

## **2020 ENVIRONMENT, HEALTH AND SAFETY REPORT**

We are pleased to announce that as a result of the technologies we developed and the social benefit projects we implemented for a sustainable future, we are now a part of the Sustainability Index which includes those companies traded at Borsa Istanbul with a superior sustainability performance.

The COVID-19 pandemic we faced on an international and national level in early 2020 has resulted in a behavioral change in our quality of life and work conditions.

Our employees were regularly informed on this subject through remote meetings and e-mail announcements by our CEO.

As a part of these communications, we drew attention to the fact that the Sustainable Development Goals created in 17 items by the United Nations Development Program (UNDP) play a vital role for sustainable development and economic growth, and that environmentally-friendly sustainable companies are becoming more important for investors. We also shared information about the results obtained with corporate governance principles which look after economic, environmental and social factors.

Protection of ecological balance, which is one of the most important topics discussed today, is possible by using energy and raw materials more efficiently. Organizations have to know about national and international climate change policies, be prepared for such policies and manage greenhouse gas risks in order to remain competitive in the market in the upcoming future. Organizations which fail to determine and manage greenhouse gas risks may incur legal sanctions in the future and may be



obliged to pay greenhouse gas emission fees in order to do business, and this may lead to losing their opportunity for market competition. Implementing technologies that protect human health and environment during use has critical importance.

From this perspective, we created the 2019 Carbon Transparency Report and submitted it to the assessment committee.

Assessment results confirmed that our company ranked up by two levels and now classified at scale C. We set our goals by always keeping one thing in mind: the only way we can leave an environment of health and happiness to future generations is to successfully put those practices which we planned during our work into action.

In addition to raising awareness for environment, a great effort is made to protect the environment through laws, agreements and regulations.

Environment, Health and Safety policy of Netaş leads other social stakeholders to be involved in such activities by complying with legal practices and standards in all its activities.

Our company is now entitled to receive **ISO14001:2015** certificate upon completing the transition process from “**ISO 14001 Environmental Management System**” certificate, which was received after being ranked among the top 10 companies in the country in 1997.

Our company has also established a system to improve employee health and occupational safety in accordance with the **ISO45001 Standard** within the statutory period and after successfully completing the relevant Occupational Health and Safety audit, is now entitled to receive a certificate. Regular audits are performed within the framework of Environment, Health and Safety Program (EHS) to implement action plans.

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Netaş successfully completed the certification audits for both ISO14001 Environmental Management System and **ISO45001 Occupational Health and Safety** in 2020.

Within our ecosystem, we play a significant role in securing a livable world for future generations through activities and audits we initiate with our solution partners to develop environment, health and safety awareness.

As we mention in our EHS Policy, our contribution to raise awareness for environment, health and safety through creative solutions we bring to EHS issues is a course of action greatly valued by our company.

While activities are kept under control through internal and external audits, our solution partners undergo regular EHS audited once they receive initial training. Furthermore, they are required to fulfill their legal obligations and to establish their own EHS systems.

Activities performed in 2020 regarding [waste reduction](#), [resource protection](#), [minimizing energy consumption](#), [employee health and occupational safety management system and sustainability](#) as a part of the environmental management system which is being conducted within the scope of our company operations are summarized below.

## **HAZARDOUS WASTE REDUCTION**

Hazardous and toxic gases released into the air (gas emissions) and other hazardous waste materials (solid/liquids) are among the substances that pollute the environment.

Within this scope, waste oils, contaminated cloths and yarn waste, fluorescent lamps and medical waste are eliminated from the environment in a controlled manner by recycling and disposal companies; waste materials that require recycling (electrical and electronic equipment waste) are sent to licensed recycling companies, and exhaust gas emissions are kept under control through proper maintenance and measurements.

