

# POLİSAN HOLDİNG UNITED NATIONS GLOBAL COMPACT PROGRESS DECLARATION REPORT

(Reporting Period: 01.01.2021-31.12.2021)

Maximizing our contribution to society, the environment and our country's economy, and minimizing the inevitable impact of our business processes are some of the most important aspects of our business strategy. We aim to secure our long-term success with our sustainability approach. As Polisan Holding, we signed the United Nations Global Compact (UNGC) in 2018 as an important source of information for us. We take the principles of human rights, labour standards, environment and anti-corruption in the scope of the Convention as a guide in our own operations as well as in our supplier evaluation processes and we carry out our activities with the awareness of these 10 principles. We are happy to share our third UNGC Progress Declaration Report. We present our performance regarding the principles of the contract in the following pages by associating our [2021 Sustainability Report](#) and the publicly available documents on our corporate website.

[UN Global Compact CEO's Commitment Letter](#)



## Our Performance on Global Compact

Principles of the UN Global Compact	Section and Title of Performance Information in the 2021 GRI Sustainability Report	
	Human Rights and Labour	
	Section	Title
Principles 1,2,3,4,5,6 : Our State of Progress corresponding to the 6 principles of the Human Rights and Labor Standards	Message from the CEO, p.8	UN Global Compact Signatory
	Our Approach to Responsible Man., p.28	Ethics and Integrity, Compliance with the Ethical Principles and Abuse Risk Mananagement, Personal Data Protection Management, Protection of Personal Data
	Our Approach to Responsible Man., p.28	Our Values and Cultural Principles
	Our Approach to Responsible Man., p.28	Our Human Resources Policy
	Ethics and Integrity p.30	Polisan Holding Supplier and Business Ethics Code of Conduct
	Operational Excellence, p.41	Third-Party Audits
	Polisan Holding Sustainable Development Goals, p.149 – 150	SDG 1: No Poverty, SDG5: Gender Equality, SDG8: Decent Work and Economic Growth
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and	Human Resources, p.114 – 122	Equal Opportunity and Diversity, Performance Management, Training Management, Industrial Relations
	Health and Safety Management, p.124 – 131	Process Safety and Risk Assessment, HSE Risk Assessment, Employee Engaged OHS Management, Training and Communication, Occ. HS Training, Participation and Communication, Other Practices for Employee Health, Strengthening OHS Perf of Service Suppliers
	Toplumsal Fayda, p.136 - 137	Every Voice One Breath, Polisan Schools, Polisan Education, Culture and Sports Center

## Our Performance on Global Compact

Principles of the UN Global Compact	Section and Title of Performance Information in the 2021 GRI Sustainability Report	
	Human Rights and Labour	
	Section	Title
Principle 2: make sure that they are not complicit in human rights abuses.	Ethics and Integrity, p.28	Human Resources Policy
	Ethics and Integrity, p.30	Anti-Bribery and Anti-Corruption
	Ethics and Integrity p.31	Internal Control and Audit
	Step by Step Sustainability	Corporate Risk and Opoortunity Analysis
	Stakeholder Relations and Priority Topics, p.33	Our Stakeholders
	Supply Chain Management, p.43	Supplier Code of Conduct Signatories
	Industrial Relations, p.122	Collective Bargaining Agreements
	Social Benefit, p.136 - 137	Every Voice One Breath, Polisan Schools, Polisan Education, Culture and Sports Center
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	Sustainability Policy, p.160	Polisan Holding Sustainability Policy
	Our Strenght: Our Employees, p.117	Collective Bargaining Agreements
	Our Sustainability Performance, p.142 – 143	Social Performance Indicators

