

# PilenPak Sustainability Report

2024



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# Corporate Profile



# About Our Report

PilenPak Packaging Industry and Trade Inc. is a packaging manufacturer that places sustainability at the center of its business conduct and carries out effective work in the areas of environmental, social, and governance (ESG) with its ethical, innovative, and solution-oriented approach. In 2023, our company signed the United Nations Global Compact (UN Global Compact), officially declaring its commitment to ten fundamental principles in the areas of human rights, labor standards, the environment, the fight against corruption and has begun integrating these principles into all business processes. PilenPak has published its United Nations Global Compact (UNGC) Progress Communication Report for 2024. This report transparently demonstrates our company's progress in fulfilling its commitments in the areas of human rights, labor standards, the environment, and the fight against corruption.

Through the second edition of our 2024 Sustainability Report, we are proud to share with our stakeholders our company's ongoing efforts and progress in social, environmental, and economic responsibility. With our commitment to the future, we further advance our sustainability approach every year and continue to create value across a broad spectrum of impacts, from resource efficiency to social contribution.

This report, prepared to transparently share our sustainability commitments and monitor our performance in line with international standards, covers the period from January 1, 2024, to December 31, 2024.

PilenPak Packaging prioritizes not only economic success but also social and environmental benefit in its operations. Contributing to the development of our country, improving the well-being of our society, and creating long-term value for all our stakeholders are among our fundamental goals. To this regard, we act in accordance with the United Nations Sustainable Development Goals (SDGs); we observe the principles of circular economy, resource efficiency, waste management, and social responsibility at every stage of our operations.

As one of the pioneers of R&D and technology-focused transformation in the packaging industry, we integrate digitalization into our production processes. We maintain our place on Turkey's R&D center list. In line with our mission to deliver solutions that go beyond customer expectations while maintaining a balance between quality and cost, we continuously improve our products and services, invest in reducing our environmental impact, support the development of our employees, and maintain open, transparent, and responsible communication with all our stakeholders.

We are pleased to share with our valued stakeholders the concrete steps PilenPak Packaging has taken on its sustainability journey, its achievements, and its future goals through this report. With this understanding of transparency and accountability, we will continue to fulfill our responsibilities to the environment, society, our employees and our customers.

We believe that every piece of feedback from our stakeholders is a valuable resource that drives our sustainability journey. Every suggestion you make will guide us in taking more inclusive, more innovative, and stronger steps..

You can share your feedback with us at [sustainability@pilenpak.com](mailto:sustainability@pilenpak.com)

We will continue our value-generating work with the same conviction, in line with our goal of leaving a livable world for future generations.

# General Manager's Statement



**Dear Stakeholders,**

Sustainability is no longer merely an environmental responsibility; it is also a strategic approach that determines our corporate competitiveness, long-term success, and the value we provide to society.

As Pilenpak Packaging, we place this understanding at the heart of our business model and are reshaping all our processes, from production to governance, with sustainability principles.

Following our first Sustainability Report published in 2023, we are once again our commitment to transparency, accountability, and continuous improvement with our second report, which we are sharing with you this year. We present our reporting with measurable and comparable data regarding our environmental, social, and economic impacts.

As of 2023, within the scope of the United Nations Global Compact, of which we are a signatory, we have integrated ten fundamental principles on human rights, labor standards, the environment, and the fight against corruption into

all our operations. This commitment is not only an ethical stance but also an indispensable strategy for risk management, business continuity, and brand reputation.

In line with our corporate sustainability vision, our priority goals include::

- Increasing resource efficiency in our production processes,
- Providing packaging solutions that comply with circular economy principles,
- Reducing our energy consumption and reducing our carbon footprint,
- Simplifying our processes through digital transformation investments.

We see digitalization as a key lever in our journey to achieving these goals. Thanks to ERP systems and our data-driven management approach, we are creating a more effective and sustainable structure in every area, from production to quality, from the supply chain to human resources.

While prioritizing financial stability, we approach economic sustainability with a holistic approach through innovation, technology-based transformation, and strategic growth plans. By analyzing developments and global trends in the sector, we proactively plan steps to maintain our competitive advantage.

At PilenPak Packaging, we know that sustainability requires building not only the present but also the future with responsibility. Therefore, we continue to create value through social responsibility projects that increase social contribution, practices aimed at the development of our employees, and environmentally friendly production systems.

With the trust and support of our stakeholders, we continue to be a respected and trusted business partner both nationally and internationally. We are proud to be working alongside you every step we take to leave a livable world for future generations.

Sincerely,

**Celal Murat Özhun**  
**PilenPak Packaging, General Manager**

# History

Founded in Manisa in 1988, PilenPak Packaging entered the flexible packaging sector with a strong vision and continues to lead the industry as one of the leading manufacturers in the Aegean Region for over 35 years. Our company, which began its journey with rotogravure printing technology, has grown with the power of transformation with each new investment, embracing the principles of customer focus, quality, and innovation to create sustainable value.

Growing with a perspective that transforms technology, not simply captures it, PilenPak transitioned to an integrated production structure with CPP film production in 1996, a cylinder production facility in 2001, PE film production in 2005, and Flexo printing investments in 2013. In 2016, it invested in film/film and film/paper lamination and coating machines, increasing its product range and market depth, enabling it to offer solutions to diverse sectors.

Our company has enhanced its production capabilities with strategic steps such as the ink production investment and the bag machine investment in 2023, and has made innovation an integral part of its operational strength. Every investment is aimed at building not only the present but also the future.

As part of our sustainability strategy, which focuses on energy efficiency and environmental awareness, the Solvent Recovery Facility projects launched in 2020 were commissioned in the last quarter of 2021. The third Flexo printing machine investment, planned for the same year, was completed and put into production in 2022. With the transition to a solar energy system, photovoltaic panels became operational at our headquarters in April 2022.

Today, PilenPak is an integrated production center offering rotogravure and flexo printing technologies, performing all critical stages in-house, from pre-press processes to cylinder and PE film production. With sales offices in the Netherlands and the UK, it directly reaches the European market and offers customers fast and flexible solutions with its European warehouse infrastructure.

We grow by valuing people as much as we do through innovation. Thanks to the software we develop, integrated with our IT infrastructure, we can manage more than 60 product types simultaneously with 24/7 uninterrupted production, fully fulfilling our commitment to delivering "The Right Product, at the Right Time, to the Right Place."