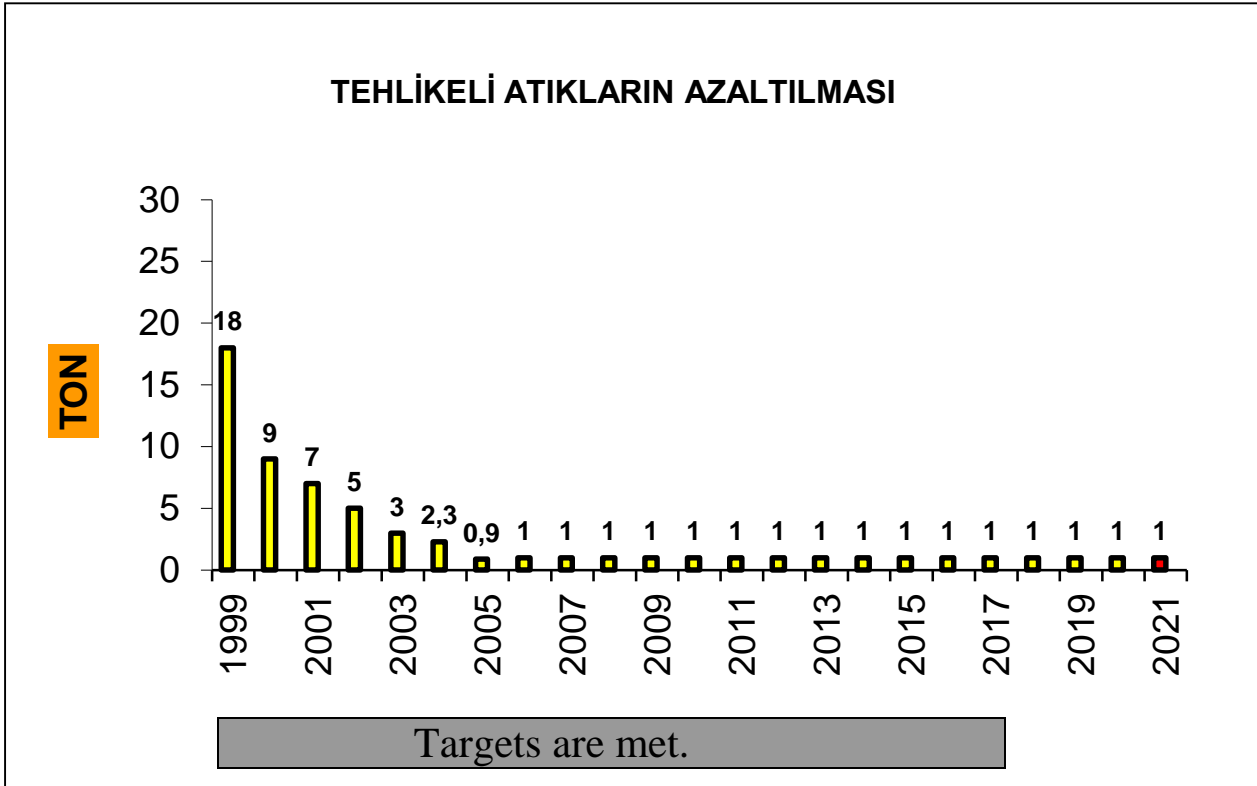
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2020 target of Netaş on this matter was set to keep the amount of pollutive waste below 1 ton.

Thanks to the actions taken in order to reduce the pollutive waste materials, **this target was achieved** in 2020. (Realistic data could not be obtained since operations were run remotely for 12 months approximately.)

In 2021, the target is to keep the total amount of hazardous pollutive waste materials at the same level. Performance regarding the reduction of hazardous waste is presented in the following diagram.



All hazardous waste materials which cannot be recycled are sent to İzaydaş, an affiliate of İzmit Metropolitan Municipality, to be disposed of without causing environmental harm. Anel Doğa also has operations in this field.



Medical waste from the company infirmary is sent to the disposal station for incineration within the scope of the agreement by using vehicles which belong to Istanbul Metropolitan Municipality. Our Medical Waste agreement is renewed each year.

“Waste Material Statements” are submitted to relevant official institutions on the dates specified in the regulation.

## **NON-HAZARDOUS WASTE REDUCTION**

Non-hazardous waste is recyclable waste such as packing materials, cardboards, plastic, wood, iron, aluminum and copper.

By collecting, sorting and storing non-hazardous waste according to type and selling these for re-utilization, our company allow waste materials to be converted into raw materials ready for production through technological revaluation, and eliminate the negative impacts that may occur on environment due to their disposal.

Within this scope, an agreement has been signed with ÇEVKO, an organization authorized by the Ministry of Environment and Urban Planning, for collection of packing waste.

As a part of our fulfillment in 2020 with Çevko, we prevented 37 trees from being cut and saved 8,200 kw/h of electricity, 30 m<sup>3</sup> of storage area and 52,990 m<sup>3</sup> of water.