## Our Performance on Global Compact

Principles of the UN Global Compact	Section and Title of Performance Information in the 2021 GRI Sustainability Report	
	Human Rights and Labour	
	Section	Title
Principle 4: the elimination of all forms of forced and compulsory labour;	Sustainability Policy, p.160	Polisan Holding Sustainability Policy
Principle 5: the effective abolition of child labour; and	Our Priority Topics, p.34, 36, 37	Importance Matrix - Stakeholder and Polisan Management
	Supply Chain Management, p.43	Polisan Holding General Conditions of Purchase
Principle 6: the elimination of discrimination in respect of employment and occupation.	Supply Chain Management, p.43	Polisan Holding General Conditions of Purchase
	Human Resources, p.115	Equal Opportunity and Diversity

## Our Performannce on Global Compact

Principles of the UN Global Compact	Section and Title of Performance Information in the 2021 GRI Sustainability Report	
	Environment	
	Section	Title
Principle 7,8,9 : Our progress corresponding to the 3 principles of the Environmental Standards	For A Liveable Environment, p.90 – 112	Water Management, Wastewater Management, Waste Management at Polisan Holding, Our Waste Reduction Studies, Emission Reduction Targets, Energy Man., Our Efficiency Project, Environmental Noise Control
	Policies, p.160	Our Quality, Health, Safety and Environmental Policies
	Process Management, p.40	Yasal Mevzuata Uyum: Polimevzuat
Principle 7: Businesses should support a precautionary approach to environmental challenges;	Operational Excellence, p.41	Third-Party Audits
	Operational Excellence, p.49	Management of Chemicals
	Operational Excellence, p.60	Polisan Kansai Circular Economy
	Operational Excellence in the Supply Chain p.69	Gains in the Field of Customers with a Product Responsibility Approach
	Description and Boundaries of Material Issues, p.158	Our Commitment to Responsibility
	Sustainability Policy, p.160	Polisan Holding Sustainability Policy

## Our Performannce on Global Compact

Principles of the UN Global Compact	Section and Title of Performance Information in the 2021 GRI Sustainability Report	
	Environment	
	Section	Title
Principle 8: undertake initiatives to promote greater environmental responsibility;	Priority Topics, s.34	Respect for Biological Diversity
	Achievements, s.19	WWF-Turkey's "Life of Turkey" Program
	Step By Step Sustainability, s.23	Our Carbon Disclosure Project (CDP) Statements
	Step By Step Sustainability, s.17,18,19	Achievements
	Operational Excellence, s.40	Polisan Holding Integrated Management Systems
	Sustainability Policy, p.160	Polisan Holding Sustainability Policy
	Our Memberships, s.151	
	Operational Excellence, s.49	Material Selection Based on Environmental Effects

## Our Performannce on Global Compact

Principles of the UN Global Compact	Section and Title of Performance Information in the 2021 GRI Sustainability Report	
	Environment	
	Section	Title
Principle 9: encourage the development and diffusion of environmentally friendly technologies.	Priority Topics, s.34	Environment Friendly Product Design and Development
	Operational Excellence, s.41	Third-Party Audits
	Our Effective Supply Management, s.48	Responsible Use of Resources in Production
	Operational Excellence, s.49	Our Environmentally Friendly Practices
	Operational Excellence, s.49	Material Selection Based on Environmental Effects
	Operational Excellence, s.53	Effective Environmental Protection, Natural Resource Management, and Energy Efficiency in Our New Investments
	Operational Excellence, s.54	Our Distillation Unit Upgrade Project
	Polisan Kansai Boya'da AR-GE ve Inovasyon, s.59 (	Our Sustainable Product Approach, Alkyl Phenol Ethylene Oxide (APEO) Free/Eco Label, Bio-Based Raw Materials Usage, Low VOC Products



## Our Performannce on Global Compact

Principles of the UN Global Compact	Section and Title of Performance Information in the 2021 GRI Sustainability Report	
	Environment	
	Section	Title
Principle 9: encourage the development and diffusion of environmentally friendly technologies.	Operational Excellence, s.60	Products for Social Benefit
	Operational Excellence, s.75 - 76	Digitalization and Sustainable Production
	Operational Excellence, s.65	Mix Center, Eco-Friendly Innovation
	Customer Relations at Polisan Kimya, s.83	Sustainable Growth, New Resin Factory
	Health and Safety Management, s.124	Process Safety and Risk Assessment

