the ISO 14001 Environment Management System and OHSAS 18001 Occupational Health and Safety Management System, which have been implemented as an “Integrated Management System”.
- ◆ Soda Sanayii A.Ş. carried out its planned activities within the framework of the Environmental Impact Assessment Regulation. Obligations under the Environmental Permit and License Regulation were fulfilled in relation to the Company’s activities.



AWARDS:

- ◆ As a significant exporter of chemical products in Turkey, Soda Sanayii A.Ş. is rewarded consistently by the Mediterranean Exporter Associations.
- ◆ Our 30 years of experience in quality has been awarded by Turkish Standards Institution in 2014.



THE COMPANY RECEIVED
ISO 10002
CUSTOMER SATISFACTION
MANAGEMENT SYSTEM
CERTIFICATION.

APPROACH TO STAKEHOLDERS

Soda Sanayii A.Ş. uses the stakeholder feedback it receives, to determine its strategically important issues and focus on the sustainability topics that have most relevance to the company and its stakeholders in its sustainability reporting.

While the stakeholders of the Şişecam Chemicals companies vary between the different business units, the principal stakeholder groups include employees, suppliers, customers and public institutions. All stakeholders can communicate with us through the telephone and email on the corporate websites. The main stakeholder groups are prioritized based on their ability to influence the company and the level of the company’s impact on stakeholders.

As part of the ongoing stakeholder engagement program that formed a direct input to the preparation

of this GRI G4 report, the company applied the GRI principle of ‘stakeholder inclusiveness’ for defining report content, reviewed its stakeholder engagement program and undertook specific additional engagement where it required further information to ensure that it fully understood the priorities of its most important stakeholders based on their interest in, and influence over the activities of our organization.

Soda Sanayii A.Ş. informs, consults, negotiates and proactively monitors the expectations of its stakeholders with regard to its sustainability performance through a range of different engagement channels, such as strategic collaborations, one-to-one meetings, conferences, seminars, workshops, focus group studies, surveys and similar platforms as described below.

KEY STAKEHOLDER GROUPS AND ENGAGEMENT PLATFORMS

EXTERNAL STAKEHOLDERS

Stakeholder Group	Engagement Platforms	Frequency of Stakeholder Engagement	Evaluation of Engagement in the Reporting Period
Customers	Soda Sanayii A.Ş. engages with its customers at the level of its business lines. However, the main means of customer engagement include customer satisfaction surveys, social media, meetings and conferences, feedback received via telephone and email.	Continuous interaction by email, social media and telephone Ad hoc meetings as needed	Soda Sanayii A.Ş. engages with its customers as part of routine business activity. Customers are able to submit their feedback regarding the Company's environmental and social performance through a number of channels. The Company considers its customers the focus of all its activities. Please refer to page 27 for the results of our Customer Satisfaction Surveys.
Public authorities/ Regulatory institutions	<ul style="list-style-type: none"> • Systematic reporting • Meetings, forums, conferences • Press releases • One-to-one meetings 	Minimum once a month	We demonstrate the utmost care in complying fully with the law and regulations in all of our activities. For Compliance, please refer to page 17.
Suppliers	Typical methods of engagement with all suppliers includes: <ul style="list-style-type: none"> • Daily/Routine business cycle • Meetings • email communication 	Continuous as general course of business (e.g. by email) Meetings as required	We are committed to addressing the environmental impact caused by suppliers, in addition to the direct environmental impacts resulting from our internal operations.
Non- governmental organizations	<ul style="list-style-type: none"> • Strategic collaborations • Events • Regular Meetings 	Minimum once a month	Sharing with the community is viewed as very important to our company, which supports NGOs regarding social, economic and environmental issues and by carrying out joint projects with them. For Corporate Social Responsibility activities please refer to page 62.
Media	<ul style="list-style-type: none"> • Press conferences • Press releases • Interviews 	Minimum once a month	We are in regular contact with national and international media in order to raise awareness about the Company and deal with any queries.
Community	<ul style="list-style-type: none"> • Government bodies, close proximity neighbours (Kazanlı district), employees and retirees are invited to open door days (for introducing the factory and open communication) • Factory visits from NGOs, universities, primary and pre-school students 	Varies depending on the type of initiative	We announce all events via media For Social Responsibility Projects please refer to page 63.

INTERNAL STAKEHOLDERS

Stakeholder Group	Engagement Platforms	Frequency of Stakeholder Engagement	Evaluation of Engagement in the Reporting Period
Employees	<ul style="list-style-type: none"> • Employee Satisfaction Survey • Suggestion and Idea Platforms • Employee Interviews • Seniority Award • Recognition and Reward System 	Varies depending on the type of engagement	<p>Our most important asset is our people. Our companies are leading companies in Turkey in terms of training and support provided to its Human Resources.</p> <p>Please refer to page 56 for further information.</p>
Top Management	<ul style="list-style-type: none"> • Email Communication • Sustainability Meetings with the Şişecam Chief Corporate Development and Sustainability Officer • Şişecam Executive Board Meetings 	Varies depending on the type of engagement.	<p>All related departments (Quality, Environment and Technical Standards, HR, finance departments etc.), met on a regular basis during the reporting period, assessing a range of sustainability issues and opportunities.</p> <p>For details of the Organizational Profile, please refer to page 8.</p>
Shareholders, analysts and investors	<ul style="list-style-type: none"> • General Board Meetings • Meetings with analysts and investors • Phone calls/teleconferences and email communication with investors • Periodically published informative publications (e.g. Annual Reports, CDP, Earnings and Interim Reports) • Social media • Investor Feedback Mechanism 	Varies depending on the type of engagement	<p>The Company, which is in regular communication with its shareholders and investors through various channels, met all information disclosure requirements under Turkish legislation during the reporting period.</p>

Concerns related with sustainability are raised with the related departments and appropriate action is taken, including undertaking specific initiatives, and making policy recommendations. The critical concerns raised during the reporting period are listed below.

CRITICAL CONCERNS RAISED BY KEY STAKEHOLDER GROUPS AND OUR RESPONSE

Critical Concern	Stakeholder Group that raised the Critical Concern	Our response to Critical Concern
To report on our environmental impacts and performance	Customers, employees, investors	Based on the feedback received, we published our first Sustainability Report for Soda Sanayii A.Ş. in 2015, which we prepared in line with GRI G4 Core level. The report covers 2014 reporting period. In addition, we prepared Annual Monitoring Reports relating to Environmental and Social Issues for the IFC.
To report on carbon emissions of our all production plants.	Customers, NGO's, investors	Şişecam has been responding to the CDP Investor Program since 2011, and CDP supply chain program since 2012. In 2014, we were one of the best performing companies in Turkey for CDP with a disclosure score of 85% and a performance score in the Level B Band. Soda Sanayii A.Ş. is covered in the Şişecam CDP responses.
To report on financial performance	Shareholders	We published our Annual Report, which also included information relating to our environmental, HR, Industrial Relations and R&D activities and performance.
To increase employee motivation	Employees	Projects implemented in 2014 to improve employee motivation included: Şimdi! Social Activities Club Flexible Benefits Proposal Development System etc.

APPROACH TO MATERIALITY

Soda Sanayii A.Ş. prioritizes the interests and expectations of its key stakeholder groups (including employees, investors, customers, government entities and non-profit organizations) when identifying sustainability risks and determining their magnitude.

As part of the preparation for this report and the GRI G4 data collection and reporting process, we undertook a detailed analysis of our most material issues across our businesses, linked these issues to the corresponding GRI G4 indicators that we have reported on in this report and that we list on the list below. We also took into account stakeholder feedback received as part of our regular engagement with stakeholders during the reporting period and used this to calibrate the GRI G4 materiality analysis undertaken in 2015.

In carrying out the G4 materiality assessment for the Sustainability Report, we applied the GRI Principles for Defining Report Content and Quality so as to identify the information to be disclosed, by considering the activities, impacts, and the substantive expectations and interests of our stakeholders. We applied the Principle of Materiality by ensuring that the issues regarded as most important to our key stakeholder groups were prioritised in this report.

We have also linked our most material issues to our priority areas for sustainability, as explained in the section on our Sustainability Approach.

We applied the Principle of Sustainability Context by taking into consideration general trends in sustainability in Turkey and internationally and amongst our peer group, which helped us ensure that the report was materially complete. We also applied the Principle of Completeness by making sure there was no material information omitted by checking the report content against feedback received from our key stakeholder groups during the Reporting Period and through top management's review of the Report's completeness and accuracy. The Company applied the Principle of Stakeholder Inclusiveness by ensuring that the most material issues raised by our stakeholders, including from satisfaction surveys and workshop meetings, have been covered in this report.

The following summarises the results of our G4 materiality analysis. Material topics were subsequently linked to the corresponding GRI G4 aspects and had regard to whether the aspect was material within our organisation, outside the organisation, or both. Topics are prioritized based on their significance of impact.

The results of this prioritisation were approved by the Company's management and have determined the focus and level of detail provided on each topic in this report.

In addition, we have documented our management approach to each material aspect in the relevant sections throughout this report.

SODA SANAYİİ A.Ş.'S MATERIALITY ASPECTS FOR SUSTAINABILITY

Anti-corruption*	Labour practices grievance mechanisms
Carbon emissions	Labour/management relations
Compliance with laws and regulations	Local communities
Diversity and equal opportunity	Market presence*
Economic performance	Materials
Employment*	Occupational health and safety
Energy	Procurement practices
Environmental Compliance	Product and service labeling
Environmental grievance mechanisms	Product and services
Equal remuneration for women and men	Product compliance
Freedom of association and collective bargaining	Training and education*
Grievance mechanisms for impacts on society	Waste Management
Indirect economic impact	Water

Note: All issues are considered material inside and outside the company's boundary with the exception of those with an asterisk in the list above that are considered material only within the company's boundary. Aspects are arranged alphabetically.

APPROACH TO STANDARDS AND ORGANIZATIONS



WE ARE ALWAYS LOOKING TO APPLY THE MOST UP-TO-DATE AND HIGHEST STANDARDS FOR OUR LOCAL AND GLOBAL OPERATIONS.

As a company with worldwide exports, it is critical for us to comply with international standards for creating ethical guidelines to allow us to manage our environmental, social and economic impacts. We are always looking to apply the most up-to-date and highest standards for our local and global operations. Every product, every business practice and every interaction with our partners are managed by international standards and best practise. Continuous monitoring of our processes and capabilities is essential for living up to our responsible business legacy. We are fully aware that the implementation

of global frameworks is essential and necessary to realize our vision of becoming a leading global glass manufacturer, and we strongly believe the intrinsic value of these frameworks for international expansion, product portfolio development, and growth of our market share through new investments. In addition to complying with international standards for quality, environment, occupational health and safety, and business partner and customer satisfaction, we also endorse national and international principles and initiatives as listed below.



NATIONAL AND INTERNATIONAL MEMBERSHIPS

Ceramic, Glass and Cement Raw Materials Manufacturers Association	European Chemicals Agency
European Soda Ash Producers Association	International Chromium Development Association
Mediterranean Chemicals Exporters' Association	Mediterranean Exporters Association
Responsible Care	Turkish Chemical Manufacturers Association
Turkish Society for Quality	

A detailed list of internationally recognized and certified management systems that are in effect in all our operations. We approach the quality of our products, protection of our environment, efficient

use of energy and health and safety of our people in our facilities with a holistic integrated management approach.