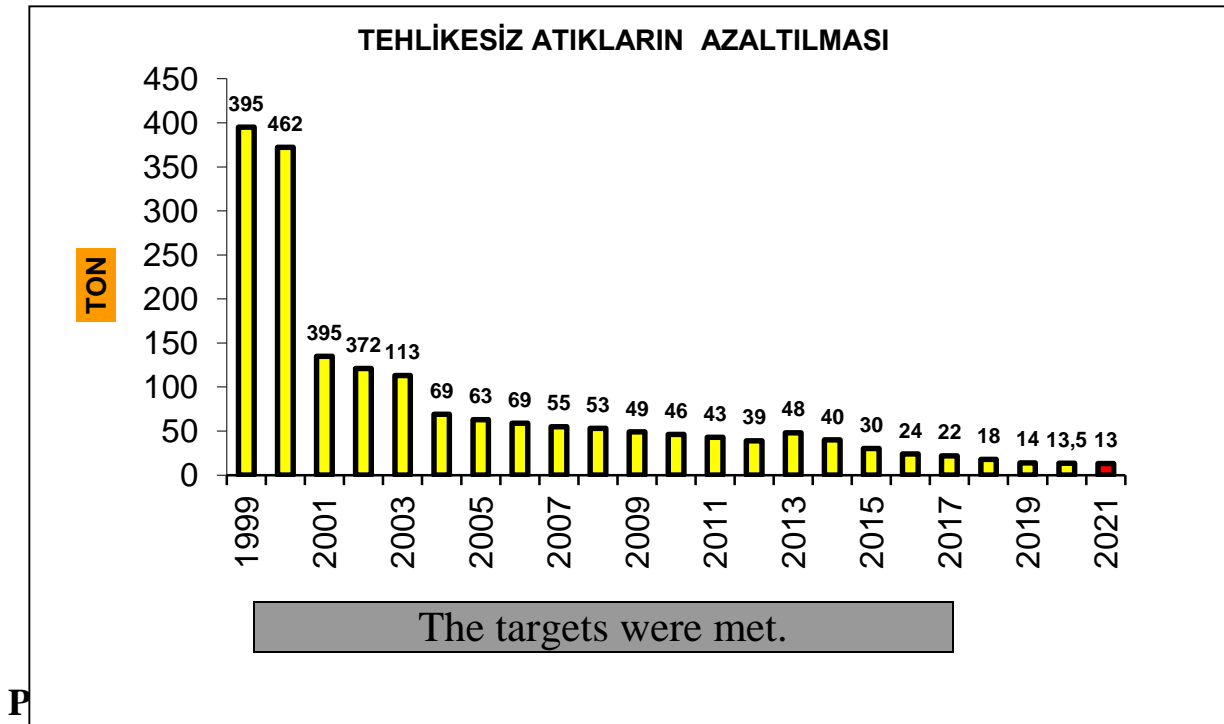
We started our initiatives under the Zero-Waste Regulation of 2019 legislation and provided/continue to provide awareness trainings to our employees. Within this framework, suitable collection containers were made available and awareness was raised.

The improvement in 2020 was better than the set target value (15 tons/year).

Taking the legal regulations related with non-hazardous waste into account, agreements have been signed with District Municipalities. The recyclable waste materials falling in this scope are collected by those municipalities.

In 2021, the target is to reduce the total amount of non-hazardous waste to 13 tons/year. (Realistic data could not be obtained since operations were run remotely for 12 months approximately.)

Performance regarding the reduction of non-hazardous waste is presented in the following diagram.



Within the scope of resource protection, Netaş has set targets for reducing paper use and ensuring efficiency in paper use.

Our company meticulously addresses this important issue, since misguided use of paper would lead to negative consequences in terms of environment and health. Our printing machines have been replaced and a card system has been implemented. Furthermore, the number of machines has been reduced at some points after taking machine speeds and machine service orientations into account.