## Our Performance on Global Compact

Principles of the UN Global Compact	Section and Title of Performance Information in the 2021 GRI Sustainability Report	
	Anti – Corruption	
	Section	Title
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Our Approach to Responsible Management, s.30	Anti-Bribery and Anti-Corruption
	Our Approach to Responsible Management, s.31	Internal Control and Audit
	Priority Topics, s.34	Business Ethics and Legal Compliance
	Operational Excellence, s.41	Third-Party Audits
	Supply Chain Management, s.43	Our Value-Oriented Sustainable Supply Chain Management
	Polisan Holding Anti-Bribery and Anti-Corruption Policy, p.157	<a href="#">Polisan Holding Sustainability Policy</a>
	<a href="#">Principles, p.160</a>	<a href="#">Polisan Holding Sustainability Policy</a>

GRI INDEX	PRINCIPLES
102-8 Information on employees and other workers	UNGC 3,4,5,6
102-14 Statement from senior decision-maker	UNGC 1, 2, 3, 4, 5, 6, 7, 8, 9, 10
102-16 Values, principles, standards, and norms of behavior	UNGC 10
102-17 Mechanisms For Advice and Concerns About Ethics	UNGC 10
102-41 Collective Bargaining Agreements	UNGC 1, 2, 3
102-20 Executive-Level Responsibility For Economic, Environmental, and Social Topics	UNGC 1, 2, 3, 4, 5, 6, 7, 8, 9, 10
205-2 Communication and training about anti-corruption policies and procedures	UNGC 10
302-1 Energy consumption within the organization	UNGC 7, 8, 9
302-3 Energy intensity	UNGC 8
303-1 Interactions with water as a shared resource	UNGC 7, 8, 9
303-2 Management Of Water Discharge-Related Impacts	UNGC 8
304-3 Habitats Protected or Restored	UNGC 8,9
305-1 Direct (Scope 1) GHG emissions	UNGC 7, 8
305-2 Energy indirect (Scope 2) GHG emissions	UNGC 7, 8
305-3 Diğer Dolaylı Sera Gazı (GHG) Emisyonları (Kapsam 3)	UNGC 7, 8
305-4 GHG emissions intensity	UNGC 8

GRI INDEX	PRINCIPLES
305-5 Reduction of GHG emissions	UNGC 7
306-1 Waste Generation and Significant Waste- Related Impacts	UNGC 8
306-3 Waste Generated	UNGC 8
306-4 Waste Diverted from Disposal	UNGC 8
307-1 Non-compliance with environmental laws and regulations	UNGC 8
308-1 New suppliers that were screened using environmental criteria	UNGC 9
308-2 Negative Environmental Impacts in the Supply Chain and Actions Taken	UNGC 9
401-1 New employee hires and employee turnover	UNGC 6
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	UNGC 6
401-3 Parental leave	UNGC 6
404-1 Average hours of training per year per employee	UNGC 6
406-1 Incidents of discrimination and corrective actions taken	UNGC 6
408-1 Operations and suppliers at significant risk for incidents of child labor	UNGC 2-5
412-2 Employee Training on Human Rights Policies or Procedures	UNGC 1,2
413-2 Operations with significant actual and potential negative impacts on local communities	UNGC 1



- Number of Employees: 1,306
- Polisan Kansal Boya: %45 Blue-collar, %55 White-collar
- Pollport Kimya: %78 Blue-collar, %22 White-collar
- Polisan Kimya: %69 Blue-collar, %31 White-collar
- Wage policy determined by targeting fair and high income standards
- Vocational Qualification Certificates for all employees in accordance with the principles regulated by the Vocational Qualifications Authority Law
- Free Professional Competency Certificates for 5,922 painters since 2018