Today, our total area is 56,901 m<sup>2</sup>, and our warehouse capacity is 11,000 m<sup>2</sup>. With our expert staff of 481, we develop packaging solutions for a wide range of products, from wet wipes and frozen foods to cosmetics and industrial products. Our product portfolio encompasses a wide range of products, including chocolate, biscuits, cakes, pasta, tea, pet food, detergent, soap, and medical packaging.

With over 35 years of experience, PilenPak doesn't just produce packaging; it shapes dreams, transforms expectations, and designs the future today. As an organization that upholds the principle of "people first" in every step we take, we continue to leave our mark in every area we touch, from our employees to our customers, from society to the environment.

## Since our founding, we have achieved:

- **International certifications such as ISO 9001, ISO 14001, ISO 45001, ISO 27001, ISO 50001, ISCC PLUS, ISO 14064-1, BRCGS PM, AIB, and SEDEX,**
- **Our domestic capital structure,**
- **Our sectoral knowledge and**
- **Our corporate values.**

**We are not just a manufacturer; we are also a stakeholder creating added value for our country, a family aware of our responsibility to society.**

# Important Dates In The Timeline

1988

PilenPak was established.

1989

Rotogravure lamination and slitting production began.

1993

Repro and cylinder production began. Exports began.

1995

Film production began (CPP). Market share increased in the domestic and export markets.

1999

Inka Packaging, a sister company of PilenPak that handles export sales and operations, was established.

2004

The PP2 factory was established. Export and domestic sales increased.

2005

3-layer Ldpe line was invested in.

2006

20% increase in sales to the European market was achieved.

2010

5-layer barrier Ldpe line was established. Sales to the European market increased by 20%.

2012

PP3 factory was established.

2015

Flexo printing machine investment was made. A sales office in the Netherlands was established. Sales to the European market increased by 20%.

2016

Extrusion, Lamination, and Coating machine investment was made.

2017

Plate production investment. New PP4 factory land investment. Exports reached 28 countries from the US to Kazakhstan.

2018

New sales office established in the UK.

2021

New 10-Color Flexo & Printing machine investment, Solvent Recovery Facility (SRU) investment

2022

Rooftop Solar Power Plant installation

2023

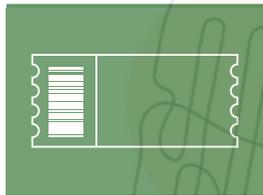
Two Doypack bag machines investment was made.

# Sectors And Products Served



## Food Packaging

- Snacks
- Wafers/Chocolate/Biscuits/Cakes/Cookies
- Legumes/Pasta
- Nuts
- Dried Vegetables
- Ice Cream
- Frozen Food
- Prepared Food
- Pet Food
- Meat/Poultry Products
- Seafood
- Powdered Beverages
- Powdered Products
- Milk/Yogurt Products
- Coffee
- Spices
- Chips
- Tea
- Ketchup/Mayonnaise/Sauce
- Margarine
- Chewing Gum



## Labels

- Bottle Labels
- Magazine Labels



## Health/Care/Cleaning

- Wet Wipes/Cosmetics/Skin Care
- Soap
- Cleaning Products/Detergent



## Other

- Industrial
- Seeds
- Tobacco

# Our Certificates



**ISO 9001: 2015:**  
Quality Management System



**ISO 14001: 2015:**  
Environmental Management System



**ISO 45001: 2018:**  
Occupational Health and Safety Management System



**ISO 14064-1:2018**  
Greenhouse Gas Reporting



**ISO 50001:2018**  
Energy Management System



**ISO 27001: 2022**  
Information Security Management Systems



**ISCC PLUS**

**Sedex** Member

**SEDEX**



**BRCGS PM:**  
Packaging Product Safety Management System



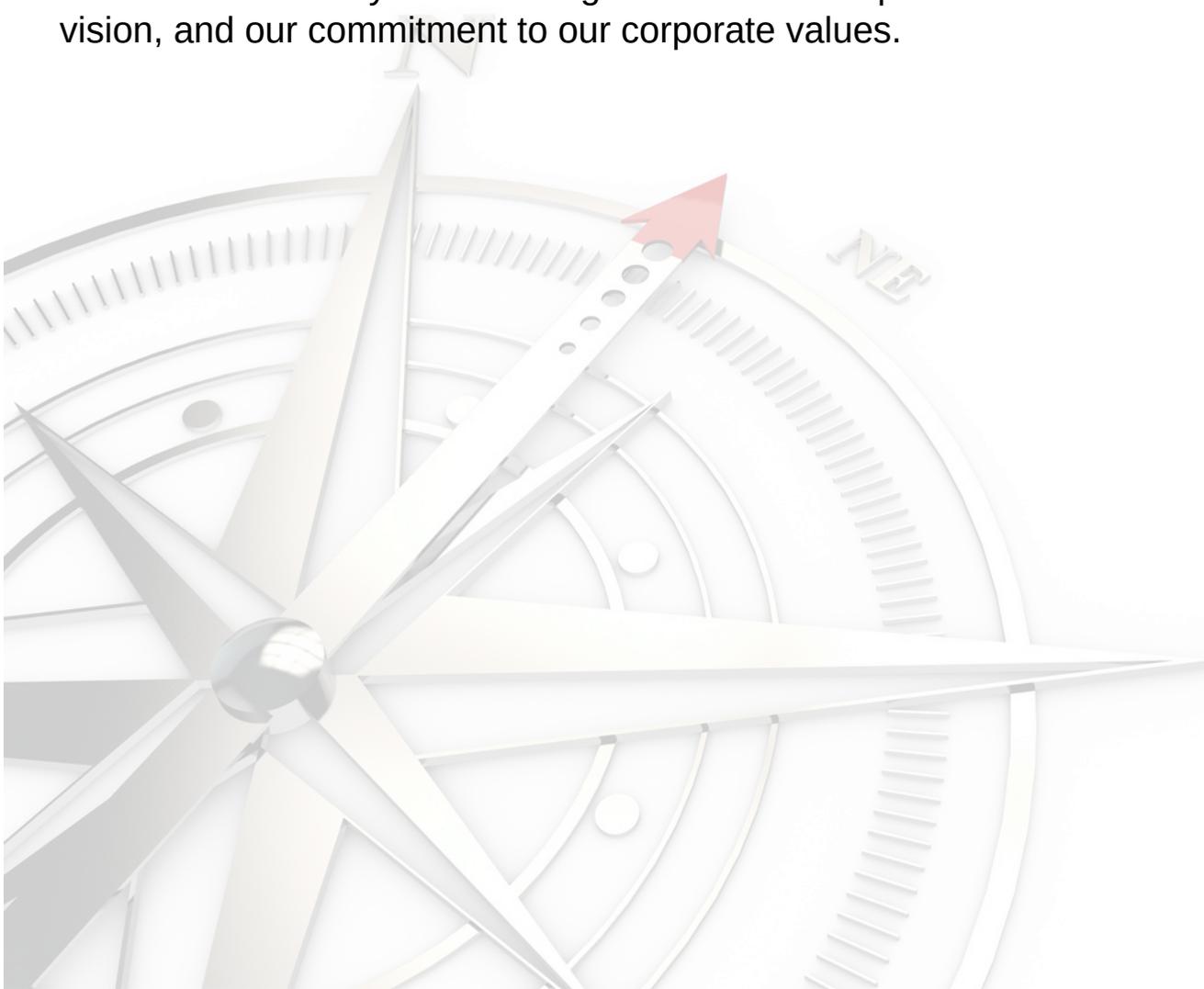
**AIB**  
Hygiene and Food Safety System