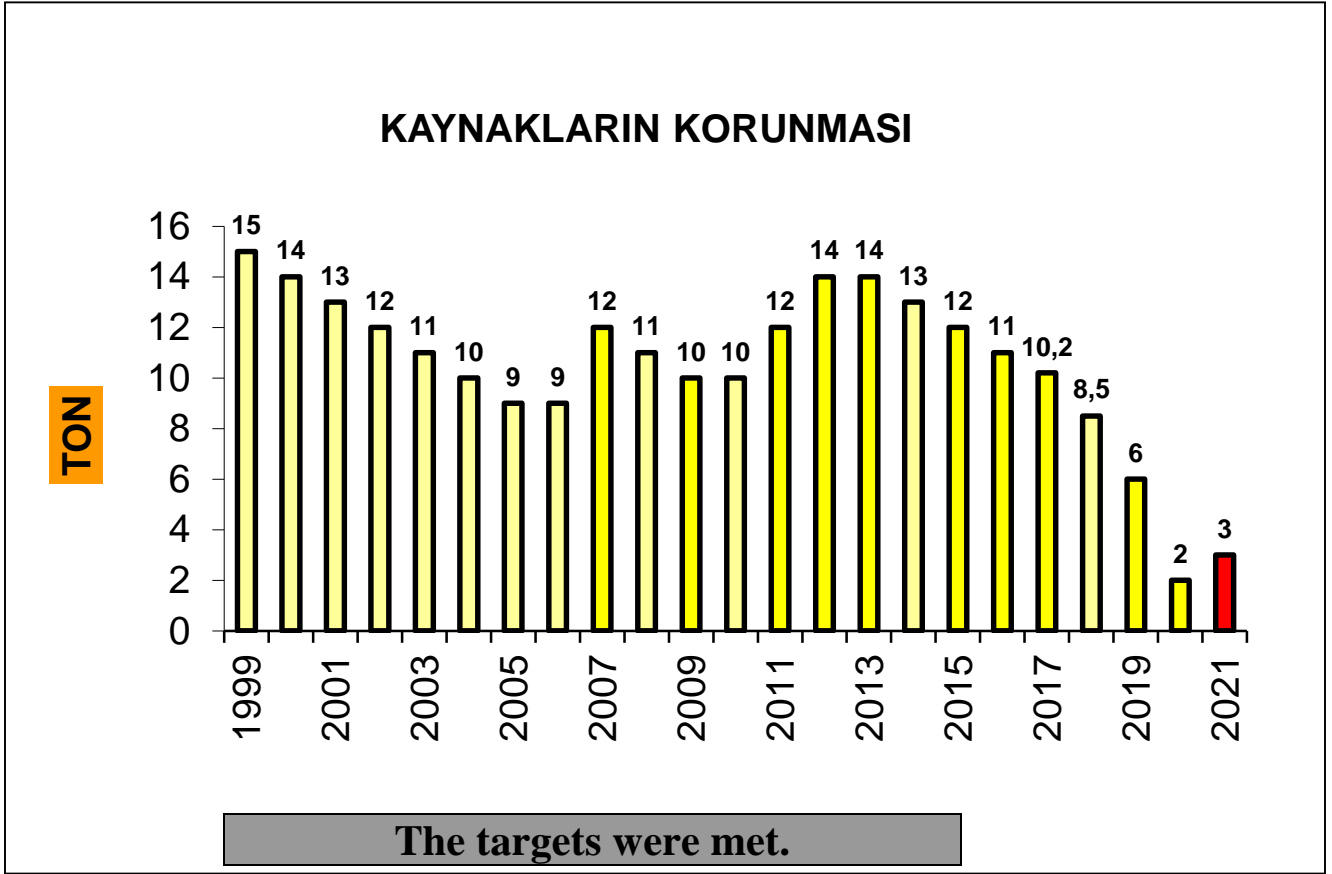
For 1 ton of recycled paper, 17 trees (approximately 2.3 square meters of forest), 31,787 liters of water and 4,100 kWh of electric energy can be saved.

536 trees have been saved so far through conscious collection of recyclable paper, cardboards and wood materials.

2020 target of Netaş was set to decrease the amount of paper purchased by 6% as compared to 2019.

In 2021, the target is to keep the total amount paper purchased below 3 tons. The increase in consumption associated with the increase of organizational demand at certain periods have been reduced after awareness initiatives. (Realistic data could not be obtained since operations were run remotely for 12 months approximately.)

Performance related to resource protection is presented in the following diagram.



## MINIMIZING ENERGY CONSUMPTION

Total energy consumption value is determined by converting the energy supplied using electricity, natural gas and diesel fuel into TOE (Tons of Oil Equivalent).

We received the grand prize in the category of Energy Efficient Industrial Facilities (EVET) among electrical equipment manufacturers at the “17th Project Contest for Energy Efficiency in Industry” (SENER-17) held in 2016.