CERTIFICATIONS

SODA SANAYİİ A.Ş.	ISO 9001 ¹	ISO 14001 ²	ISO 50001 ³	OHSAS 18001 ⁴	OTHERS
Soda San. A.Ş. Soda Plant	✓	✓	✓	✓	ISO 22000 ⁵ , FSSC 22000 ⁶ , ISO 10002 ^{7,*}
Soda San. A.Ş. Kromsan Plant	✓	✓	✓	✓	ISO 10002

1: Quality Management System

2: Environmental Management System

3: Energy Management System

4: Occupational Health and Safety Management System

5: Food Safety Management System

6: Global Food Safety Management System

7: Customer Satisfaction Management System

PRODUCT RESPONSIBILITY

As a leading chemicals producer, we are supplying many different industries throughout the world. Our products are our legacy, and it is paramount to us that they are produced and packaged to the highest standards possible.

All 22 of our significant soda and chromium products have sourcing, content (particularly with regard to

substances that might have an environmental or social impact) and safe use information on their labels.

Key results of customer satisfaction surveys conducted (based on statistically relevant sample sizes) in the reporting period and the year before are summarised below.

RESULTS OF CUSTOMER SATISFACTION SURVEYS

Year	Survey Category	Results
2014	The organization as a whole	83% (among 167 replies)
	Major product and service categories	Evaluation of service quality: 84% Documentation process: 84% Product and packaging quality: 81%
2013	The organization as a whole	75% (among 168 replies)
	Major product and service categories	Evaluation of service quality: 82% Documentation process: 83% Product and packaging quality: 79%



Our Environmental Approach

- ◆ Environmental and Energy Policy
- ◆ Environmental Management System
- ◆ Environmental Compliance
- ◆ Energy Management System
- ◆ Energy Performance
- ◆ Greenhouse Gas (GHG) Emissions and Other Emissions
- ◆ Waste Management
- ◆ Water Management

Environmental protection requires a constant commitment to robust policies and continuous action. Soda Sanayii A.Ş.'s objective is to minimise our impact across all business activities with zero environmental incidents. Soda Sanayii A.Ş. and all the companies within Şişecam Group are strongly aware of their responsibility towards the protection of the environment and believe in the need to maintain the world as a liveable place for next generations. This approach is considered as the cornerstone of Şişecam Group's strategic management and is integrated in every phase of its work processes. Our aim is to carry out all environmental protection activities in Soda Sanayii A.Ş. within a framework of an Environmental Management System, by taking account sustainability principles and continuously improve the system with the support of all our employees and stakeholders.

In striving to protect the environment and manage our environmental impact, we are guided by legal requirements, Şişecam standards and industrial practices. Moreover, we listen to our stakeholders, and we do our best to satisfy their expectations regarding minimizing our environmental impact. More detailed information on our approach is available in the section on stakeholder engagement in this report. We have established environmental management systems in order to monitor and improve our environmental performance. We are continually working at raising environmental awareness in our workplace and provide regular training to our employees on environmental issues.



**ENVIRONMENTAL APPROACH
IS INTEGRATED IN EVERY
PHASE OF OUR
STRATEGIC MANAGEMENT.**

ENVIRONMENTAL AND ENERGY POLICY

Şişecam Group has 'Environmental and Energy Policy' that covers all of its operations in Turkey and internationally and is shown in the following section. Indeed, a key element of our sustainability success to date has been that our Environmental and Energy Policy is embedded in every phase of our work processes

and our environmental management system has been implemented in all our facilities. Our approach is focussed on our most material environmental impacts, which include energy, air emissions and solid waste. As a result, our efforts are centered on the following areas:

- ◆ Manufacturing techniques with reduced environmental effects;
- ◆ Improvement of energy efficiency projects to increase climate change mitigation efforts;
- ◆ Expansion of waste recovery and recycling;
- ◆ Evaluation of fuel and raw material alternatives;
- ◆ Responsible energy and resource management;
- ◆ Treatment of wastewater and consider recycling opportunities.



ENVIRONMENTAL AND ENERGY POLICY

Knowing that the sustainable growth, which we have placed in the main axis of our business, is only possible as long as we maintain the sustainable environmental and energy principles, we aim to:

- ◆ Use natural resources efficiently, increase recycling and recovery rates,
- ◆ Consider energy efficient and environmentally friendly technologies while creating all processes starting from the designing phase,
- ◆ Develop and implement energy efficiency projects that will have a positive impact on climate change,
- ◆ Purchase products, services and technologies that provide energy efficiency to support high performance designs,
- ◆ Perform our production activities by implementing Environment and Energy Management Systems.

In this direction we declare and undertake:

- ◆ To comply with environmental and energy related legal and other requirements in force,
- ◆ To continuously enhance and improve our environmental and energy performance,
- ◆ To take the necessary precautions to reduce or eliminate the negative environmental impacts of our activities,
- ◆ To review pre-determined objectives and targets periodically and to provide required resources to achieve these goals and objectives,
- ◆ To increase awareness by providing understanding and embracement of our policy by our shareholders.

GENERAL MANAGER

**WE CARE FOR
OUR ENVIRONMENT**



ENVIRONMENTAL MANAGEMENT SYSTEM

The aim at all Soda Sanayii A.Ş. operations and activities is to monitor the environmental impacts and to work on improving them with the support of all our employees and stakeholders under our Environmental Management System (EMS). All group-wide activities are managed through EMS and our entire plants have completed the ISO 14001 EMS certification process. Şişecam Group's Corporate Development and Sustainability Department reports to the CEO and reviews our environmental performance seeking to implement projects at a higher level.

This management oversight illustrates how our sustainability commitments, including those linked to the environment, are embedded in the Company's business priorities.

At the operational level, our plants have at least one designated environmental officer, usually an environmental engineer, who reports to the plant manager. These officers work closely with the Environmental Committees, which include officers from each production unit of the plant. Environmental issues are monitored and action plans are carried out based on the procedures established in each plant's EMS. Additionally, internal and sub-contractor audits are conducted by the monitoring body for preventive and corrective actions. The body reviews the status of issues and evaluates opportunities for improvement at the end of each year.



OUR MAIN BUSINESS APPROACH IS CENTERED ON FULL COMPLIANCE WITH THE ENVIRONMENTAL LAWS AND REGULATIONS IN COUNTRIES WE OPERATE.

ENVIRONMENTAL COMPLIANCE

For compliance, as highlighted in Şişecam Environmental and Energy Policy, our main approach is centered on full compliance with environmental laws and regulations everywhere we do business in. In this context, the practices coordinated by Şişecam are summarized below. Soda Sanayii A.Ş. follows the developments in EU environmental regulations and

proactively shares its views with the plant manager.

Operating in an energy intensive sector, Soda Sanayii A.Ş. operations are highly sensitive to a wide range of energy and environment related risks and opportunities.

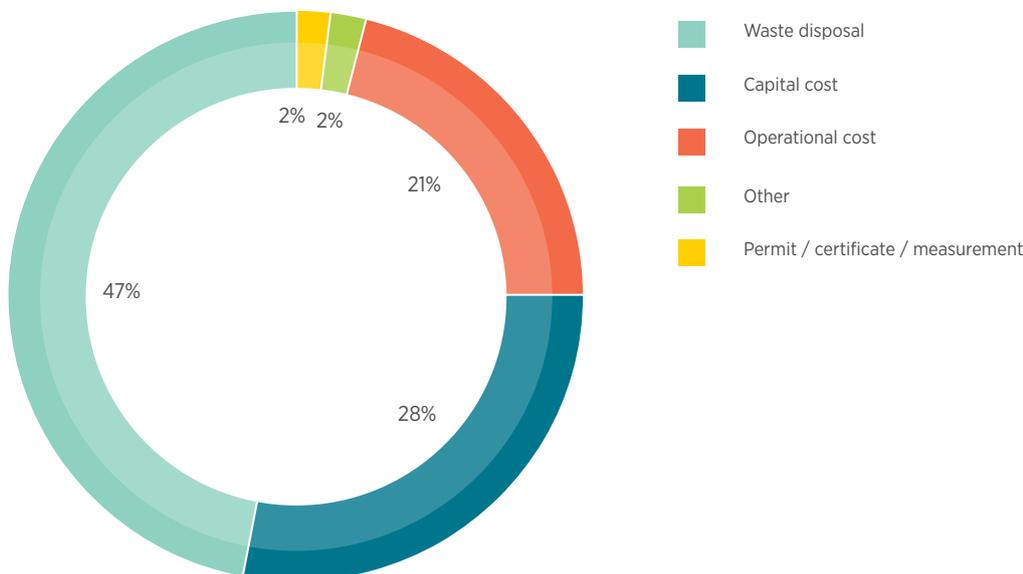


IN 2014, OUR TOTAL ENVIRONMENTAL INVESTMENT AND EXPENDITURES WERE TRY 16 MILLIONS.

ENVIRONMENTAL EXPENDITURES

In 2014, our total environmental expenditures was for TRY 15,656,200 for Soda Sanayii A.Ş. and mainly represented capital investments for projects and treatment plants, operational costs of treatment

plants, waste disposal, certification and measurement costs related to environmental management. The chart below shows the distribution of the environmental investments.



ENERGY MANAGEMENT SYSTEM



WE PRIORITIZE ENERGY EFFICIENCY IN EVERY AREA OF OUR OPERATIONS, FROM SUPPLY TO PRODUCTION AND FROM DISTRIBUTION TO SALES.

As Soda Sanayii A.Ş. and its employees, we aim to use minimum energy resources in our country in the most efficient ways to protect future generations. As a result of continuing our energy-efficiency projects throughout many years, certificates for ISO 50001 Energy Management System have been granted from Turkish Standards Institution for Soda Ash Plant and Kromsan Plant in February 2014.

Soda Sanayii A.Ş. fulfills its national liabilities regarding energy consumption during production processes. Within the scope of 'Energy Efficiency Law', in the plants, Soda Sanayii A.Ş. employs engineers who have participated in 'Energy Management Certification Program' - carried out by General Directorate of

Renewable Energy or by authorized organization. Similarly, as described by energy efficiency law, Soda Sanayii A.Ş. plants announce their fuel consumption data every year in March.

At Soda Ash and Kromsan plants, we have energy committees composed of executives, experts, white and blue-collar employees from different disciplines as well as employees with 'Energy Manager' certifications. With the meetings regularly held by energy committees, energy efficiency projects are monitored and new projects are triggered. Thanks to these projects, energy efficiency is improved and natural resources such as water are utilized more efficiently both in production and non-production operations.

ENERGY PERFORMANCE

Our main source of energy is natural gas used for heat necessary for production. We use natural gas to produce our own steam in our cogeneration plant. Cogenerated excess electricity is supplied onto the grid. We also use anthracite in our processes and carbon resulting from anthracite is used in soda production process. We also

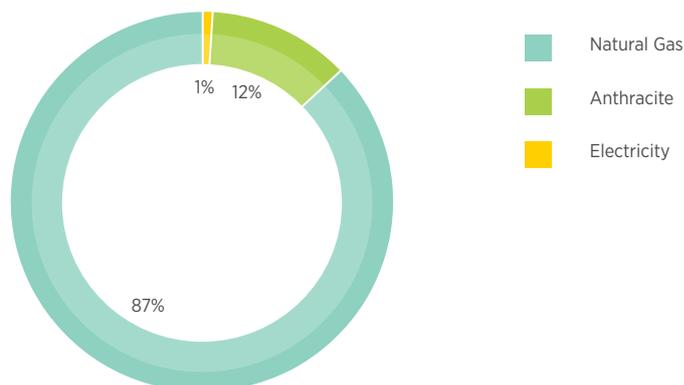
use electricity for some of our operations and minor amounts of diesel in case of blackouts.

As shown below, our total energy consumption amounted to over 27 million gigajoules in 2014.