- TSE COVID-19 Safe Production Certificate for Polisan Kansal Boya, Pollport Kimya, and Polisan Kimya companies
- 47 Health Bulletins shared with our employees on various health issues, mainly Covid
- Within the scope of Preventive Medicine Services; stress management, psychological support, healthy eating, smoking, sugar and technology addiction support.
- Effective Medical Waste Management
- Working with the zero work accident and environmental accident principle
- Lost workday frequencies in 2021:
- Polisan Kansal Boya: 0.36
- Pollport Kimya: 2.23
- Polisan Kimya: 1.03
- Workplace accident severity rates in 2021:
- Polisan Kansal Boya: 0
- Pollport Kimya: 0.05
- Polisan Kimya: 0.09
- TRY 72.6 Million Process Safety Investment in the Last 7 Years
- TRY 13.7 Million Fire Safety Investment in the Last 7 Years
- TRY 30.2 Million HSE Investment in the last 7 years
- TRY 11.42 Million HSE Operational Expenditure in 2021

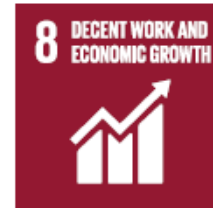


- Number of Female Employees: 136
- Polisan Kansal Boya: Female Employees 15%
- Pollport Kimya: Female Employees 3%
- Polisan Kimya: Female Employees 6%
- Number of Female Managers: 31
- Polisan Kansal Boya: Female Managers 26%
- Pollport Kimya: Female Managers 11%
- Polisan Kimya: Female Managers 11%
- Principle of equal opportunity regarding race, gender, marital status, age, colour, religion, ancestry, national origin, disability and other protected statuses
- "Every Voice One Breath" Project

## Annex: Associating the GRI Content Index with the UN Global Compact Principles



- Water consumption per product manufactured/handled in 2021:
- 12% reduction at Polisan Kansal Boya Gebkim facility
- 19% reduction at Polisan Kansal Boya Dilovasi facility
- 21% reduction at Polisan Kimya Dilovasi facility
- Wastewater amount per product manufactured/handled in 2021:
- 17% reduction at Polisan Kansal Boya Gebkim Facility
- 4% reduction at Polisan Kansal Boya Dilovasi facility
- Percentage of rain water to total potable water at Polisan Kansal Boya Gebkim facility is 23.5%



- Our Business Ethics and Code of Conduct For Suppliers
- Authorized Economic Operator Certificate by the Ministry of Customs and Trade for our Polisan Kansal Boya and Polisan Kimya companies
- Evaluation of our 2369 suppliers in 2021:
- Decision to maintain collaboration with 94%
- Giving 6% of suppliers a chance to improve their processes
- Polisan Kimya domestic supplier rate is 80%
- Polisan Holding UN Global Compact Signatory
- Polisan Holding Borsa Istanbul Sustainability Index (BIST) Performance



- USGBC LEED Gold Certificate for our Polisan Kansal Boya Gebkim Facility
- Turquality Support Program in which Polisan Kansal Boya was included by the Ministry of Economy
- Polisan Kansal Boya Ministry Approved R&D Center - Turkey's 159th R&D Center Title
- Polisan Kimya Ministry Approved R&D Center
- In 2021, TRY 14.4 Million R&D Expenditure at Polisan Kansal Boya
- In 2021, TRY 10.1 Million TL R&D Expenditure at Polisan Kimya
- Industry 4.0 compliance at GEBKIM
- Digital assets used in the management of our business processes, strategic and operational goals: SAP, QDMS, eBA, AION, Quick Sense



- Equal Opportunity and Compliance at Polisan
- Number of disabled employees in 2021:
- Polisan Holding: 2, Polisan Kansal Boya: 11, Polisan Kimya: 7, Pollport Kimya: 6