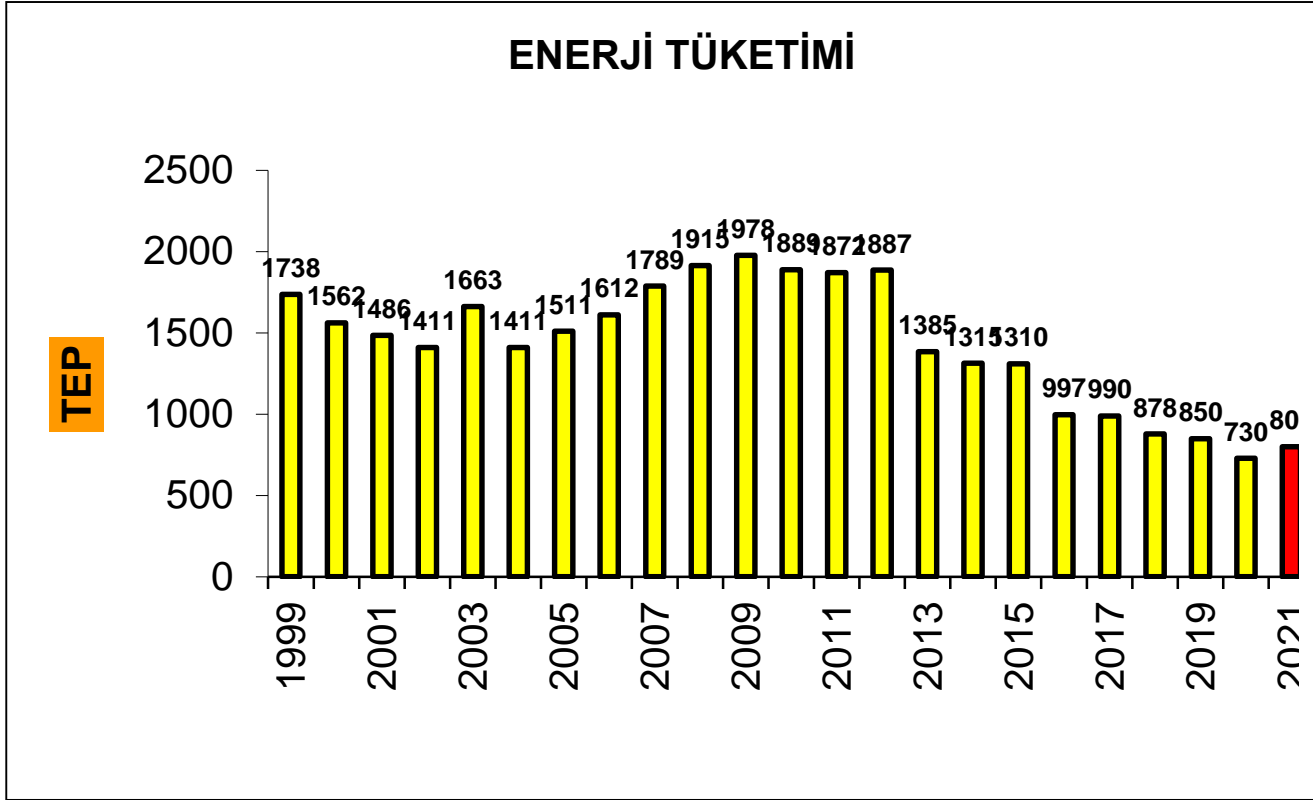


As a part of our transition process:

The award was won thanks to our reduced energy consumption as a result of the optimum arrangements made in consideration of our office layout, Laboratory spaces, Data Centers and storage areas, as well as the controlled monitoring of the heating, cooling, lighting and thermal comfort conditions by automated systems in these areas.

In 2020, consumption levels for electricity, gas and diesel fuel were recorded as 7.87 million kWh, 0.689 million kWh and 1 ton, respectively. The annual total energy consumption was calculated as 730 TOE. Realistic data could not be obtained since operations were run remotely for 12 months approximately. Comfort conditions were provided only in the areas where critical personnel work.

Although all improvements planned to achieve the targets are accomplished, the decrease in our energy consumption remained limited due to new employments and creation of associated office and laboratory areas.



The targets were met.

In 2021, the target energy consumption is 800 TOE.

## EMPLOYEE HEALTH AND OCCUPATIONAL SAFETY ACTIVITIES

No occupational accidents occurred in our company within the context of the rules defined by the Labor Law.

With that being said, 1 near-miss incident occurred.

Employee health and occupational safety activities are monitored by two basic metrics: [Lost Workday Case Frequency](#) and [Lost Workday Intensity](#).

$$\text{Lost Workday Intensity} = \frac{\text{number of lost workdays} \times 1,000,000}{\text{Total working hours (all personnel)}}$$
$$\text{Lost Workday Case Frequency} = \frac{\text{number of lost workday cases} \times 1,000,000}{\text{Total working hours (all personnel)}}$$

As a part of the examinations planned within EHS Management System, during periodic controls performed throughout Netaş, preventive and corrective actions which could affect employees in terms of health and safety were identified and added to the implementation plan and significant improvements were achieved.