ENERGY CONSUMPTION BY FUEL TYPE IN 2014 (ALL IN GJs)



ENERGY CONSUMPTION BY FUEL TYPE



Soda Sanayii A.Ş. energy consumption is examined under 3 separate plants to be able to see the individual performance of each unit. This makes energy use

Cogeneration Unit

The main purpose of this unit, in which natural gas is used as fuel, is to produce 41 bars of steam in order to meet the steam demands of Kromsan and Soda factories. Selling the cogenerated electricity produced as a by-product of this unit, 50% of Mersin's electricity need is covered. Electricity production capacity of the

analysis easier and helps us achieve consistent reduction.

facility is 252 MW while total 41 bar steam production capacity is 560 tons/hour. Efficiency of the system is monitored by the natural gas energy used with the energy of steam and electricity produced. The Cogeneration unit operated with an energy efficiency of 84% in 2014.



THE COGENERATION UNIT
OPERATED WITH AN ENERGY
EFFICIENCY OF
84% IN 2014.

Soda Plant

A substantial part of the 41 bar steam produced in the cogeneration unit is fed to the Soda Plant that produces soda with an energy intensive process. By feeding 41 bar steam through the electricity turbines, in addition to supplying 28, 12 and 2 bar steams necessary for the process, electrical energy demands of the process is also covered. Soda Plant constantly monitors its steam consumption, which is its main energy source, and

develops projects to decrease consumption levels. Through the projects developed since 2012, there has been an improvement of 4.6% in steam consumption per ton of product, which is a key parameter for both environmental and economic sustainability. The steam consumption (ton/ton soda ash) between years 2012-2014 is shown below.

	2012	2013	2014
Steam Consumption (ton/ton soda ash)	3.06	3.00	2.92

A 6.8% improvement in our total energy consumption has lowered our energy intensity from 13.03 GJ/ton soda ash in 2012 to 12.14 GJ/ton soda ash in 2014.

	2012	2013	2014
Energy Intensity (GJ/ton soda ash)	13.03	12.62	12.14

Such innovative projects to decrease consumption will continue to be our top priorities.

Kromsan Plant

Kromsan Plant mainly uses natural gas, steam and electricity. As in Soda Plant, constant monitoring has enabled us to reduce our consumption levels. The information of the total energy consumption over the total production since 2012 is shown below.

	2012	2013	2014
Energy Intensity (GJ/ton sodium bichromate)	26.24	25.01	24.78

REDUCTION OF ENERGY CONSUMPTION

Soda Sanayii A.Ş. operates in a very energy intensive sector. Running our operations as efficiently as possible and following industry best practices are among the key targets of our business both from an environmental and economic standpoint. ISO 50001 Energy Management Standard and local Energy Efficiency Law of 5627 are taken as a reference point for energy surveys for the detection of energy saving potentials.

In 2014, total energy savings of Soda Sanayii A.Ş. due to process re-designs was 34,350 gigajoules. Total investment for these savings was USD 1.1 Million.

Also in 2014, we reduced our energy consumption for soda production approximately 2.4% per ton of soda production compared to 2013.

GREENHOUSE GAS (GHG) AND OTHER EMISSIONS

Due to the energy intensive nature of our business and sector, policies that focus on addressing risks and opportunities posed by climate change are of critical importance to our company. During the reporting period, we continued to reassess our production activities in terms of energy efficiency and increase the range of resource-efficient products that provide environmental benefits. As illustrated through the case studies in this report, we have projects underway in production that are focused on increasing energy

efficiency to reduce our emissions. In terms of our products, we have projects that focus on reducing the impact of our products and their associated emissions.

Greenhouse gas and other emissions, particularly from primary fuel sources are a cause of concern for Soda Sanayii A.Ş., as participant of an energy intensive sector. Şişecam Group, including Soda Sanayii A.Ş., has been reporting its greenhouse gas emissions to CDP voluntarily since 2011.

SODA SANAYII A.Ş.'S CARBON EMISSIONS IN 2014 (tCO₂)

	Scope I			Scope II	Total
	Raw materials sourced CO ₂ emissions	Primary fossil fuels sourced CO ₂ emissions	Total Scope I emissions	CO ₂ emissions from purchased electricity	Total CO ₂ emissions
Cogeneration unit	0	1,309,400	1,309,400	0	1,309,400
Soda plant	346,900	21	346,900	2,700	349,600
Kromsan plant	32,700	54,200	86,800	35,000	121,800
Total	379,600	1,363,700	1,743,200	37,600	1,780,800

Soda Sanayii A.Ş. has applied the widely used international conversion factors from the IPCC 5th assessment report and IEA emission factors for year 2012 as shown below.

CO₂ CONVERSION FACTORS



Natural Gas

56.1 tons CO₂/TJ



Electricity

479.93 g CO₂/kWh for Turkey



CASE STUDY: CDP

Şişecam has been responding to CDP, the most prominent initiative in business to combat climate change, since 2011. Under this framework, the Group reports on issues such as its climate change strategy, approach to risk management and governance, targets on energy, carbon emission and climate change and amount of carbon emissions generated from its operations. Şişecam is 1 of the 41 Turkish companies that responded to CDP in 2014. The disclosure covers the Group's glass and non-glass manufacturing facilities in Turkey and glass manufacturing facilities in Bulgaria. With a disclosure score of 85% and a performance score in the Level B Band, it has been rated at a high level according to the score released by CDP, indicating an excellent understanding and management of the issues related to climate change. Operations of Soda Sanayii A.Ş. are covered in the Şişecam CDP responses.

TÜBİTAK - GHG REDUCTION PROJECT

As the most important sector representative Şişecam Group worked with the Turkish Ministry of Science, Industry and Technology and the Scientific and Technological Research Council of Turkey (TUBITAK) in 2014 on a project related to the Greenhouse Gas Reduction Potential of Turkish Industry. ("An

Assessment of Technology Requirements in the Industry and Determination of Greenhouse Gas Reduction Potential within the Frame of Climate Change"). Soda Sanayii A.Ş., as a subsidiary of Şişecam Group, participated in this project.

OTHER SIGNIFICANT EMISSIONS

Because of high energy requirement of soda ash production, other emissions are another material topic for Soda Sanayii A.Ş. Keeping in line with Şişecam Group environmental compliance policy, in 2014, all

our emissions were below the legal limits set by Turkish Regulation on Control of Industrial Air Pollution. In 2014, average NO₂ and SO₂ emissions were as follows: NO₂: 26.37 kg/h, SO₂: 32.17 kg/h.



WASTE MANAGEMENT

In line with our environmental values, our main approach to curbing waste is minimizing and recycling. Our waste is handled by waste disposal companies

authorized by the Ministry of Environment and Urbanization.

WASTE MANAGEMENT APPLICATIONS



KROMSAN IS PROBABLY THE ONLY ONE IN THE WORLD AMONG THE CHROMIUM COMPOUND PRODUCERS THAT IS PROCESSING THEIR OLD LIME USING TECHNOLOGY WASTE INTO NON-HAZARDOUS WASTE.

Bag filters and washing systems are used as emission control systems in the related production units. All systems are working in accordance with the legal limits.

Domestic and industrial waste water released during the operations are treated in wastewater treatment plants separately and discharged in accordance with relevant regulation. Industrial wastewater is preferred primarily to be used in the relevant production unit, thereafter the non-utilizable part is sent to the related waste water treatment plant. Soda Sanayii A.Ş. has 4 different types of these plants to treat the domestic and/or industrial type of wastewater.

The solid waste released during the soda and chromium production process is non-hazardous and it is disposed in landfill areas for which the Company have regulatory approvals.

Non-hazardous solid waste and packaging waste are given to recycling and disposal companies in accordance with the relevant legislation.

Soda Sanayii A.Ş., as a subsidiary of Şişecam, recycles packaging materials in the domestic market and is fully compliant with regulations in all markets where we operate. In 2014, 44% of the packaging materials supplied to the market in the previous year was collected and recycled, which include more than 850 tons of paper, cardboard, plastic and composite packaging

of Soda Sanayii A.Ş. For this purpose, Şişecam made agreements with authorized organizations, namely CEVKO (Foundation for Environmental Protection and Reuse of Packaging Waste) and TUKCEV (Consumer and Environmental Education Foundation).

Bag filter, contaminated/polluted packaging waste (oil barrels, paint, pp and pm materials), used OSH protective equipment, waste oil, fluorescent, toner, cartridge and battery are hazardous waste generated during operations. When reaching an appropriate amount, such waste is stored in a special waste storage area in the factory and then sent to licenced recycling or disposal facilities by licenced carrier. In this way, we completely fulfil our legal obligation regarding hazardous waste.

Information about the solid waste treatment facility called ETAN (Old Technology Waste Neutralization) is presented in the next section. In summary, it is a project concerning the old technology waste temporarily stored in the factory area. The lime using old technology waste is started to be processed into non-hazardous waste in the new ETAN facility since November 2009. Since then, the waste that has been processed is temporarily stored in a separate section in the factory. Subsequent to the preparation of a landfill area for its disposal as non-hazardous waste and the completion of regulatory approvals, landfilling started in 2015.



CASE STUDY: Waste Reduction and ETAN – Neutralization of Old Technology Waste

Kromsan Plant currently applies the best available (no-lime) technology with non-hazardous waste. Old technology waste occurred before the implementation of the no-lime technology is kept under control by coating with impermeable geomembrane material in the factory site.

For many years, due to environmental respect, the conversion of the old technology waste to non-hazardous waste and the safety of its disposal, has been the main concern for many chromium manufacturing industries.

Kromsan developed new process in order to convert the hazardous old technology residue occurred prior to no-lime technology into non-hazardous waste. It is probably the only chromium chemicals producer in the world processing waste of old technology into non-hazardous waste. Total cost of the investment for the facility is USD 12 million and the cost of storage area amounted to USD 1,5 million.

WATER MANAGEMENT

Water is of crucial importance in terms of sustainability of the chemical manufacturing processes and the product quality. Soda Sanayii A.Ş. production strategy is based on consuming less water. Water is primarily used in steam production, process water and as a source of cooling in Soda Sanayii A.Ş. With its unique

water system, the plant uses 22.21 m³ of water per ton of soda production which is well below the ESAPA (European Soda Ash Producers Association) Standards of 50-100m³. As an important parameter of environmental sustainability, projects to decrease water consumption levels continue to be developed.