You can access our certificates [here](#).

You can access our quality policy [here](#).

# Vision - Mission

To move confidently toward our goals with our adopted mission and vision, and our commitment to our corporate values.



## Our Mission

To produce packaging materials at a quality and cost that exceeds customer expectations by continuously increasing the value we create for our stakeholders.



## Our Vision

To be a preferred multinational organization because we add value to global brands.

# Our Corporate Values

## Customer Focus

PilenPak managers and employees care about and are committed to their customers. Therefore, while meeting our customers' current needs and expectations, we also strive to understand their future needs.

## We Are Business Aware

PilenPak conducts self-assessments using market research, stakeholder analysis, and SWOT analyses, and we strive for continuous improvement through actions derived from risk and opportunity analyses.

## We Add Value

We add value to our employees and stakeholders. We aim to provide better social conditions for our employees by creating opportunities that contribute to their personal development in work environments where occupational safety and legal requirements are met. We aim to be a company in our sector where the expectations of our stakeholders are met at a high rate.

## We Are Result-Oriented and Responsible

PilenPak managers and employees utilize analytical knowledge and practical skills in their decisions, producing timely results by making effective decisions.

## Our Team

PilenPak managers and employees are part of a harmony that fosters a happy, mutually supportive work environment, embracing a shared purpose.

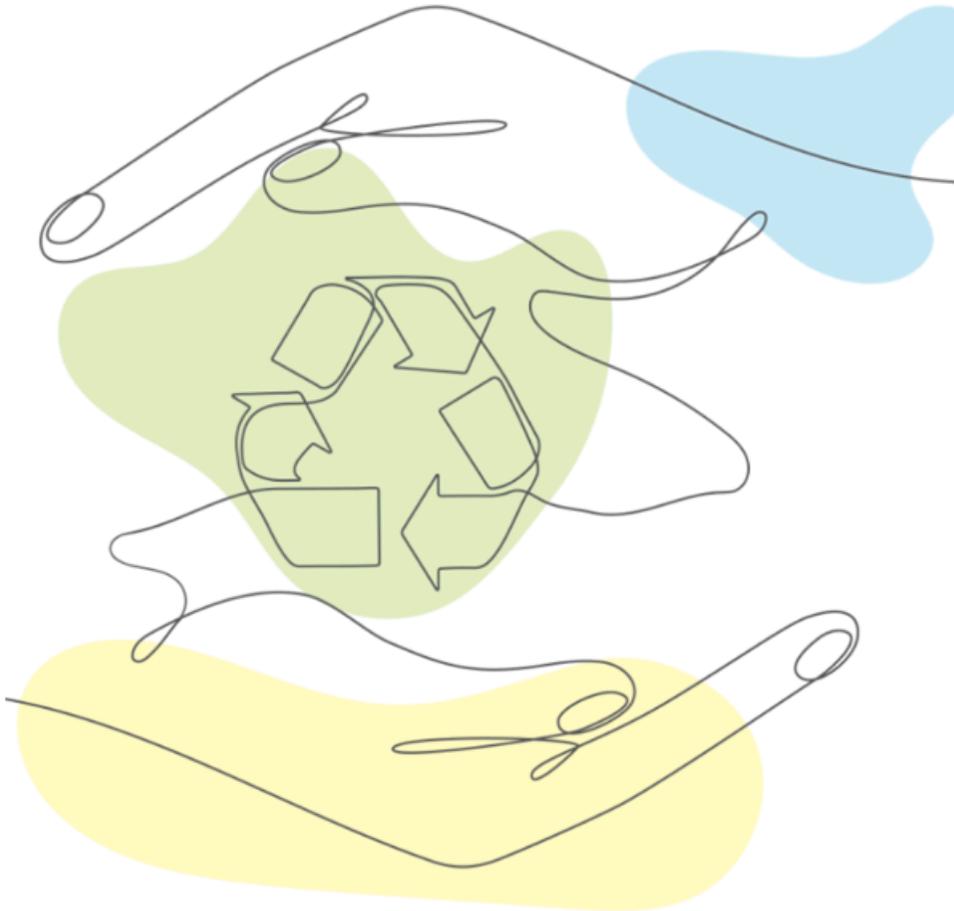
## We Work to Continuously Improve the Effectiveness of Management Systems

PilenPak prioritizes the safety of its employees, customers, and others who interact with its operations. Therefore, all employees act in accordance with this principle to be aware of the hazards arising from our activities and to minimize the risks associated with these hazards.

## Sustainability-Focused

We take responsibility for sustainability; in every field we operate, we strive to add value to our world and our stakeholders with a sustainable approach.

# 2024 Highlights



## Less Waste, More Value: Our Sustainable Packaging Approach

PilenPak offers environmentally friendly and high-performance alternatives to the industry through its Mono PP and Mono PE projects, which are driven by its vision of developing sustainable packaging solutions. As part of the Mono PP Project, an entirely PP-based extrusion lamination structure has been developed by reducing the amount of PE used in traditional structures, increasing its recyclability rate to 99%. Furthermore, material savings and production efficiency have been achieved through coating optimization.

The Mono PE Project has developed entirely PE-based mono packaging structures with high barrier properties. These structures are resistant to high temperatures and meet food safety and shelf life standards in terms of oxygen and moisture barriers. Both projects offer innovative and recyclable packaging solutions that reduce environmental impact in line with sustainability goals.