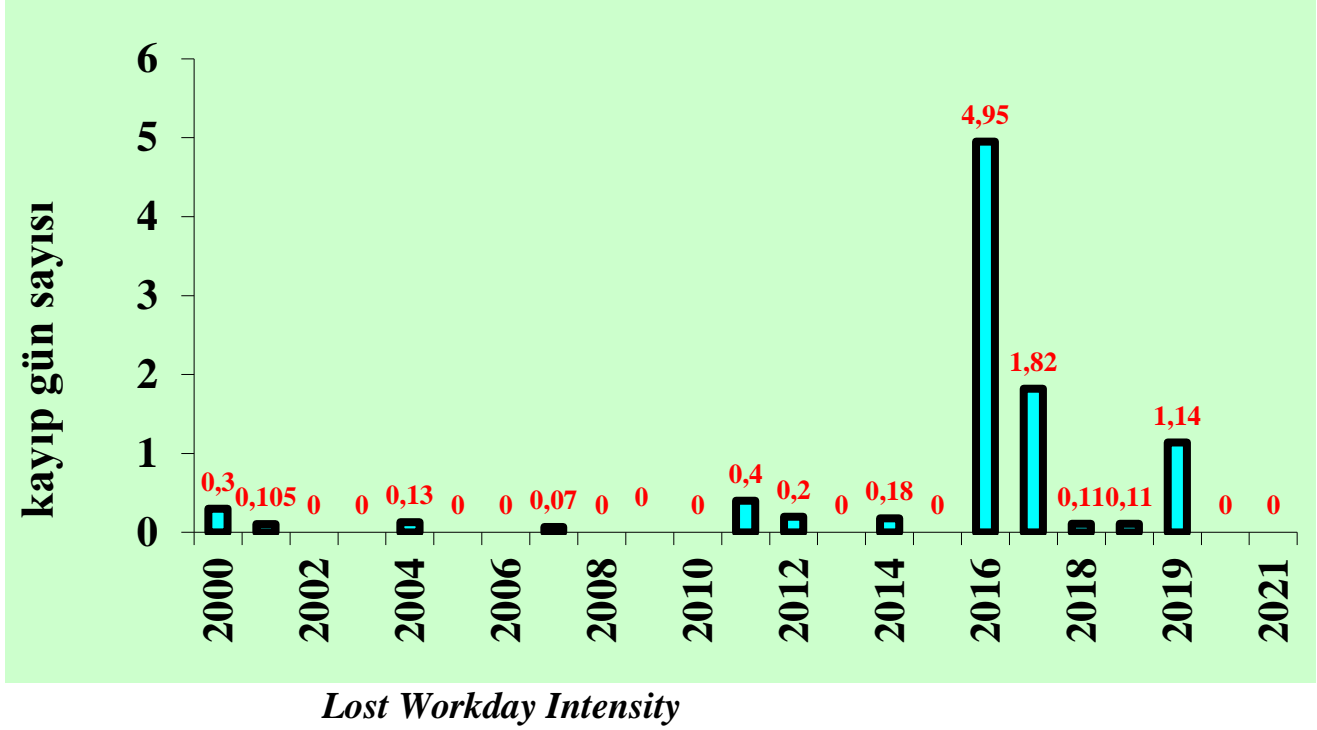
Also, results of the risk analysis performed before any facility-related physical change were evaluated and employee measures were taken at the risk points, and any issues deemed necessary were added to the environment, health and safety activities.

Awareness was raised by providing employees with ergonomics training against soft tissue injuries which affect the musculoskeletal system.

### Lost Workday Intensity

With continuous improvements and measures taken in occupational safety, our goal is to keep this value at zero at all times.