	2012	2013	2014
Water consumption (m³/ton soda)	24.31	22.53	22.21

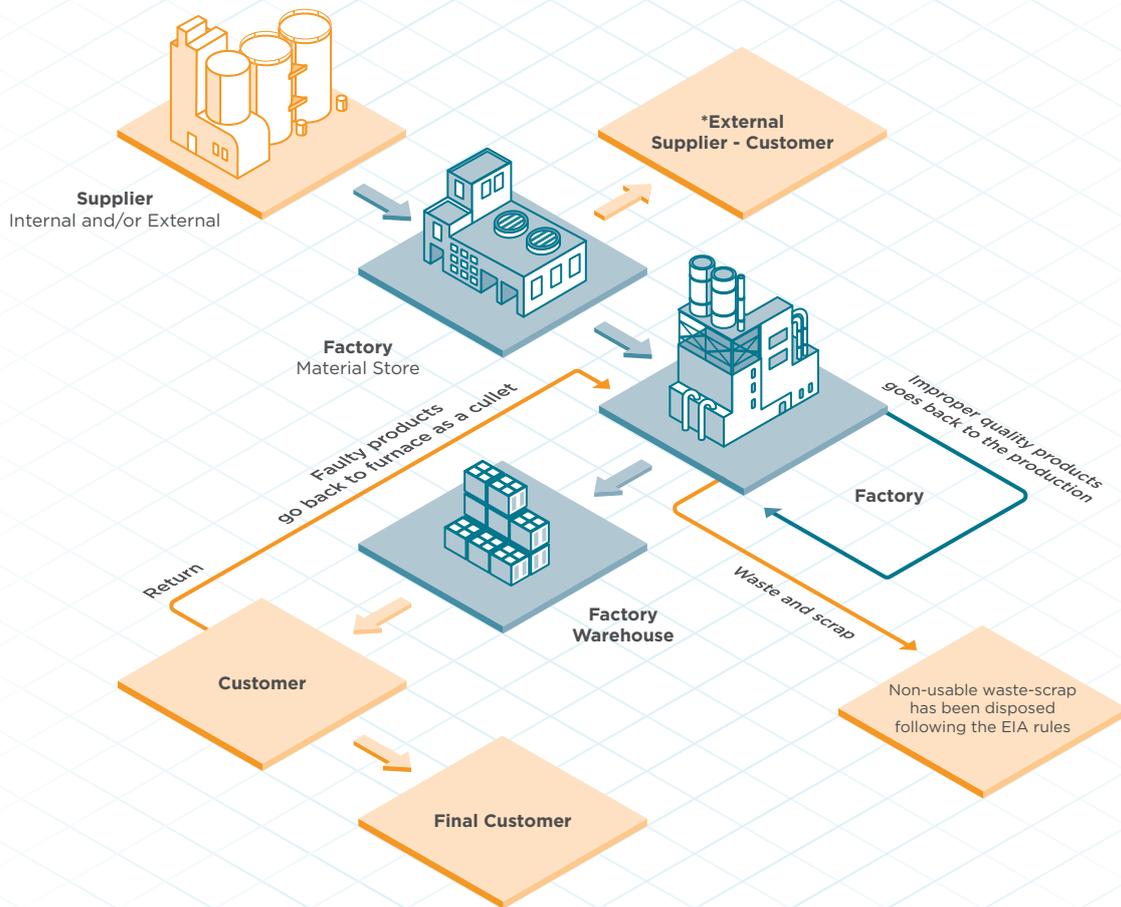
The wastewater (from both sanitary and process usage) is transferred to water treatment facilities. Treated wastewater is discharged to predefined medium

according to the relevant legislations determined by Government Authorities.



Supply Chain

◆ Best Practice Projects in Supply Chain



* Only for anthrasite dust which is a byproduct of Soda's anthrasite raw material

BEST PRACTICE PROJECTS IN SUPPLY CHAIN

PALLETLESS PACKAGING SYSTEM

The objective of palletless packaging system that is organized by Supply Chain Department is to ship the products in palletless pallet designs. Within the

framework of the sustainability social, economic and environmental impacts of this system are as follows:

- ◆ We achieved a 10% saving in packaging, electricity and transportation costs.
- ◆ We increased tonnage per vehicle during transportation and transported the same freight with less vehicle. This resulted to decrease of carbon footprint.
- ◆ We saved 7,500 wood pallets per year thus we protect our forests. Also we reduced our CO₂ emissions resulting from the transportation of these pallets from suppliers.
- ◆ We saved 450 MW electricity annually by consuming less electricity for packaging which resulted in reduction of greenhouse gas emissions.

SUPPLY CHAIN COCKPIT PROJECT

Soda Sanayii A.Ş., as a subsidiary of Şişecam, plays an important role in Supply chain cockpit project that is managed by Şişecam. Supply Chain Cockpit System is an ERP (enterprise resource planning) integrated online system that enables the display and analysis of Şişecam Businesses' (Flat Glass, Glassware, Glass Packaging and Chemicals) supply chain costs such as logistics, warehouse, foreign trade and labour costs. As part of the Şişecam Chemicals, Soda Sanayii A.Ş. uses this approach to optimize its supply chain. Şişecam Groups' Supply Chain parties determined SCOR® (Supply Chain Operations Reference) based performance metrics and applied them to the Cockpit platform.

The project aimed to bring benefits to production groups by reducing excessive costs and increasing communication between Groups as well as centralization. As a result a more accessible, visible and integrated platform has been created. The ability to overview 4 Businesses' supply chain costs reveals Şişecam Group's position in working towards a more centralized future.

The first facility of the Cockpit System soon became visible. Since all logistics costs can be monitored instantaneously and in detail, all the hidden supply chain costs can be easily revealed. As an outcome of the Supply Chain KPI Cockpit Project, the opportunity of Centralized Transportation on some routes is taken. According to this opportunity, Şişecam Group derived a remarkable profit in 2014 by reducing logistics costs.

ŞİŞECAM NETWORK OPTIMIZATION PROJECT

The objective of this project, that is managed by Şişecam Group, is to design a strategic network with minimized logistics costs, which satisfies customer service levels during distribution and production operations executed by the Group companies. In this project, which covers raw materials, packaged materials, semi-finished and finished goods flows, all transportation models were simulated both individually and collectively as railroad, maritime and

intermodal scenarios. To sustain outcomes of the Network Optimization, according to suitable routes that determined as a result of the project, railroad and maritime transportation prices are evaluated periodically in order to seize price advantages.

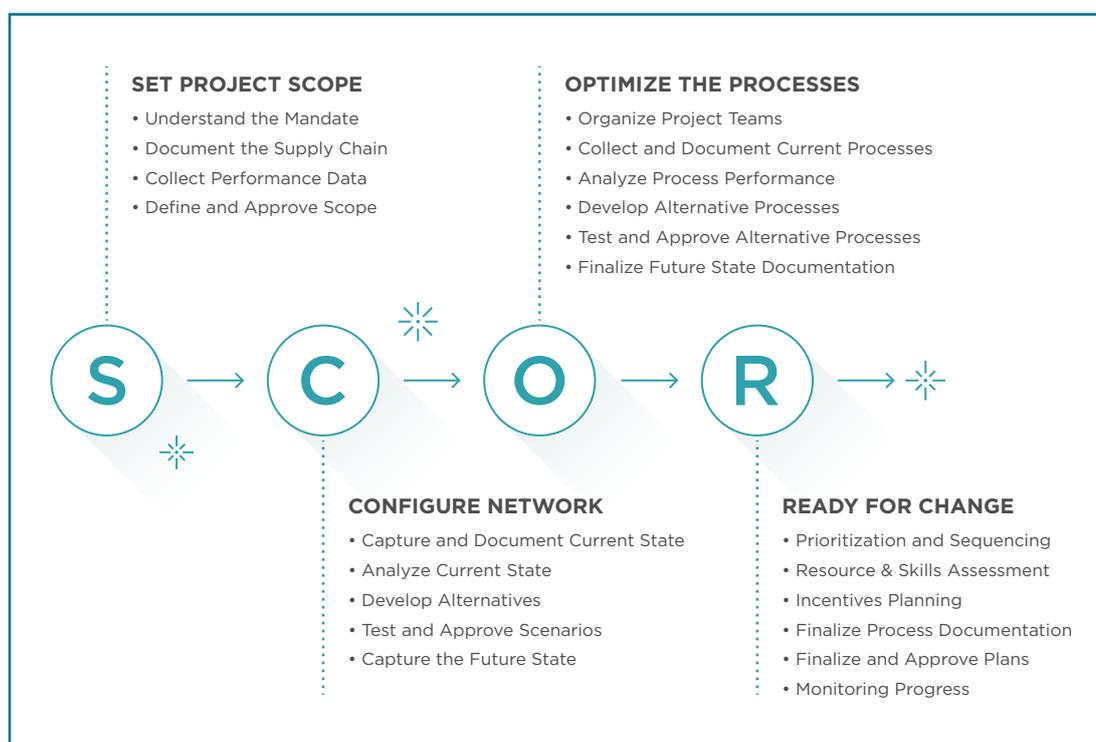
Warehouse size and locations were also analysed in depth to minimize cost and CO₂ emissions caused by unnecessary movements.

SCOR® PROJECT

Şişecam Group has implemented SCOR® - Supply Chain Operations Reference model into practice for all of its subsidiary companies including Soda Sanayii A.Ş. in 2014. SCOR® is a comprehensive set of framework organizing business processes, performance metrics, practices and people skills. All relevant Şişecam supply chain process owners went through an intensive SCOR training held by the creator of the framework SCC, Supply Chain Council, which is one of the world's largest unbiased non-profit supply chain organizations that advances supply chains through research, benchmarking, and publications. Business leaders, academia and global enterprises gain valuable insights, information and actionable data through SCC's unrivalled supply chain network, frameworks and resources. SCOR model is not only a globally accepted structure and guideline for process management

system but also a diverse compilation of best practices. The model itself leads the business processes and all fields of application to a better working and more effective operation.

One of the first projects managed according to SCOR methodology, aimed to decrease procurement and inventory costs and reduce procurement lead times. All procurement and inventory related SCOR techniques were reviewed and applied to achieve the project goals. The process analyses, defining performance metrics and project structure were operated according to SCOR framework, which resulted in leaner and more efficient procurement processes. With the help of the new methodology, reduced lead times and remarkable gains on inventory levels were obtained successfully in a very short period.



SUSTAINABLE ENERGY SUPPLY

Soda ash manufacturing is an energy intensive process. In order to establish and stabilize the high temperature requirement in the soda ash process, the constant feed of high capacity energy is a necessity. Thus, energy supply and costs become issues of utmost importance, in terms of sustainability.

Şişecam Enerji A.Ş. specializes in the Turkish Energy Market. Operating as Şişecam's energy headquarters, Şişecam Enerji A.Ş. seeks to supply lowest electricity and natural gas costs to Şişecam Group; through providing its own energy at hand or dealing with other energy suppliers in the business to meet the demand. In addition, Şişecam Enerji A.Ş. aims for long-term, risk free dealings for Şişecam Group.



Innovation

- ◆ Research and Technological Development

RESEARCH AND TECHNOLOGICAL DEVELOPMENT

The Company's R&D activities are carried out in line with its targets of improving the current processes involved in the manufacture of soda ash and chromium compounds using low-cost technologies in an environmentally friendly manner, enriching the product portfolio with high value-added new products, researching, developing, suggesting and approving for transformation of risks into opportunities via proactive projects; and increasing the product and process development capability to a higher level.

Transitioning to no-lime technology

Chromite ore is roasted with soda ash in order to obtain sodium chromate, basic intermediate product for manufacturing chromium chemicals. Dolomite, lime or chromite ore processing waste is used as filler material during roasting process. No-lime technology is accepted as best available technology for producing sodium chromate.

Innovation in sodium dichromate production – New production technology

An environmentally friendly and more efficient new production technology was implemented as a result of research and development studies. The chromium

recovery efficiency of the process was increased by 15%, which led to decrease the amount of solid waste.

With the activities carried out to date with the leadership of the R&D team, the highest technology was achieved in chromium compounds production without having to pay know-how fees, efficiency was increased by developing a very special process, capacity was increased, international best practice was topped by developing unique environmental processes for soda and chromium compounds production.

In the following section, some of the important environmental projects completed by the R&D department in previous years are given:

As a result of our R&D studies, we succeed in transition to no-lime technology in the process of sodium dichromate production. After completion of various new technology and capacity expansion investments, the production capacity of sodium bichromate rose to the 105.000 tons/year level.

Converting solid waste based on old technology into non-hazardous waste

A new process was developed as a result of long term R&D studies to convert old technology compounds into non-hazardous waste. Soda Sanayi is the only chromium chemicals manufacturer that utilizes such

technology. More detailed information about this process is given in the "Waste Management" section of the report.