# 2024 Highlights



## R&D Investments

PilenPak continuously invests in R&D in line with its vision of developing innovative packaging solutions. As of 2023, it has strengthened its position in the sector by ranking among Turkey's top 500 companies investing in R&D. These investments contribute to the development of sustainable production technologies and the reduction of environmental impact.

## Renewable Energy Use

PilenPak continues its efforts to increase the use of renewable energy sources in line with its sustainable energy targets. With our 760,000 kW Solar Power Plant (SPP), we generated 1,407,222.45 kW of electricity in 2024. This production corresponds to 8% of our total electricity consumption (17,431,383.77 kW) in the same year.



# 2024 Highlights



## Digitalization and Technology-Focused Solutions

PilenPak implemented a series of technology-focused solutions in 2024 to increase operational efficiency, optimize resource management, and digitize processes:

- **Waste Recording System:** Daily waste data is centralized and managed more quickly and reliably in a digital environment.
- **Invoice Checking Robot:** Thanks to the AI-powered system, incoming invoices are automatically verified, ensuring speed and efficiency in business processes.
- **Online Order Tracking System:** Customer orders are tracked in real time, creating a transparent and rapid notification mechanism.
- **Operator Performance System:** Operator-based production data is regularly reported, accelerating efficiency analyses and process improvements.

As part of PilenPak's sustainable growth strategy, these digitalization steps contribute to its goals of increasing operational efficiency, optimizing resource utilization, and making data-driven decisions.

# 2024 Highlights



## Biodegradable Packaging Solutions

As part of its goal of developing sustainable packaging technologies, PilenPak is conducting R&D studies on the use of Polylactic Acid (PLA)-based materials produced from renewable resources in flexible packaging structures. Laboratory tests have been successfully completed, and industrial-scale applications are ongoing.

This project, a collaborative effort between university and industry, aims to reduce environmental impact and expand the use of biodegradable materials in the industry.

## Sustainability Compliance

Our strong commitment to environmental responsibility, human rights, ethical business practices, and sustainable packaging solutions has earned us a Silver Medal, placing us in the top 7% of the EcoVadis platform, which ranks companies worldwide.



# 2024 Highlights



## Supporting the Local Economy

Our company supports sustainable growth by prioritizing local sources in procurement. In 2024, 85% of our purchases were made domestically and 15% internationally. This approach reduces environmental and logistical risks while also contributing to the local economy.

## Digitalization in Education

PilenPak Academy is a platform that enables the digital management of internal and external training processes. Creating training requests, planning, collecting participation data, and preparing reports are all conducted through this system. This supports employee development and enables more effective management of learning processes.



# Sustainability Strategy



At PilenPak Packaging, we view sustainability not only as an environmental responsibility but also as the cornerstone of our long-term corporate success. Our sustainability strategy is built on a systematic, measurable structure that aligns with global development goals, is integrated with our corporate culture, and is systematically aligned with global development goals.

In line with the 10 fundamental principles of the United Nations Global Compact, of which we are a signatory, we adopt an ethical and responsible approach in all our areas of activity, particularly human rights, the environment, labor standards, and the fight against corruption. Our strategy focuses on key priorities such as sustainable material use, recyclable design, life cycle analysis, energy and water efficiency, environmental impact reduction, employee well-being, equitable employment, supply chain sustainability, and social contribution.

In this context: We are resolutely focused on:

- Reducing the environmental impact of our products and processes,
- Using energy and water resources more efficiently,
- Minimizing waste,
- Investing in the development and well-being of our employees,
- Increasing female employment,
- Creating projects that contribute to local development and social well-being,
- Strengthening environmental and social criteria in our supply chain.

We position innovation, digitalization, and R&D investments as levers of sustainability; we develop solutions integrated into the circular economy model through innovative technologies. By closely monitoring evolving industry dynamics, stakeholder expectations, and global trends, we constantly update our strategic direction and adopt a dynamic sustainability management approach.

This strategic approach, shaped by the **PilenPak Sustainability Policy**, forms the basis of our vision to secure not only the present but also the future. We evaluate each of our activities with their environmental, social, and governance (ESG) impacts and strictly adhere to the principle of transparency through our measurement, analysis, and reporting processes.

With our understanding that sustainability is not a department but a company culture; We are joining our employees, customers, suppliers, and all our stakeholders in this transformation journey.

***For a more livable world, a more resilient future, and a stronger institution, our sustainability strategy is not just a plan; it's a commitment.***

# Sustainability Policy

PilenPak, together with all its employees, business partners, and stakeholders in the flexible packaging sector, embraces a sustainable business approach that is compatible with global goals and believes that economic development should be achieved in a way that encompasses all of humanity and all elements of the planet.

In this context,

- To carry out all our activities in line with the United Nations Sustainable Development Goals,
- To comply with the 10 Principles of the United Nations Global Compact, of which we are a signatory,
- To allocate resources to research and development in the flexible packaging sector in which we operate,
- To facilitate the use and development of innovative technologies that will contribute to our sustainable development,
- To prioritize supporting stakeholder participation in our decision-making processes by taking into account the wishes and expectations of our stakeholders,
- To establish a sustainability perspective as a corporate culture and strive to raise awareness among both our employees and stakeholders in this area, and to encourage sustainable consumption,
- To undertake to communicate our sustainability efforts to all our stakeholders and the world through our partnerships and active initiatives on international platforms,
- To facilitate the implementation of all kinds of efforts to ensure sustainability in our supply chain,
- To take action to mitigate negative impacts by measuring and evaluating the economic, environmental, and social impacts of all our activities,
- To reduce the harmful effects of odor, noise, and light resulting from hazardous and non-hazardous air emissions, as well as those that pollute the local environment. Reducing emissions from other sources and undertaking prevention efforts.
- Regularly publishing our sustainability report, which complies with the standards of the UNGC United Nations Global Compact.
- Being transparent and compliant with fundamental business ethics and combating corruption.
- Paying utmost attention to ensuring and protecting equal opportunities and protecting public health.
- Developing practices that will improve occupational health and safety.
- Developing social projects and collaborating to contribute to the social and economic development of society and our local stakeholders in our areas of activity, as well as local employment.
- Creating conditions that will make the work environment more productive, aiming to increase the commitment and well-being of our employees.
- Preventing all forms of discrimination and providing our employees with comprehensive information on employment, career management, compensation, performance evaluation, etc. To ensure equal rights in all matters,
- To support the development of women's employment and strive to increase women's employment at all levels,
- To support the personal development of our employees,
- To measure and report our environmental impact in our field of activity and take improvement actions by setting sector-based targets,
- To facilitate the development and implementation of our environmentally friendly products and services,
- To continuously monitor and develop our energy efficiency efforts in all our activities, and to establish and improve the necessary infrastructure,
- To increase the use of renewable energy resources (RES) in our energy consumption,
- To develop and support projects that will raise awareness among all our stakeholders, starting with our employees, to ensure the efficient use of water in all our activities,
- To calculate, verify, and track emissions resulting from our activities to combat climate change.
- To improve the health and safety impacts of our products and/or services and aim for their sustainability for the health and safety of our customers.