**THE GLOBAL GOALS**  
For Sustainable Development

## 12 RESPONSIBLE CONSUMPTION AND PRODUCTION



- USGBC LEED Gold Certificate for our Polisan Kansal Boya Gebkim Facility
- Sustainability Silver Award from Ecovadis to Poliport Kimya
- Sustainability Silver Award from Ecovadis to Polisan Kansal Boya
- Type III Environmental Label (EPD) for our 4 Products at Polisan Kansal Boya
- EO Standard Formaldehyde Resin Products at Polisan Kimya
- Compliance with ETA European Norms in Our Thermal Insulation Product Group
- Our ISO 9001, ISO 14001, ISO 10002, ISO 45001, and ISO 50001 Certificates
- Compliance with health, safety, and environmental rules during new product design and development
- Polisan Kansal Boya, at least 50% of our water-based paint product portfolio is paint products containing VOCs below the limits set by the European Commission (EC)
- Our E1 class and below low emission resin products
- Our Memberships: KSO, TKSD, IKMIB, KIPLAS, GTO, BOSAD, TURKLİM, FETSA, CDI-T

## 13 CLIMATE ACTION



- Carbon footprint (2021): 22,669 tCO<sub>2</sub>/year
- 53.6% reduction in our carbon footprint since 2012
- Polisan Holding CDP Carbon Platform Reporting since 2017
- Polisan Holding CDP Carbon Program Score: Governance Level (B-)
- Continuous Emission Measurement System (CEMS) at Polisan Kimya
- In 2021, 1,302,578 kWh/year Energy Savings

## 14 LIFE BELOW WATER



- Water footprint (2021): 290,956 m<sup>3</sup>/year
- Polisan Holding CDP Water Platform reporting since 2018
- Polisan Holding CDP Water Safety Program Score: Governance Level (B-)
- Turkish Marine Environment Protection Association (TURMEPA) Membership
- Continuous Wastewater Monitoring System (CWMS) at Polisan Kimya

## Annex: Associating the GRI Content Index with the UN Global Compact Principles

## 15 LIFE ON LAND



- In 2021, amount of non-hazardous waste per product manufactured/handled:
- 16% reduction at Polisan Kansal Boya
- 18% reduction at Poliport Kimya
- Zero Waste Certificate for our Polisan Kansal Boya, Poliport Kimya, and Polisan Kimya companies
- Planting 100,000 trees on 2,000 decares of land in Dilovasi by Polisan
- Contribution to the recycling of 1106 tons of packaging waste in 2021 and 2479 tons in the last three years
- Our Membership of the Environmental Protection and Packaging Waste Recovery Foundation (CEVKO)
- Health, safety, and environmental impact assessments in R&D's raw material and packaging purchases

## 16 PEACE, JUSTICE AND STRONG INSTITUTIONS



- Our Business Ethics and Code of Conduct For Suppliers published in 2019
- Polisan Holding Anti-Bribery and Anti-Corruption Program
- Polisan Holding Ethics and Reputation Society (TEİD) Membership
- Against Irregularities and security breaches: Internal Hotline 7575
- Legislation tracking system: Polimevzuat

## 17 PARTNERSHIPS FOR THE GOALS



- Foreign partnerships: Polisan Kimya and Dow Chemical - Polisan Kansal Boya and Kansal Paint
- University - Industry Collaborations



**THE GLOBAL GOALS**  
For Sustainable Development

# POLİSAN HOLDİNG UNITED NATIONS GLOBAL COMPACT PROGRESS DECLARATION REPORT

## Headquarters

Hilltown Ofis, Aydınevler Dist. Siteler  
Yolu St. 28 No:1/A Küçükyalı-Maltepe,  
İstanbul

P: +90 216 578 56 00

## Polisan Holding Dilovası Facility

Dilovası Organized industrial Area  
Liman St. No:7 Dilovası-Kocaeli,

P: +90 262 679 71 00

## For More Information, Comments and Suggestions About The Report:

Polisan Holding Management Systems  
and Sustainability Department

Dilek SARIASLAN  
d.sariaslan@polisan.com.tr  
P: +90 262 679 71 00