Reduction of chloride in soda factory solid waste

Waste thickening and chloride content reduction process was developed as a result of laboratory and pilot studies. The chloride concentration of Soda Plant's solid waste was reduced to approximately 1%.

Chromium III chemicals production

In the scope of this project, in addition to Kromsan's current product line, we have started to produce and sell chromium nitrate, chromium hydroxy nitrate,

New process and product (Ecol-tan) for leather tanning:

A new tanning process and leather tanning agent has been developed as a result of research and development studies. Ecol-tan is an environmentally friendly product that can improve the chrome exhaustion of the leather up

- ◆ better leather quality
- ◆ more ecological and safer
- ◆ more economical

Soda Sanayi is the first and only company in the world implemented that process. Suspended solid particle concentration and pH of the waste liquid is decreased before discharging.

chromium chloride and chromium hydroxy chloride from special Chromium III chemicals.

to 99%. As a result it can decrease the chrome oxide levels in the liquid effluent. Advantages of ecol-tan process to conventional tanning process are as follows:





Occupational Health and Safety

- ◆ Occupational Health and Safety Policy
- ◆ Occupational Health and Safety Management System



WE RECOGNIZE THE IMPORTANCE OF OCCUPATIONAL HEALTH AND SAFETY (OHS) TO OUR BUSINESS.

Our overarching safety goal is to eliminate potential risks that could cause harm to our employees. Any occupational accident or injury is a serious issue not only for our company but also for our industry and to the economy as a whole.

Moreover, a healthy and safe working environment is a prerequisite to helping achieve efficiency and productivity in the workplace. As such, we consider the design of our processes and enhance our emergency

response capabilities to minimize the risk of accidents as well as investing in new technologies and innovation to help facilitate an incident-free workplace.

Through the coordination of Şişecam Group's Industrial Relations Directorate, there is a focus on continuous improvement in the working environment and conditions as well as on promoting a conscious health and safety culture.

OCCUPATIONAL HEALTH AND SAFETY POLICY

Offering efficient guidance on healthy and safe working environments is a matter of priority for Şişecam Group Companies including Soda Sanayii A.Ş. We follow a systematic approach for health and safety and undertake a wide range of initiatives in order to avoid accidents and injuries.

Our aim is to ensure safety in every aspect of our operations. In line with this, we follow a stringent Occupational Health & Safety (OHS) Policy that is used in all Şişecam Group Companies and a number of pertinent strategies to create a safe work environment for our employees. The Occupational Health and Safety Policy was revised in 2014 and it was published for use at all national and international workplaces of Şişecam. It is shown in the following section.





OCCUPATIONAL HEALTH AND SAFETY POLICY

We aim to achieve every stage of our operations in a safe and healthy working environment. In line with this objective, as a part of our responsibility to create healthy individuals as well as manpower, we adopt strategies

- ◆ To prevent occupational accidents and occupational diseases by determining the necessary measures to implement and be implemented,
- ◆ To make risk assessments by the participation the employees and to reach the acceptable risk levels,
- ◆ To use the safe equipment and appropriate technologies for a healthy and safe working environment,
- ◆ To ensure the participation of our stakeholders each level of the organization in the improvement of occupational health and safety practices,
- ◆ To constitute Occupational Health and Safety culture and turn it into a lifestyle.

In this direction, we declare and undertake:

- ◆ To meet the relevant standards and requirements in the field of legal obligations for Occupational Health and Safety,
- ◆ To increase our performance and our processes with a proactive approach on the continuous improvement on Occupational Health and Safety,
- ◆ To continue improving the education and activities of our employees and sub-contractors / suppliers to their employees, visitors, interns for adopting the principles of OHSAS.

GENERAL MANAGER

**WE THRIVE AND
DEVELOP TOGETHER**



OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM



WE BELIEVE THAT PROMOTING A CULTURE OF HEALTH AND SAFETY IS VITAL TO OUR SUCCESS IN ACHIEVING OUR GOAL OF REDUCING THE INCIDENCE RATE OF WORK ACCIDENTS.

Şişecam Group has set a high standard of OHS performance and formalized policies since 1989. In order to create consistency across the Group as well as comparability of performance with our peers, we strive to ensure the majority of our plants

OHS TRAINING

Şişecam believes that promoting a culture of health and safety is vital to our success in achieving our goal of reducing the incidence rate of work accidents. For

General Issues

- ◆ Information regarding labour legislation
- ◆ Legal rights and responsibilities of employees
- ◆ Commercial cleaning and layout
- ◆ Legal consequences of occupational accidents and diseases

Technical Issues

- ◆ Chemical, physical, ergonomic risk factors
- ◆ Manual lifting and carrying
- ◆ Flash, explosion, fire and fire protection
- ◆ Safe use of work equipment
- ◆ Work with display screen equipment
- ◆ Electricity, hazards, risks and precautions

use the Occupational Health & Safety Advisory Services (OHSAS) 18001 Standard. In Soda, we have implemented OHSAS 18001 Occupational Health and Safety Management Standards Systems.

this reason, and in order to go beyond the legislation, Şişecam provides regular OHS training sessions to all employees that cover the following topics:

Health Issues

- ◆ Causes of occupational disease
- ◆ Principles of disease prevention and protection techniques
- ◆ Biological and psychosocial risk factors
- ◆ First aid
- ◆ Implementation of the technical principles of the causes and prevention of occupational accidents
- ◆ Safety and health signs
- ◆ Use of personal protective equipment
- ◆ General rules of occupational health and safety and security culture
- ◆ Evacuation and rescue.



During 2014, all Şişecam and affiliated company employees working at Şişecam Group Headquarters received Basic Occupational Health and Safety Training, which was coordinated by the Industrial Relations Department. In addition, First Aid Teams were set up, comprising İş Towers, Information and Technology Center employees, who were provided with Basic First Aid Training. All OHS specialists working at the Group received Energy Isolation, Lock Out/Tag Out (LOTO) Systems Training. Initiated in 2013, Behaviour-Oriented Occupational Health and Safety training was given to all middle managers who are working at production plants in Şişecam Group, and efforts aimed at building on the OHS culture continued.

OHS RESPONSIBILITY

Project team members gave user training at the headquarters and at the plants in relation to the Occupational Accidents Analysis and Corrective/Preventive Action Tracking System, which was prepared in 2013 and to be used by end users starting from January 2014. Having gone live, the system was improved in line with the feedback received, and started to be used actively and efficiently. In line with the modified occupational accidents analysis system, the annual Occupational Health and Safety Rewarding system was revised in view of occupational accident frequency, occupational accident severity and the best practices regarding occupational health and safety at plants.

As in 2013, activities were organized at Şişecam plants in Mersin during the National Occupational Health and Safety Week in May. Theatre plays were themed occupational health and safety, which was specific to Şişecam Group culture and was staged starting from the national occupational health and safety week, and later in the year at the Group's plants.

In addition to those, plays about OHS and Personal Protective Equipment (PPE) were put on stage, which encouraged the use of personal protective equipment and prizes were distributed to motivate the employees.

A painting competition was organized for the children of the Group blue collar employees in a bid to point out that occupational health and safety culture is applicable not only to workplace but to life in general, and to propagate this culture socially.

A committee made up of occupational safety specialists working at Şişecam headquarters office and affiliated groups was set up to prepare an OHS handbook, which will be used at Şişecam workplaces. Addressing basic occupational health and safety topics and regulatory requirements so as to cover all production and working areas, the handbook was printed by early January 2015 and started to be handed out to employees with in 2015.





IN EACH PLANT THERE IS AN OHS COMMITTEE, WHICH INCLUDES A MANAGEMENT REPRESENTATIVE, SUPPORT UNITS AND WORKER REPRESENTATIVES.

MANAGERIAL REVIEW OF HEALTH AND SAFETY

Through visible leadership and engagement, we believe that we can increase our ability to mitigate health and safety risks. By conducting regular reviews and consultations between management and production plants, we are able to consistently monitor performance, provide any needed support for program implementation and respond to safety issues together with production plant workers.

The resulting reports that were written include: monitoring and observation of results in the plants and were shared with Şişecam Risk Management Department, Internal Audit Department and related Human Resources Departments.

All plants of Şişecam subsidiary companies employ OHS units that comprise an Occupational Health and Safety Expert, Workplace Physician and Medical Personnel, who serve under the Plant Manager. Companies and plants carry out their own internal OHS activities and monitor their results. Also in each plant there is an OHS Committee, which includes a management representative, support units and worker representatives. All employees at each plant are represented by the members of the OHS Committee. We comply with the local law³ on the minimum numbers of committee representatives. A Central OHS Expert serves as the coordinating body, providing support on OHS-related developments, including changes in regulation, training courses, meetings and special

events, among others. Additionally, the central unit carries out annual OHS measurement and monitoring activities in plants and issues reports of their results.

The current Workplace Accidents Analysis Tracking program has been improved to adapt to Şişecam's ever-evolving and changing structure, and a new Corrective & Preventive Actions (CAPA) system has been established to ensure more thorough measurement of workplace accidents.

Integrated with SAP, the CAPA system is available to all workplaces and units, including the management and sales centers and provides capabilities to track and control workplace accidents in a systematic manner.

Aside from tracking and preventive measures, these projects enable Şişecam to disclose accurate data and generate reports. This reporting protocol enables Şişecam to provide clear and transparent communications to employees and managers.

Further, we formed a Workplace Accidents Evaluation Commission to reduce work-related incidents using root-cause analysis. The Commission evaluated each workplace accident caused by "Intervention to Working Machines", "Being Crushed between Two Objects" and "Glass Punctures". The Commission report containing case studies and recommendations was disseminated to our plants.

OHS COMMITTEES

All facilities have a Health and Safety Team. Health and Safety Committees are created with the addition of management representatives, employee representatives and support teams. All of our

employees are represented in the Health and Safety Committees. These committees are organized with at least the minimum numbers of representatives required by Turkish Health and Safety Law.

COMPOSITION OF OHS COMMITTEE

2014	Number of personnel from non-management staff	Number of personnel from management
Personnel in the committee - 2014	8	30

INJURIES AND LOST DAYS

The Company's OHS performance indicators for 2014 are shown below. From Soda Sanayii A.Ş.'s facilities, there were a total of 55 accidents that resulted in injury but no fatalities to either Soda Sanayii A.Ş. employees or third-party workers. In all cases where there were

injuries or near misses, investigations were undertaken to understand the root-cause and to help avoid any further accidents. Total lost days for Soda Sanayii A.Ş.'s workforce were 421 (2013: 454 days).

OHS INJURIES

Injuries	Male	Female	Employees	Third party workers	Total injuries	Injury Rate*	Fatalities
2014	31	0	31	24	55	17.9	0

* Injury rate⁴ calculated as: (Total injuries x 1.000.000) / Total worked man hours

3 The Law on Occupational Health and Safety No. 6331 ("Law No.6331"), which governs the health and safety standards to be adopted by employers in Turkey and was published on 30 June 2012.

4 The frequency of injuries relative to the total time worked by the total workforce in the reporting period.



TOTAL LOST DAYS FOR SODA SANAYII A.Ş.'S WORKFORCE WERE 421.

STRONG INDUSTRIAL RELATIONS

Human Resources departments in individual companies and the Industrial Relations Directorate of Şişecam manage the relationships with blue collar employees and unions for the Group. In keeping with Şişecam's policies, the Company's primary purpose with respect to industrial relations is to enhance competitiveness and productivity by developing industrial relations in a balanced and sound manner. The vision espoused in relation to industrial relations is spelled out as guaranteeing permanent labour peace based on trust and dialogue in workplaces by working with the trade unions, and conducting projects aimed at making occupational health and safety more efficient in accordance with the "People First" philosophy.