# Sustainability Activities



At PilenPak Packaging, we view our sustainability approach not only as a principle but also as a strategic roadmap supported by measurable targets. In line with this approach, we embrace the corporate responsibility of expressing our sustainability efforts with concrete outputs and sharing these outputs with all our stakeholders within the framework of transparency and accountability.

At PilenPak, we consider sustainability management not a static but a dynamic process; we integrate our way of doing business with a system that continuously develops, measures, and improves. Our report not only documents the current situation but also provides a comprehensive sustainability framework that includes our progress, achievements, challenges, and future goals.

As we diversify our sustainability activities, we have created a multidimensional impact area extending from energy efficiency and waste management to social investments and inclusive employment. Thanks to this multifaceted approach, we manage our contribution to the environment, society, and the economy holistically, further advancing our corporate responsibility every year.

At PilenPak Packaging, we believe that building a sustainable future is possible not only with good intentions, but also with systematic measurement, strategic governance, and open communication. To this end, we continue to progress, learn, and transform; we view each new reporting period as an opportunity for improvement.



## EcoVadis ESG Rating

EcoVadis is a platform that evaluates the sustainability performance of more than 130,000 companies worldwide, based on environmental, social, and ethical responsibility criteria. Its assessment methodology is based on international standards such as the Global Reporting Initiative (GRI), the United Nations Global Compact, and ISO 26000. Our top ranking in our sector, as a result of EcoVadis's objective assessment, is a clear indication that our sustainability efforts are moving in the right direction.

Our strong commitment to environmental responsibility, human rights, ethical business practices, and sustainable packaging solutions earned us a Silver Medal, placing us in the top 7% of the EcoVadis platform, which ranks companies worldwide.

Our strong EcoVadis score demonstrates that our responsible business practices are being positively recognized within the framework of international criteria. This assessment demonstrates to our customers, suppliers, and all stakeholders that our sustainability approach is being evaluated from a reliable and transparent perspective. We aim to further advance our sustainability efforts in the coming period and reach the Gold Medal level.

## UN Global Compact Commitment

At PilenPak Packaging, we see contributing to sustainable development on a global scale as a strategic responsibility. With this understanding, by signing the United Nations Global Compact in 2023, we committed to complying with ten universal principles, including human rights, labor standards, environmental responsibility, and the fight against corruption.



**United Nations**  
Global Compact

We not only view these principles as a framework, but also integrate them into our company's business strategies, corporate culture, and all operational processes. The Global Compact constitutes a cornerstone of PilenPak's ethical, responsible, and sustainable business practices.

We not only declare our commitment to these principles; we also transparently share our progress with the public through our annual sustainability reports. In line with our principle of accountability, we engage all our stakeholders in this process.

At PilenPak, we act with the awareness that by embracing this global initiative, we assume responsibility not only for today's world but also for tomorrow's. In our journey to build a more equitable, inclusive and sustainable future, the UNGC principles will continue to guide us.

## SEDEX Membership



As PilenPak Packaging, we consider it an integral part of our corporate responsibility to promote ethical, transparent, and responsible business practices not only within our own field of activity but also throughout the supply chain. In this regard, we are emphasizing our compliance with globally accepted social responsibility standards with our membership in SEDEX (Supplier Ethical Data Exchange), one of the world's leading ethical trade platforms.

As a SEDEX member, we operate within a structured system to monitor, evaluate, and continuously improve our business practices based on ethical values. As part of our active SEDEX membership, we comply with the Supplier Guiding Principles and have completed the Self-Assessment Questionnaire (SAQ).

PilenPak considers the international audit and assessment processes offered by the SEDEX platform not only as a necessity but also as a strategic opportunity for corporate development.

## CEFLEX Membership

At PilenPak Packaging, we believe that a sustainable future can only be built through collaborative, systematic, and holistic approaches. With this vision, we are an active member of the CEFLEX (Circular Economy for Flexible Packaging) platform, a leading European initiative aimed at promoting circular economy principles in the flexible packaging sector.



Our CEFLEX membership not only contributes to the transformation of our industry but also allows us to take strategic steps to make flexible packaging more sustainable, recyclable, and resource-efficient throughout its lifecycle. By embracing design principles for a circular economy, we focus on developing solutions that reduce the environmental impact of our packaging and enable reuse and recycling.

We continue our CEFLEX collaboration to create solutions that shape the future, adding value not only today but also tomorrow.



## BRCGS (British Retail Consortium Global Standards) Certification

At PilenPak Packaging, full compliance with globally recognized standards in food safety, product quality, and legal compliance is a cornerstone of our corporate governance approach. Therefore, holding the BRCGS (British Retail Consortium Global Standards) certification, one of the most respected international certification systems, is a strong confirmation of our consistent performance in quality and safety.

At PilenPak Packaging, we prioritize compliance with international norms in food safety, product quality, and legal compliance at all stages of our production processes. Therefore, we place full compliance with globally recognized and highly respected standards among our core corporate priorities.

Within this framework, holding the BRCGS (British Retail Consortium Global Standards) certification, one of the most comprehensive globally recognized standards in food safety and quality management, is a concrete reflection of the importance PilenPak places on quality assurance systems and its corporate governance approach.

BRCGS certification is more than just a technical compliance certificate; It demonstrates our operational excellence in many areas, from traceability and hygiene management to risk-based control mechanisms and a culture of continuous improvement. In this context, we continue to strengthen our supply chain reliability and brand reputation on a global scale by backing our commitment to providing safe, high-quality, and sustainable packaging solutions that exceed customer expectations with international assurance.

## International Compliance in Food Safety with AIB Certification

At PilenPak Packaging, we embrace high hygiene standards and principles of reliability in the production of food-contact packaging. In this context, compliance with the globally recognized **AIB (American Institute of Baking)** standards for food and food packaging manufacturers is a fundamental indicator of our understanding of quality assurance in our production processes.