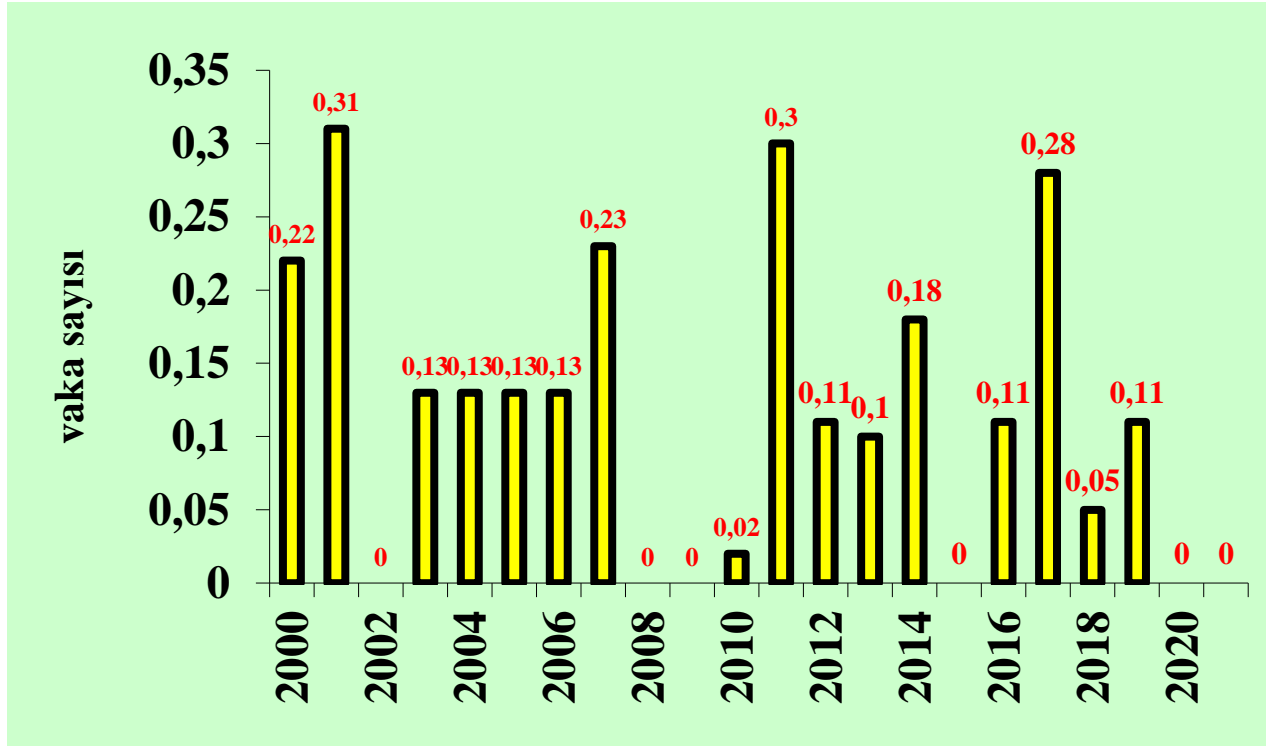
Performance regarding lost workday intensity is presented in the following diagram.



## Lost Workday Case Frequency

No accidents occurred in 2020. Our goal is to keep this value at zero at all times.

Performance regarding lost workday case frequency is presented in the following diagram.



## OTHER ENVIRONMENT, HEALTH AND OCCUPATIONAL SAFETY ACTIVITIES

- Involving both Netaş employees and suppliers, a total of **4360 individuals** received **certified awareness training sessions worth 6689 person/hours** regarding our company's Environment, Health and Safety activities, ISO 14001 Environmental Management System, ISO45001 Occupational Health and Safety Management System, tasks that require permit, emergency readiness and Environment Legislation, BCP (Business Continuity Planning) and Occupational Health and Safety Awareness training. External education organizations were also utilized in the training.
- In 2020, we launched a mentor and mentee program with the Turkish Educational Foundation (TEV) to support women's employment, particularly in the technology industry, which is a high value-added field.

- Through this program, we support female students in everything they need to take strong steps in their careers.
- We also have a donation fund at TEV, to be used only for female students: Technology Scholarship Fund for the Exuberant. On special occasions, such as the women's day, we both make corporate donations and share the relevant information in our celebrations e-mails so that our employees can also make contributions.
- Similarly, we keep our cooperation up-to-date with the Wtech Women in Technology Association.
- We also occupy a space in "Women in Sales" platform powered by the Sales Network, as a member.
- In 2020, we collaborated with e-cording, one of the outstanding enterprises in the start-up ecosystem, to support rural development and sustainability of nature with the power of technology. As part of the collaboration, 40,000 sage seed capsules were planted in Netaş Şifa Ormanı (Netaş Healing Forest) by using drones. The project turned into a source of income for women living in Gaziköy, who wrapped 40,000 seed capsules. With this project, which combined women's labor and smart technology, Netaş aimed to support biodiversity while contributing to the transformation of forest villagers into exporters.
- An internal compliance process was created during the COVID-19 Pandemic in accordance with the Ministry of Health Work Guidelines with the support of international recommendations. Necessary measures were taken and the system was continuously improved using the input from our employees, visitors, technical interviews and meetings. Necessary measures were taken for both the remote working system and the return to office process. These measures were promoted to our employees via publications and our company video. Positioned as a priority topic at CEO and executive board meetings, situation assessments were regularly communicated with the employees. A low-intensity work model has been/is being implemented in the

return to office process, which has been jointly agreed on by our employees and their respective managers.