Through work aligned with the Group's Industrial Relations policies and strategies, the Company provides oral and written feedback regarding the implementation of the provisions of laws, regulations and collective bargaining agreements at the Company's workplaces, and thus produces solutions for the problems Soda Sanayii A.Ş. may face in their industrial relations. The meetings organized with the HR managers at the Company plants serve to ensure close monitoring of implementations that are revised according to current legislation, while constant communication facilitates evaluation of developments in industrial relations and the problems in practice,

and guaranteeing uniformity of practices across the Company.

Relations with trade unions are carried out by paying due regard to the preservation of labour harmony and continuity of manufacturing within the framework of collective bargaining agreements and in accordance with the applicable laws and legislation.

In 2014, there were no operations or suppliers identified in which the right to exercise freedom of association and collective bargaining may have been violated or at significant risk. All blue collar employees have the rights to unionize and collective bargaining. Among the blue collar workers of Şişecam Group, the unionization rate was 97% in 2014.

The Collective Bargaining Agreement, concluded with the Petrol-İş Trade Union comprising both Soda and Kromsan Plants expired on 31 December 2013 and was replaced by an agreement for 2014-2015 that was signed on 12 August 2014.

The Health and Safety of our workers, contractors and those who visit are facilities is one of our most important priorities. Every formal agreement we sign with trade unions addresses the following occupational health and safety topics.

OHS TOPICS COVERED IN FORMAL AGREEMENTS WITH TRADE UNIONS.

Topic	% Coverage
Local	
Personal protective equipment	100%
Joint management-employee health and safety committees	100%
Participation of worker representatives in health and safety inspections, audits, and accident investigations	100%
Right to refuse unsafe work	100%
Training and education	100%
Complaints mechanism	100%
Periodic inspections	100%
Global	
Compliance with the International Labour Organization (ILO)	100%
Arrangements or structures for resolving problems	100%
Commitments regarding target performance standards or level of practice to apply	100%

REGULATION AND COORDINATION WORKS

Şişecam Group's Industrial Relations Directorate has coordinated meetings to inform employees about recent changes to labour legislation and occupational health and safety regulations in 2014 as in previous years. In the coordination meetings, relevant industry updates and problems encountered were discussed as well as determining a Group approach to confront any problems.

The statements about rules, legislations and regulations are continuously shared with the employees in 2014.

Plant Managers and HR Executives were given a training course about collective labour agreements. Feedback

was shared with them about the present status and operation. Collaborative meetings continued to maintain effective cooperation between the employees and the employer.

There were many meetings held in 2014 related to strengthening relations and communication and a peaceful working environment in the company with labour union representatives and hourly paid employees. Additionally, there were many joint activities organized with unions other than technical meetings. The following points are examples of some of the activities:

- ◆ All hourly paid employees, some of them being union members, were given a company email address to strengthen relations.
- ◆ Informative news about the activities organized is screened at plant cafeterias to create a broader awareness of the company agenda and organizations amongst employees.
- ◆ Tree planting took place with the participation of company authorities, employees and Petrol-İş Union executives in Soda Sanayii A.Ş.



Human Resources

- ◆ Our Workplace
- ◆ Policies and Career Advancement Programs
- ◆ Diversity and Inclusion

Soda Sanayii A.Ş.'s success depends on our employees. While developing, incorporating, and retaining the best talent, the company's priority is to provide a happy,

safe and motivating workplace where our employees can develop their full potential.

OUR WORKPLACE



ONE OF OUR MAIN GOALS IN THE WORKPLACES IS TO PROVIDE OUR EMPLOYEES WITH A NON-DISCRIMINATORY WORKPLACE THAT MEETS THE STANDARDS OF NATIONAL AND INTERNATIONAL WORKPLACE RIGHTS POLICIES.

Our main goals in the workplace are:

- ◆ To provide our employees with a non-discriminatory workplace that meets the standards of national and international workplace rights policies
- ◆ To protect the rights of employees to unionize
- ◆ To continue to be a leading company which employs only the best practices in occupational health and safety in all our workplaces
- ◆ To provide a fair and pleasant place for our employees to work



POLICIES AND CAREER ADVANCEMENT PROGRAMS

At Soda Sanayii A.Ş. we strongly believe that our success depends on our most valuable asset - our employees. To recruit the best talent, foster a culture of innovation and generate a favourable work atmosphere, we offer competitive compensation and benefits, including educational allowance and bonuses as well as annual vacation days, parental leave and marriage leave.

GLOBAL LEADERSHIP PROGRAM

This is a comprehensive and high-priority program that aims to build the most critical competencies for high-

Intended results:

- ◆ Developing a global leader profile for Şişecam
- ◆ Defining required leader and employee competencies and behaviours in a high-performance culture
- ◆ Developing the communication plan for deploying the leadership model
- ◆ Designing internal competency trainings for managers and e-learning for employees.

LEARNING & DEVELOPMENT PROGRAMS

Available to all levels of white-collar and blue-collar employees in Turkey, under the umbrella of Şişecam Akademi, the common objective of these programs is to equip the participants with the right set of competencies and skills necessary to lead

- ◆ assessing the training and development needs at an individual level in terms of organizational competencies and occupational/technical skills;
- ◆ managing and updating a comprehensive learning & development catalogue;
- ◆ selecting and customizing the appropriate learning & development tools from the right resources;
- ◆ monitoring the impact of the activities and engaging in corrective action when necessary through constant feedback;
- ◆ and introducing new and innovative topics to the organization, which in turn contributes to the development of intellectual know-how.

We also conduct regular performance reviews and training sessions to help build a solid foundation for our employees. Our leadership and development programs, which are articulated in the following section, are designed to help our employees thrive, build on their existing abilities and gain new skills.

performance culture at the leadership level.

the organization to the realization of its strategic goals. In line with this objective, the main activities of the learning & development department can be summarized as follows:



WE STRONGLY BELIEVE THAT OUR SUCCESS DEPENDS ON OUR MOST VALUABLE ASSET - OUR EMPLOYEES.



IN 2014, TOTAL TRAINING HOURS FOR EMPLOYEES AMOUNTED TO **5,899** MAN-HOURS.

In view of the Group’s globalizing corporate culture, the development activities necessary for its human resource are performed in line with a concept of success-oriented performance and constant improvement. Domestic and international training and development programs are implemented to build on the international management competencies of potential leaders and technical specialist people.

Beginning with 2015, all trainings in Şişecam will be prioritised and planned in a framework that will be defined with different schools under to the Şişecam Academy Project.

In this framework, prioritised trainings are; Sales and Marketing, Supply Chain Management School, Glass School and Leadership School.

With internal trainer deployment program, Şişecam employees’ participation in the internal training process is supported.

Apart from these, trainings such as mandatory/legal (such as first aid, HSE, etc.), catalogue trainings in financial topics and similar can be done in parallel to requirements. Capacity Based Interview Techniques, Information Security Trainings, capacity development trainings after Development Center practice and similar trainings are organized during the year for support to different goals and targets of different departments. Supplier choice support is continued to be provided for necessary technical training requirements and trainings are given by training and development business partners in facilities.

TOTAL TRAINING HOURS

			2014	2013
Description	Unit		Total	Total
Manager	Male	Hours	267	310
	Female		91.5	0
	Total		358.5	310
Staff	Male	Hours	4,844.5	6,278.5
	Female		695.5	336
	Total		5,540	6,614.5
By Gender	Male	Hours	5,111.5	6,588.5
	Female		787	336
	Total		5,898.5	6,924.5
Average training hours per male			13.1	17.0
Average training hours per female		Hours/FTE	14.5	15.3
Average training hours per employee			14.1	16.9



WE SEEK OUR EMPLOYEES’ OPINIONS ON STRENGTHS, WEAKNESSES AND OPPORTUNITIES IN MANY ASPECTS OF OUR WORK ENVIRONMENT THROUGH SEVERAL MECHANISMS.

EMPLOYEE ENGAGEMENT

Our employees’ skills, motivations and commitments to Şişecam help drive successful achievement of our goals and raise the bar for greater improvements; thus, we highly value our employees’ views. As articulated in the following sections, we seek their opinions on strengths, weaknesses and opportunities in many aspects of our work environment through several mechanisms.

We conduct an Employee Engagement and Satisfaction Survey bi-annually, followed by a periodic Pulse Survey conducted in the year between. Based on the Survey results, action plans are developed and followed by the parties concerned. According to the results of the Survey of 2013, internal communication was determined as a focus area and there have been several new initiatives on the area since (e.g. we developed a social club for our employees where they have the opportunity to attend a diverse range of activities across the Company).

SUGGESTION DEVELOPMENT SYSTEM

The Suggestion Development System was introduced in order to ensure the collection and appraisal of Şişecam Group employees' innovative suggestions, adding value in line with Şişecam Group strategy and objectives. This system involves approval of incoming suggestions by the Suggestion Reception Team, valuation by the Suggestion Evaluation Team, and the monitoring of

the whole process in an electronic environment. The purpose of the Suggestion Development System is to gather suggestions that add value, assess them in a reliable fashion, and implement any practicable suggestions in order to reap any financial return and/or process optimization benefits.

PERFORMANCE MANAGEMENT

Responsible for expanding the success of our performance culture and increasing organizational readiness, the Performance Management System works hand in hand with the vision, mission and strategies of the Group. Started by Şişecam Group in 2010, the Balanced Score Card system is aligned with individual targets. In line with this, our success-

based performance culture is being converted into a success-based corporate culture. The purpose of the Performance Management System is to create value for employees and to ensure that the value created by employees serves the development and sustainability targets of Soda Sanayii A.Ş.

CAREER DEVELOPMENT

Soda Sanayii A.Ş. offers opportunities for all employees to develop their careers through an integrated pre-planning of organizational and employee needs. Both the expectations of the individual and the requirements of the organization are addressed in the Career Development Plan, as part of the annual Performance Management System.

prepared that match the needs of the individual.

Performance evaluation and career development systems are in place at Şişecam for both blue-collar and white-collar staff. A regular performance and career development assessment of the preceding year is implemented for all staff without exception.

Moreover, strategic career maps, company-based career and succession plans, are developed based on the data from the Performance Management System. In addition, employee competencies are reviewed at external Assessment Centres, where blue-collar and white-collar employees participate before being considered for promotion. If any development areas are identified in the process, development plans are

In implementing this system, managers objectively and sensitively assist the development of their staff. The employee is always informed of the results following the evaluation in what is a confidential process.

Performance and career development reviews are applicable for all white-collar workers.

RECOGNITION & REWARDING

Şişecam Group Employee Recognition and Rewarding System is the acknowledgement of an individual or team's behaviour, effort and accomplishments that support the organization's goals and values.

As a subsidiary of Şişecam Group, Soda Sanayii A.Ş. implements all human resources policies of Şişecam Group.

- ◆ Recognition: In our recognition system, we grant spot awards to our employees who have achievements and exemplary behaviours to let them know that their work is valued and appreciated. We also congratulate our employees on their special days such as birthdays, marriages and promotions to build a supportive work environment.
- ◆ Rewarding: We have three main rewarding categories:
 - I. Stars of the Year: According to the Rewarding system at Şişecam, projects that excel in providing business-oriented solutions, such as improving the efficiency and effectiveness of Şişecam's processes and reinforcing Şişecam's brand value are granted an award in this category.
 - II. Occupational Health and Safety: Şişecam Group companies are granted an award in "Occupational Health and Safety Award" category according to their Accident Frequency Rate and Accident Severity Rate. In addition, The Best Practice in Occupational Health and Safety is selected and awarded with 'The Best Execution in Occupational Health and Safety Award' in that category.
 - III. Special Award: In "Special Award" category, employees or initiatives for cultivating positive work relations, pursuing sustainability endeavours, and developing a constructive work environment are granted an award.