AIB is a universal hygiene and safety standard covering all food and food packaging manufacturers. This certification provides a multi-dimensional assessment system, from facility hygiene and production processes to pest control and personnel practices.

At PilenPak, successfully passing the AIB audits and earning this certification demonstrates our commitment to international food safety criteria and our adoption of a transparent, traceable, and continuous improvement-based system in our production operations.

## Our Waste Management Approach Under the Zero Waste Certificate



At PilenPak, we prioritize the development of products that prevent, reduce, reuse, remanufacture, and recycle waste by adopting a waste management hierarchy in line with the principles of the Zero Waste program. To integrate waste into recycling or energy recovery processes, we only collaborate with licensed and authorized facilities, and an integrated waste management system aligned with the circular economy is effectively implemented across all our company operations.

## ISCC Plus Certificate (International Sustainability and Carbon Certification)

PilenPak took its commitment to sustainability one step further, earning the ISCC PLUS certificate in 2024, which ensures the sustainable use of raw materials and the traceability of production processes. This certification represents a significant step forward in our company's commitment to a sustainable future and our goal of minimizing environmental impact. The ISCC Plus certificate not only contributes to improving our sustainability performance but also provides a reliable indicator to our customers and all stakeholders that we meticulously fulfill our environmental responsibilities.



## Corporate Carbon Footprint Calculations



PilenPak is voluntarily working to regularly measure, monitor, and reduce its corporate carbon footprint in accordance with the international environmental standard ISO 14064-GHG, starting from 2022. This approach supports our company in achieving its goals of effectively managing and reducing its environmental impact. This process demonstrates that our emission reduction strategies and environmental commitments are being implemented in accordance with internationally recognized standards.



## Flexible Packaging Industry Association of Turkiye (FASD) Membership

As a member of the Flexible Packaging Industry Association of Turkiye(FASD), PilenPak Packagingsupports the holistic development of the flexible packaging sector in Turkey and contributes to the creation of suitable environments to enhance our sector's competitiveness in the global market. Our General Manager, C. Murat Özhun, serves as Chairman of the FASD Board of Directors and makes significant contributions to the sustainable growth and advancement of the flexible packaging sector.

## Flexible Packaging Europe (FPE) Membership

As PilenPak, we are a member of Flexible Packaging Europe (FPE), which represents more than 85 flexible packaging manufacturers operating in the plastic, aluminum, and paper sectors. FPE operates to support the development of the flexible packaging sector and to defend its interests at the highest level across Europe. With this membership, PilenPak contributes to the representation of our sector on the international stage and closely follows developments in the European market.



## International Flexible Packaging Network Membership



The International Flexible Packaging Network is a platform where companies share their existing machinery and technical capabilities, supporting mutual development through information exchange. Members identify areas for improvement through network comparisons and develop innovative solutions through industry collaboration. As PilenPak, we actively contribute to improving operational efficiency and adhering to industry best practices by participating in this social work and knowledge-sharing platform.

# Sustainability Risk And Opportunity Analysis

Rapidly evolving global environmental and socio-economic dynamics, particularly climate change, are introducing new risks and accompanying strategic opportunities to the flexible packaging industry, as they do to all sectors. Aiming for sustainable growth and long-term value creation in this volatile environment, PilenPak Packaging addresses risks and opportunities shaped by environmental, social, and governance (ESG) principles with a comprehensive approach.

By integrating sustainability principles and objectives into its corporate governance structure, PilenPak has established an organizational structure that is resilient to risk and open to opportunities. The Risk Management Procedure implemented in this regard aims to strengthen our company's operational resilience, guide strategic decision-making processes, and ensure business continuity by minimizing the impact of unexpected events.

This risk analysis encompasses a wide range of identified risks, from economic fluctuations and climate-related environmental threats to supply chain disruptions and social stakeholder expectations. This structure: We operate with a systematic approach that ensures the identification, assessment, prioritization, and effective management of risk.

The aim of our Risk Management efforts is to strengthen employees' risk awareness and managerial responsibilities by providing a framework applicable across all PilenPak facilities. Through this work, we position risk management not only as a means of mitigating risks but also as a value-generating tool for achieving strategic goals.

By supporting a culture of continuous improvement and learning, this holistic system makes risk management not merely a control mechanism but an indispensable component of corporate resilience and sustainable success.

PilenPak Packaging views risk management not merely as a necessity, but as a cornerstone of corporate sustainability. In this context, our risk management processes are implemented in integration and compatibility with ISO 9001 (Quality), ISO 14001 (Environment), ISO 50001 (Energy), ISO 45001 (Occupational Health and Safety), and ISO 27001 (Information Security) management systems.

In our risk assessment efforts: Strategic priority areas such as financial results, reputational impacts, human resource security and continuity, environmental responsibilities, uninterrupted service provision, and legal compliance are carefully considered. Each identified risk is analyzed multidimensionally based on its impact level and probability of occurrence. These analyses are concretized and visualized with a 5x5 Risk Matrix and detailed risk maps. This raises awareness throughout the organization and strengthens the understanding of proactive risk management.

Identified risks are systematically addressed by classifying them as critical, high, medium, and low levels. Specifically designed control measures and action plans are implemented for each risk level. The effectiveness of existing controls is regularly evaluated, and new controls are implemented as needed. Decisions regarding high-level risks, in particular, are subject to strategic assessments at the management level and approved by our senior governance bodies.

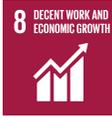
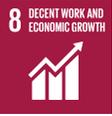
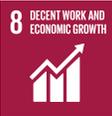
Thanks to this holistic approach, PilenPak not only prepares for risks but also develops an organizational reflex that anticipates, manages, and creates value for opportunities in a dynamic business environment. Risk Management serves as a strategic compass guiding our decision-making processes on the path to sustainability.

# Stakeholder Interaction - Priority Analysis

At PilenPak Packaging, we consider sustainability a strategic priority not only for reducing environmental impacts but also for increasing social benefits and strengthening corporate governance. From this perspective, risks and opportunities related to sustainability have been assessed holistically, and under the leadership of our Sustainability Committee, priority issues integrated into our corporate strategy have been defined.