- In an effort to protect the health and psychology of our employees during this period:
  - An ongoing dietitian service has been initiated.
  - As a part of the mid-day conversations, the following seminars were hosted:
    - A psychologist-supported seminar focusing on problems faced by parents who work remotely
    - A seminar focusing on how to develop sustainable habits and cope with change
    - A seminar focusing on weight control and healthy diet
    - A seminar focusing on first aid
  - And various seminars on different topics, such as mindfulness.
  - Online pilates and meditation courses were held on a regular basis during this period.
- Within the framework of the Regulation on Packaging Waste Control, packaging statements were made for 2020. In addition to that, we are on track with fulfilling our obligations **under our agreement with ÇEVKO**, an organization authorized by the Ministry of Environment and Urban Planning.
- **Waste statements** were submitted to the Ministry of Environment and Urban Planning within the framework of the Waste Management Regulation.
- We started using **Integrated Environment Information System portal**, built by the Ministry of Environment and Urban Planning for statements and permits required in the new era as per the Environment Legislation.

- **As a part of the Environmental Legislation, the terms of the GEKAP Regulation are being implemented by our company on a sustainable basis.**
- **Netaş Business Continuity Planning** activities were outlined and necessary updated were made. Thanks to Business Continuity Plans (BCP), when the projected risks occur, the critical processes will incur minimum damage and it will be possible to resume operation with minimum loss in terms of time and costs. In this context, ISO22301 Certification process was initiated.

**Netaş, Netaş Bilişim and BDH were entitled to receive ISO22301 Certification.**

**These companies have proved to be successful in providing superior service to all customers and partners using a remote working model for approximately over a year.**

In an effort to adopt the same system, necessary support is also being provided to other internal and external companies.

- As a part of the emergency readiness program, **Emergency Evacuation Drills** were partially performed at 3 locations due to COVID-19 pandemic, and the actual drill was postponed.
- A **Medical Waste Agreement** has been signed with Istanbul Metropolitan Municipality.
- Regarding our recycling and recovery obligations under the Waste Electrical and Electronic Items Regulation, an agreement has been signed with **TÜBİSAD** and the legislation terms are being fulfilled.
- Our company tracks all of its activities which may contribute to global warming as well as those activities related to the control and monitoring of greenhouse gases that cause global warming. For this purpose, we participated in the ‘**Carbon Transparency Project**’ on a voluntary basis and after the assessment, we ranked up by 2 levels





from scale D to C. We will issue regular statements within this framework.

- As a part of the **campaigns targeting used newspapers, magazines and batteries** started in 1996, we managed to collect and recycle approximately 55 tons of paper and 600 kg of batteries to date.
- As a part of the **Regulations on the Control of Waste Batteries and Accumulators**, we made agreements with **AKÜDER** and **TAP (Portable Battery Manufacturers and Importers Association)** regarding collection and recycling of waste accumulators as well as collection of batteries, respectively; and also received a validity number for “Environment Compliance Certificate” using the Taresk program following the approval of Ministry of Environment and Urban Planning.
- **In addition to our contributions for the smoke-free economy of Information and Communication Technologies industry, in order to support biodiversity and to preserve and promote diversity by raising awareness**, we are aiming to protect and diversify healthy plants and contribute to honey production by promoting bee culture in the region with “**Netaş Şifa Ormanı**” (Netaş Healing Forest) project, which will involve a total of 10-hectare area in Uçmakdere Village in Tekirdağ, Şarköy. We are expecting that the locals will make an income from medicinal aromatic plants and wild fruits that will be cultivated and embrace the project, which will ensure project sustainability.

To build “Netaş Şifa Ormanı”, we planted 16,000 saplings in total consisting of various fruit trees from chestnut to walnut, from almond to cherry, and medicinal aromatic plants from rosemary to lavender, from



sage to thyme. Thus, we pioneered a model we believe that will contribute to the environmental ecosystem of our country. The project progress is being closely monitored.

- **Prof. Naci Görür held an online seminar focusing on earthquake readiness for our employees and our information sheet, which was prepared using an animation titled “Professor Measure”, was shared with the employees as a part of earthquake readiness.**
- **ISO14001:2015 Environmental Management System and ISO 45001 Occupational Health and Safety Management System 2nd interim audits were successfully accomplished and validity of our certificates has been ensured.**

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