WE OFFER OPPORTUNITIES FOR ALL EMPLOYEES TO DEVELOP THEIR CAREERS THROUGH AN INTEGRATED PREPLANNING OF ORGANIZATIONAL AND EMPLOYEE NEEDS.

FLEXIBLE BENEFITS

We started up the Flexible Benefits Program at the beginning of March, 2015. Flexible plans allow employees to choose the benefits they want or need from a package offered by Şişecam. Our Flexible benefit

package includes variable health insurance plans for employees and their families and life insurance for this year.

EMPLOYER BRANDING

To increase the Employer Branding Image of Şişecam, we plan yearly campus activities eg. case studies, interview simulations, tea-talks with managers, etc. Case studies include team work of students on various topics. Students try to give a solution to given situation and at the end they make a presentation about it. We plan participate in these case studies with some of our managers, so they would be able to observe students naturally. In addition, successful students may be awarded with internship opportunities, which can increase the applications to these activities as well.

The aim of Interview Simulations is for the students to experience different types of interviews, such as one-to-one and group interviews. In addition, this activity introduces students to a good type of interviewer as well as a bad interviewer. The aim of questions and the expectations behind these questions are also at the target of this activity. After the examples, the Human Resources department gives feedback to students.

Tea-talks with managers allow students to listen and experience the managers' career paths which can enhance their point of views on different career paths.

STRUCTURED LONG-TERM INTERNSHIP PROGRAM

The long-term internship program aims to hire successful students as interns in a long-term period; so we can observe their performance as well as teaching

them our culture and the different service lines of our business.

COMMON LANGUAGE PROGRAM

The main purposes of the program is strengthening the interaction of management teams, supporting the

effectiveness of Şişecam and developing role model approaches in the transformation process.

"WE ARE ŞİŞECAM" MEETINGS

The main purpose of these meetings is to spread Şişecam Values to all Şişecam employees. Meetings were completed in Turkey, Bosnia and Bulgaria and will be held in the other countries. Within the scope

of the activities aimed at disseminating the values to large audiences, "We Are Part of the Şişecam Family" workshops were organized in and out of Turkey in 2014.

DIVERSITY AND INCLUSION

As a subsidiary of Şişecam, Soda Sanayii A.Ş. follows all Şişecam Group values, codes of conducts and guidelines. Şişecam Group recently revisited its Corporate Values to incorporate our employee strategy. Two of the core values of our organization implicitly acknowledge the importance of diversity and inclusion

- ◆ We exhibit a fair and transparent management approach.
- ◆ We respect differences.

A fundamental value at Şişecam, “We respect differences” guides us to take an inclusive approach in considering the diverse insights at our company. By harnessing the knowledge and perspectives of our diverse workforce, we are well-positioned to bring the necessary improvements to our workplace, generate innovative solutions and strengthen our reputation as a global leader.

Consistent with this value, Şişecam reaffirms its commitment to equal opportunity with the value “We exhibit a fair and transparent management approach.” We strive to create an inclusive workplace and ensure that HR processes such as recruitment, career

to our business. We performed a company-wide online employee survey, the results of which we integrated into Şişecam policies and values. As presented in the Values section under Corporate Governance of this report, two of our core values are:

development and training are free of discrimination. Accordingly, no HR policies or procedures indicate any difference between male and female employees at Şişecam.

Details of our employee profiles (gender, age and employment category) along with new hires and leavers data are shown below.

Detailed information is included relating to the Soda Sanayii A.Ş. workforce in 2014 with regard to employment category, age, gender and education level, as well as on employee turnover rates and new hires for 2014.



TWO OF THE CORE VALUES OF OUR ORGANIZATION:

WE EXHIBIT A FAIR AND TRANSPARENT MANAGEMENT APPROACH.

WE RESPECT DIFFERENCES.

EMPLOYEE PROFILE BY AGE AND GENDER AS AT 31 DECEMBER, 2014

Category	Age	2014			2013		
		Male	Female	Total	Male	Female	Total
Manager	under 30	0	0	0	0	0	0
	30-50	9	2	11	12	2	14
	over 50	4	0	4	6	1	7
	Total	13	2	15	18	3	21
Staff	under 30	148	17	165	161	14	175
	30-50	637	18	655	612	19	631
	over 50	17	0	17	21	0	21
	Total	802	35	837	794	33	827
Total Workforce		815	37	852	812	36	848

EDUCATION LEVEL BY EMPLOYMENT CATEGORY

Education Level of Employees	2014			2013		
	White-Collar	Blue-Collar	Total	White-Collar	Blue-Collar	Total
Graduated from high school and under	48	64	112	72	73	145
Associate degree	78	148	226	68	153	221
Graduated from university and above	237	279	516	220	262	482
Total Employees	363	491	854	360	488	848

NEW HIRES BY AGE AND GENDER

Category	Age	2014			2013		
		Male	Female	Total	Male	Female	Total
Number of managers hired during the reporting period	under 30	0	0	0	0	0	0
	30-50	1	0	1	2	0	2
	over 50	0	0	0	0	0	0
	Total	1	0	1	2	0	2
Number of staff hired during the reporting period	under 30	43	5	48	23	2	25
	30-50	11	0	11	6	0	6
	over 50	0	0	0	0	0	0
	Total	54	5	59	29	2	31

COMPOSITION OF GOVERNANCE BODIES BY GENDER

Governance Bodies	2014	2013
Gender	Number of employee	Number of employee
Male	3	3
Female	0	0
Total	3	3

COMPOSITION OF GOVERNANCE BODIES BY AGE GROUP

Governance Bodies	2014	2013
Age Group	Number of employee	Number of employee
under 30	0	0
30 - 50	2	2
over 50	1	1
Total	3	3

Soda Sanayii A.Ş. complies with the local parental leave regulations. Parental leave only applies to women in Turkey (new fathers are also given up to three days for

paternity leave). Below you can find the return to work and retention rate for our female employees.

PARENTAL LEAVE

	Female (2014)	Female (2013)
Number of employees entitled to parental leave	0	6
Number of employees that took parental leave	0	6
Number of employees who returned to work after end of parental leave	0	4
Number of employees who returned to work and were still there 12 months later	0	4
Rate of return to work	-	67%
Rate of retention	-	100%



Corporate Social Responsibility

In 2014, the Company continued carrying on its activities under the framework of Responsible Care, which is the world's leading voluntary industry initiative. Some examples of our activities are summarised in the following sections.

ENVIRONMENTAL ACTIVITIES

Tree Planting Festival has been annually organized to afforest especially arid lands in Mersin since 2006.

There is a zoo in the factory area. It hosts different bird species, Cameroon sheep, gazelles and different dog species and is often visited by especially kindergarten and elementary school children.

Soda Sanayii A.Ş. is the sole sponsor of the Project for Investigation, Monitoring and Conservation of Sea Turtle Populations carried out by Mersin University on Kazanlı Coast under the supervision of the Ministry of Forestry and Water supplies.

KITE FESTIVAL

We also organized a kite festival for children with disabilities, were one of the sponsors of Mersin International Music Festival and covered the costs of

Mersin Kurtuluş Sports Club's jerseys for this season. The club competes in TKB2L (Turkish Women's Basketball League 2).

PAINTING COMPETITION

Our traditional Painting Competition among the primary school students has been annually organized since 2002.

OPEN DOOR ACTIVITIES

Open Door Activities is a practice begun by a triple responsibility commitment. Under the Open Door Day event, with guests invited to the factory, with questions being answered after the technical visit, the factory is introduced. The first visits started in 2004 by primary schools located near Kazanlı region where we operate. School students were hosted with their families and

teachers. Our employees were invited to the plant visit with their families in 2015.

Furthermore, technical visit demands of different universities, NGOs, vacation schools and many other organizations are met.



KAZANLI PROJECT HAS PROVEN INSTRUMENTAL IN THE PRESERVATION OF THE ENDANGERED "CARETTA CARETTA" AND "CHELONIA MYDAS" SEA TURTLE SPECIES AND THEIR NESTING AREAS.

PROJECT FOR THE PROTECTION OF THE KAZANLI SEA TURTLE POPULATION

Soda Sanayii A.Ş. is the sole sponsor of the Project for Investigation, Monitoring and Conservation of Sea Turtle Populations carried out by Mersin University on Kazanlı Coast under the supervision of the Ministry of Forestry and Water supplies. Endangered sea turtles have been known to be using the beach in a district of the Mersin province as an egg-laying site for hundreds of years. Launched in 2007 by Soda Sanayii A.Ş., the Kazanlı Project has proven instrumental in the preservation of the endangered "Caretta Caretta" and "Chelonia Mydas" sea turtle species and their nesting areas, while raising awareness of this issue among the local population. The project is intended to provide a social contribution and benefit to the socio-cultural

and socioeconomic life in the region through eco-tourism that may be generated by the presence of the endangered sea turtles in the region. The greatest contribution to the "Kazanlı Sea Turtles Project" has come from young volunteers and students of the Biology Department of Mersin University. Besides these young volunteers who have taken part in the development of the project, meetings are organized to encourage active participation of new volunteers in the initiative. In 2014, the oscillation that needed to be observed in the total number of sea turtle nests continued, and the number of nests increased consistently.



EDUCATIONAL SUPPORT

Soda Sanayii A.Ş., along with Şişecam Group extends support to the "Project for Improving Vocational Education" carried out by the Governor's Office of Mersin, and had the Industrial Vocational High School constructed in order to be instrumental in educating a greater number of youngsters in a vocation.

Comprising of 24 classrooms and one workshop, the high school is located in Tarsus Organized Industrial Zone in Mersin (MTOSB). We also provide educational grants to children of our pensioners who are in need of financial support. This initiative is funded exclusively by our employees.



SODA SANAYİİ A.Ş., ALONG WITH ŞİŞECAM GROUP, EXTENDS SUPPORT TO THE "PROJECT FOR IMPROVING VOCATIONAL EDUCATION".