These issues are structured under the three pillars of sustainability: environment, society, and governance; they are also grouped to directly align with the United Nations Sustainable Development Goals (SDGs). During the prioritization process, each issue was subjected to comprehensive analysis based on criteria such as financial impact, relationship with regulations, innovative transformation potential, impact magnitude, likelihood of occurrence, and temporal impact.

Thanks to this methodological approach, the foundation of our sustainability strategy is based not only on a current situation analysis but also on a robust impact map that guides the future. In this way, we strengthen our ability to direct our resources to areas that will create the most meaningful impact.

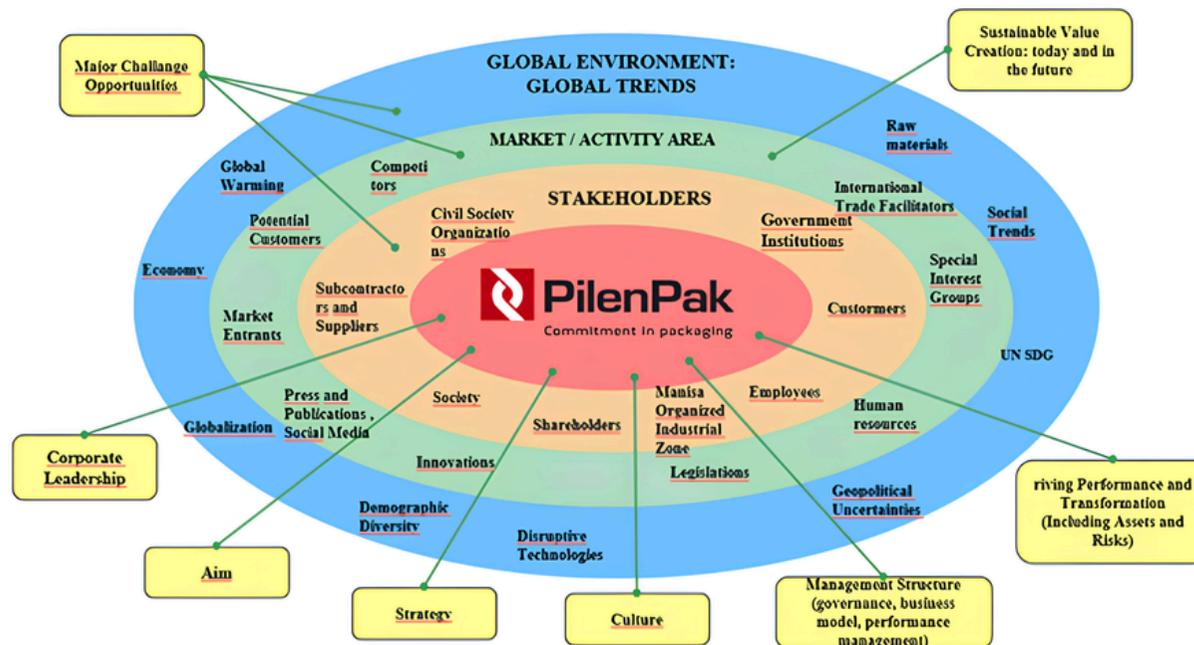
<b>GOVERNANCE</b>	Corporate Governance Risk Management Values, Ethics & Compliance Information Security Digital Transformation	  
<b>ENVIRONMENT</b>	Climate Change Energy Management Emissions Management Sustainable Procurement	 
<b>CIRCULAR ECONOMY</b>	Circular Economy Environmentally Friendly Packaging Optimization Recycling Recovery Hazardous Materials Management Waste Management	
<b>EMPLOYEES</b>	Equal Opportunity, Diversity, and Inclusion Access to a Qualified Workforce Occupational Health and Safety Career Development Talent Attraction and Retention Performance Management	    
<b>R&amp;D AND INNOVATION</b>	R&D Management Operational Excellence Product Design Product Quality	  

# Stakeholder Interaction - Our Stakeholders

PilenPak Packaging, we view the relationships we establish with our stakeholders as the cornerstone of our long-term success. These relationships, shaped by the principles of mutual trust, transparency, and continuous dialogue, are an integral part of our corporate culture. We strategically consider the opinions and expectations of all our internal and external stakeholders; we integrate this feedback into our decision-making mechanisms and incorporate it into our value creation processes.

Through our continuous interaction through various communication channels, we aim to develop proactive solutions not only for current needs but also for future expectations. By promoting internal transparency and holistic collaborations with external stakeholders, we act with a sense of collective responsibility on the journey to sustainable development.

At PilenPak, we believe that sustainability is only possible with a shared vision and responsibility, working together with all stakeholders. With this understanding, we aim to create lasting value for society, the environment, and the economy.



# Stakeholder Needs and Expectations

## STAKEHOLDERS

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- Growth
- Profit
- Increased brand value
- Sustainability and reputation
- Market share and competitive advantage
- To ensure, protect, and sustain the confidentiality, integrity, and availability of information

## EMPLOYEES

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- Job Security
- A harmonious work environment with occupational health and safety
- A legally compliant work environment
- Better social conditions
- Better salary
- Career development and training opportunities
- An environment that supports personal development
- Protection of personal data

## COMPETITORS

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- Acting in accordance with competitive conditions
- Complying with ethical rules

## CUSTOMERS

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- Providing consistently high-quality products
- Providing just-in-time products
- Providing cost-effective products
- Innovations that add value
- Implementing management systems
- Responding quickly to requests and complaints
- Being a reliable and sustainable business partner
- Providing products and services that contribute to combating climate change
- Ensuring, protecting, and maintaining the confidentiality, integrity, and accessibility of information
- Compliance with competition regulations
- Compliance with confidentiality agreements

## SUPPLIERS

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- Increased orders
- On-time payment
- Compliance with contract terms
- Fair and ethical behavior
- Ensuring, protecting, and maintaining the confidentiality, integrity, and accessibility of information
- Not sharing company data with competitors and adhering to confidentiality agreements

## GOVERNMENT

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- Acting in accordance with the law
- Taxation
- Compliance with global goals in combating climate change
- Ensuring economic growth and environmental sustainability together
- Creating employment
- Increasing exports

## ENVIRONMENT

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- Being mindful of emissions, noise, odor, and similar issue
- Using biodegradable, recyclable, and environmentally friendly materials
- Recycling packaging waste and developing solutions to reduce environmental pollution
- Efficient use of natural resources and adoption of environmentally friendly production processes
- Increasing recycling rates
- Reducing carbon footprint
- Protecting the environment and preventing pollution