More examples from our support to education include:

- ◆ Organization of 13th annual "Love for Nature and the Environment" painting contest among primary school pupils
- ◆ Donation of unused computers available at Soda Sanayii A.Ş. to nearby schools and local administrative offices
- ◆ Helping with repair/maintenance work of nearby schools
- ◆ Sponsorship of Kazanlı Primary School "Kaplumbağa" (Turtle) magazine

GENERAL STANDARD DISCLOSURES

Standard Disclosure	Description	Reference	External Assurance
STRATEGY AND ANALYSIS			
G4-1	Statement from the most senior decision-maker of the organization about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability	Letter from Şişecam CEO, page 4; Letter from Chemicals President, page 6	No
ORGANIZATIONAL PROFILE			
G4-3	Name of the organization	Soda Sanayii A.Ş.	No
G4-4	Primary brands, products and services	Soda Sanayii A.Ş.: an Introduction, page 8	No
G4-5	Location of HQ	Istanbul, Turkey	No
G4-6	Number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report	Soda Sanayii A.Ş. operates in 4 countries (Turkey, Italy, Bosnia & Herzegovina, Bulgaria) through both its subsidiaries and joint ventures. For the purposes of this report, only operations in Turkey are considered (with the exception of Oxyvit Kimya Sanayii ve Ticaret A.Ş.)	No
G4-7	Nature of ownership and legal form	Soda Sanayii A.Ş.: an Introduction, page 8	No
G4-8	Markets served	Worldwide (Exports to 64 countries in 2014)	No
G4-9	Scale of the organization	Soda Sanayii A.Ş.: an Introduction, page 8	No
G4-10	Workforce breakdown	Human Resources, page 59	No
G4-11	Percentage of total employees covered by collective bargaining agreements	Strong Industrial Relations, page 51	No
G4-12	Organization's supply chain	Supply Chain, page 38	No
G4-13	Significant changes during the reporting period	<ul style="list-style-type: none"> Shares of Paşabahçe Cam Sanayii ve Ticaret A.Ş. were sold to the EBRD. Shares of Asmas Ağır Sanayi Makinaları A.Ş. were sold to CTS Demir Çelik İç ve Dış Tic.Müh.Makina San.Ltd.Şti Paid in capital was increased 46,000,000 TRY to 503,000,000 TRY. 	No
G4-14	Precautionary approach principle	Environmental and Energy Policy, page 29	No
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses	Approach to Standards and Organizations, page 26	No
G4-16	Memberships of associations and national or international advocacy organizations maintained at the organizational level	Approach to Standards and Organizations, page 26	No
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES			
G4-17	Scope of consolidated financial statements and omissions to the scope	For all entities included in consolidated financial statements, please refer to Appendix 1 at Page 72. For more detailed information on all entities included in the consolidated financial statements, please refer to Soda Sanayii A.Ş. Annual Report 2014 page 28. Only economic indicators follow the scope of consolidated financial statements. For the purposes of this report, scope for other indicators is defined as operations in Turkey. Oxyvit Kimya Sanayii ve Tic A.Ş. was omitted from the scope due to its joint venture structure.	No
G4-18	Process for defining the report content and the Aspect Boundaries and how the organization has implemented the Reporting Principles for Defining Report Content.	Approach to Materiality, page 25	No
G4-19	Identified Material Aspects	Soda Sanayii A.Ş.'s Materiality Aspects for Sustainability, page 25	No
G4-20	For each Material Aspect, report the Aspect Boundary within the organization	Soda Sanayii A.Ş.'s Materiality Aspects for Sustainability, page 25	No

G4-21	For each Material Aspect, report the Aspect Boundary outside the organization	Soda Sanayii A.Ş.'s Materiality Aspects for Sustainability, page 25	No
G4-22	Effect of any restatements of information provided in previous reports, and reasons for such restatements	This is Soda Sanayii A.Ş.'s first Sustainability Report	No
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries	This is Soda Sanayii A.Ş.'s first Sustainability Report	No
STAKEHOLDER ENGAGEMENT			
G4-24	List of stakeholder groups engaged by the organization	Approach to Stakeholders, page 21	No
G4-25	Basis for identification and selection of stakeholders with whom to engage	Approach to Stakeholders, page 21	No
G4-26	Approach to stakeholder engagement	Approach to Stakeholders, page 21	No
G4-27	Key topics and concerns that have been raised through stakeholder engagement	Approach to Stakeholders, page 21	No
REPORT PROFILE			
G4-28	Reporting period	1 January 2014 - 31 December 2014	
G4-29	Date of most recent previous report	This is Soda Sanayii A.Ş.'s first Sustainability Report	
G4-30	Reporting cycle	Annual	
G4-31	Contact point for questions regarding the report or its contents	Bediz Ezici Process Control and Analytical Services Manager bezici@sisecam.com +90 324 241 63 70	
G4-32	"In accordance" option, GRI content index, external assurance report	This report is prepared in accordance with GRI G4 reporting standards to "Core" level. The GRI content index can be found in pages 65-74. We haven't obtained external assurance for this year's report.	
G4-33	Organization's policy and current practice with regard to seeking external assurance for the report	We have not obtained external assurance for our first report. However, all our data is prepared accordingly and with the vision of obtaining external assurance in the future	
GOVERNANCE			
G4-34	Governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts.	Risk Management, page 18. More detailed information regarding corporate governance and risk management is available in the Şişecam Annual Report, page 74.	No
ETHICS AND INTEGRITY			
G4-56	Organization's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics	Ethics and Code of Conduct, page 17	No

SPECIFIC STANDARD DISCLOSURES

Standard Disclosure	Standard Disclosure Title	Section, page	Omissions	External Assurance (Yes / No)
CATEGORY: ECONOMIC				
ASPECT: ECONOMIC PERFORMANCE				
G4-DMA	Generic Disclosures on Management Approach	Soda Sanayii A.Ş.: an Introduction, page 8	-	No
G4-EC1	Direct economic value generated and distributed	Soda Sanayii A.Ş.: an Introduction, page 8	-	No
G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	Soda Sanayii A.Ş.: an Introduction, page 8	-	No
G4-EC4	Financial assistance received from government	Tax relief: TRY 6,158,817.61 R&D Incentives from Government: TRY 302,475.47 R&D direct support from Government: TRY 50,376 Exhibition incentives: TRY 837.99	-	No
ASPECT: MARKET PRESENCE				
G4-DMA	Generic Disclosures on Management Approach	Human Resources, page 53	-	No
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	100%. In Soda Sanayii A.Ş., senior management is defined as directors and all the positions above the directorate level. Local community and significant locations of operations have been defined as Turkey	-	No
ASPECT: PROCUREMENT PRACTICES				
G4-DMA	Generic Disclosures on Management Approach	Supply Chain, page 38	-	No
G4-EC9	Proportion of spending on local suppliers at significant locations of operation	In 2014, total procurement was TRY 450 million. Share of local suppliers was 64%.	-	No
CATEGORY: ENVIRONMENTAL				
ASPECT: MATERIALS				
G4-DMA	Generic Disclosures on Management Approach	Our Environmental Approach, page 28 Environmental and Energy Policy, page 29	-	No
G4-EN1	Materials used by weight or volume	Our Environmental Approach, page 28	-	No
ASPECT: ENERGY				
G4-DMA	Generic Disclosures on Management Approach	Environmental and Energy Policy, page 30	-	No
G4-EN3	Energy consumption within the organization	Energy Performance, page 32	-	No
G4-EN5	Energy intensity	Energy Performance, page 32	-	No
G4-EN6	Reduction of energy consumption	Energy Performance, page 32	-	No
ASPECT: WATER				
G4-DMA	Generic Disclosures on Management Approach	Water Management, page 37	-	No
G4-EN8	Total water withdrawal by source	Water Management, page 37	-	No

ASPECT: BIODIVERSITY

G4-DMA	Generic Disclosures on Management Approach	Corporate Social Responsibility, page 62	-	No
G4-EN13	Habitats protected or restored	Corporate Social Responsibility, page 62	-	No

ASPECT: EMISSIONS

G4-DMA	Generic Disclosures on Management Approach	Greenhouse Gas (GHG) and Other Emissions, page 34	-	No
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	Greenhouse Gas (GHG) and Other Emissions, page 34	-	No
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	Greenhouse Gas (GHG) and Other Emissions, page 34	-	No
G4-EN21	NO _x , SO _x , and other significant air emissions	Greenhouse Gas (GHG) and Other Emissions, page 34	-	No

ASPECT: EFFLUENTS AND WASTE

G4-DMA	Generic Disclosures on Management Approach	Waste Management, page 36	-	No
G4-EN23	Total weight of waste by type and disposal method	Waste Management, page 36	-	No

ASPECT: PRODUCTS AND SERVICES

G4-DMA	Generic Disclosures on Management Approach	Innovation, page 42	-	No
G4-EN27	Extent of impact mitigation of environmental impacts of products and services	Innovation, page 42	-	No
G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category	Waste Management, page 36	-	No

ASPECT: COMPLIANCE

G4-DMA	Generic Disclosures on Management Approach	Environmental Compliance, page 31	-	No
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	No significant fines in 2014.	-	No

ASPECT: OVERALL

G4-DMA	Generic Disclosures on Management Approach	Environmental Compliance, page 31	-	No
G4-EN31	Total environmental protection expenditures and investments by type	Environmental Compliance, page 31; Waste Management, page 36	-	No

CATEGORY: SOCIAL**SUB-CATEGORY: LABOUR PRACTICES AND DECENT WORK****ASPECT: EMPLOYMENT**

G4-DMA	Generic Disclosures on Management Approach	Human Resources, page 53	-	No
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	Human Resources, page 53	-	No
G4-LA3	Return to work and retention rates after parental leave, by gender	No employees left for parental leave in 2014	-	No

ASPECT: OCCUPATIONAL HEALTH AND SAFETY				
G4-DMA	Generic Disclosures on Management Approach	Occupational Health and Safety, page 45	-	No
G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	Occupational Health and Safety, page 45	-	No
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	Occupational Health and Safety, page 45	-	No
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	All sectors in which Soda Sanayii A.Ş. operates are high risk sectors.	-	No
G4-LA8	Health and safety topics covered in formal agreements with trade unions	Strong Industrial Relations, page 51	-	No
ASPECT: TRAINING AND EDUCATION				
G4-DMA	Generic Disclosures on Management Approach	Learning & Development Programs, page 55	-	No
G4-LA9	Average hours of training per year per employee by gender, and by employee category	Learning & Development Programs, page 55	-	No
ASPECT: DIVERSITY AND EQUAL OPPORTUNITY				
G4-DMA	Generic Disclosures on Management Approach	Human Resources, page 53	-	No
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	Human Resources, page 53	-	No
SUB-CATEGORY: SOCIETY				
ASPECT: LOCAL COMMUNITIES				
G4-DMA	Generic Disclosures on Management Approach	Corporate Social Responsibility, page 62	-	No
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	Corporate Social Responsibility, page 62	-	No
G4-SO2	Operations with significant actual and potential negative impacts on local communities	Corporate Social Responsibility, page 62	-	No
ASPECT: COMPLIANCE				
G4-DMA	Generic Disclosures on Management Approach	Compliance with the Law and Regulations, page 17	-	No
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	No significant fines or sanctions in 2014.	-	No

SUB-CATEGORY: PRODUCT RESPONSIBILITY**ASPECT: PRODUCT AND SERVICE LABELING**

G4-DMA	Generic Disclosures on Management Approach	Product Responsibility, page 27	-	No
G4-PR3	Type of product and service information required by the organization's procedures for product and service information and labelling, and percentage of significant product and service categories subject to such information requirements	Product Responsibility, page 27	-	No
G4-PR5	Results of surveys measuring customer satisfaction	Product Responsibility, page 27	-	No
ASPECT: COMPLIANCE				
G4-DMA	Generic Disclosures on Management Approach	Product Responsibility, page 27	-	No
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	No significant fines	-	No

Appendix - List of all entities included in the Soda Sanayii A.Ş. consolidated financial statements or equivalent documents.

Subsidiaries	Nature of business	Registered Country
Şişecam Soda Lukavac D.O.O.	Soda manufacturing	Bosnia Herzegovina
Şişecam Bulgaria EOOD	Trading of soda products	Bulgaria
Cromital S.p.A	Chrome derivatives	Italy
Şişecam Chem Investment B.V.	Investing	Holland
Joint Ventures	Nature of business	Registered Country
Oxyvit Kimya Sanayii ve Tic. A.Ş.	Vitamin-K manufacturing	Turkey
Associate	Nature of business	Registered Country
Solvay Şişecam Holding AG	Investing	Austria

Reporting Consultancy
EY Turkey / ey.com/tr

Graphic Design & Layout
DENK / denkdesign.net



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Soda Sanayii A.Ş. provides no guarantee as to the results that can be obtained by using the information in the Sustainability Report, in particular with regard to its accuracy and completeness, or in respect of whether the quality of information meets your needs and wishes.