## ASSOCIATIONS

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- Environmental awareness
- Sustainability
- Ethical compliance

# Stakeholder Interaction - Communication Tool

## EMPLOYEES

Internal communication network	<b>Continuous</b>
Corporate website	<b>Continuous</b>
Surveys	<b>Annually</b>
Traditional events	<b>Annually</b>
Sustainability reports	<b>Annually</b>

## BOARD OF DIRECTORS/SHAREHOLDERS

Board of Directors meeting	<b>Quarterly</b>
Monthly activity reports	<b>Monthly</b>
Performance evaluations	<b>Semi-annually</b>
Sustainability reports	<b>Annually</b>

## CUSTOMERS

One-on-one meetings	<b>Continuous</b>
Informational meetings	<b>When necessary</b>
Corporate social media accounts	<b>Continuously</b>

## SUPPLIERS/BUSINESS PARTNERS

One-on-one interviews	<b>Continuous</b>
Information meetings	<b>When necessary</b>
Sustainability reports	<b>Annually</b>
Audits and surveys	<b>When necessary</b>

## PUBLIC AUTHORITIES/GOVERNMENT

Corporate website	<b>Continuous</b>
Sustainability reports	<b>Annual</b>
Meetings	<b>When necessary</b>

## COMPETITORS

Sustainability reports	<b>Annual</b>
Corporate websites	<b>Continuous</b>
Corporate social media accounts	<b>Continuous</b>

## ASSOCIATIONS

Annual meetings	<b>Annually</b>
One-on-one meetings	<b>When Necessary</b>
Informative emails	<b>When Necessary</b>
Sustainability reports	<b>Annually</b>

# R&D And Innovation

PilenPak, embracing innovation and technological development as one of its strategic priorities, gained R&D Center status in 2018 under Law No. 5746 on Support for Research, Development, and Design Activities, with approval from the Ministry of Science, Industry, and Technology. As of the end of 2024, the R&D Center, operating with a staff of 25 experts, continues its efforts to develop new products and innovative production technologies with a sustainability perspective.

The PilenPak R&D Center is located in a modern 428 m<sup>2</sup> area on the company's premises and is supported by a robust infrastructure, qualified human resources, and resource management aligned with strategic objectives. These initiatives not only enhance the company's innovative capacity but also aim to add value to the sector, our country, and a sustainable future.

In line with this vision, PilenPak is achieving significant success with projects carried out within the Ministry-approved R&D Center. To date, the center has developed two patented products and two utility models, and three nationally supported projects have been successfully completed. Within the scope of industry and academic collaborations, five university-industry collaboration projects and three industry-industry collaboration projects have been implemented.

Through its R&D activities, PilenPak focuses on developing sustainable production, high efficiency, and innovative technologies. This strengthens its competitiveness in the sector and continues to create long-term value for its stakeholders.

## *R&D Center Instrumental Analysis and Testing Infrastructure:*

The PilenPak R&D Center possesses a robust and comprehensive instrumental analysis infrastructure to conduct product development, material optimization, and quality assurance studies at the highest scientific standards in line with sustainability goals.

Our laboratories utilize Gas Chromatography (GC), Fourier Transform Infrared Spectroscopy (FTIR), and Differential Scanning Calorimetry (DSC) instruments to meticulously perform chemical and thermal characterization of materials. OTR (Oxygen Permeability) and WVTR (Water Vapor Permeability) measurement systems allow us to analyze the barrier properties of packaging materials with high precision, while Elmendorf tear testers and tensile testers play a critical role in mechanical strength and performance assessments.

For product reliability and food safety, we simulate different usage conditions using autoclave testers, leakage test systems, and climate chambers, thus scientifically verifying the long-term performance of materials. Additionally, moisture and chemical content analyses are performed with precision using Karl Fischer titration and acid meters, while microscopes and microtomes allow for detailed examination of material morphology.

This advanced analysis and testing infrastructure provides the PilenPak R&D Center with a significant advantage in developing innovative and sustainable material solutions. This allows us to both maximize the performance of our products and contribute to the development of sustainable production processes with low environmental impact.

# Governance



# Board Structure And Corporate Governance

Strong governance is the foundation of a sustainable future; as PilenPak Packaging, we instill trust in our stakeholders through a transparent, accountable, and ethical management approach and aim to create long-term value.

Our Board of Directors, structured in accordance with Corporate Governance Principles, consists of five members: two women and three men. As the company's highest-level strategic decision-making body, our Board of Directors is responsible for setting corporate goals, overseeing risks and opportunities, and identifying and managing strategic orientations. Our company's strategic goals are evaluated at regular meetings, and decisions are made in line with long-term value creation and sustainable growth goals.

## *PilenPak Ambalaj Üst Yönetimi*

	MALE	FEMALE	TOTAL
Board of Directors	3	2	5
Directors	1	2	3
Manager	14	5	19
Responsible	12	9	21
	<b>30</b>	<b>18</b>	<b>48</b>

# Ethics Committee

At PilenPak, an Ethics Committee has been established to protect, develop, and, when necessary, update the Code of Conduct. The Ethics Committee reviews and evaluates warnings, complaints, and denunciations regarding situations that cannot be resolved within the company's processes and natural management flow, or that violate ethical principles. The Committee monitors the compliance of submitted issues with the principles defined in the PilenPak Code of Conduct and develops recommendations for action to be taken when necessary. The Ethics Committee operates under the Company's Board of Directors.

## ***Ethics Committee Members***

The Ethics Committee consists of five permanent members: the General Manager, the Business Director, the Supply Chain Director, and the Human Resources & Sustainability Director, all appointed by the General Manager. If relevant, the senior manager of the department from which the suggestion or complaint originated, or experts in the relevant field, may be invited to the Board meetings and contribute as guest members.

## ***The Ethics Committee's Duties and Responsibilities***

investigates complaints and reports regarding violations of ethical rules that cannot be resolved through existing processes within the company.

- It reports on the results of the investigation.
- It develops opinions and recommendations regarding the implementation of ethical rules.
- It evaluates applications submitted for consultation.
- It makes recommendations to the relevant authorities regarding sanctions when necessary.

## ***Ethics Committee Working Principles***

The Ethics Committee carries out its duties independently, impartially, and without any pressure. It listens to all parties equally during the evaluation process and, when necessary, may seek third-party expert opinions while adhering to the principle of confidentiality. The Committee maintains the confidentiality of the identities of those submitting complaints and reports and conducts all investigations with due respect for human dignity.

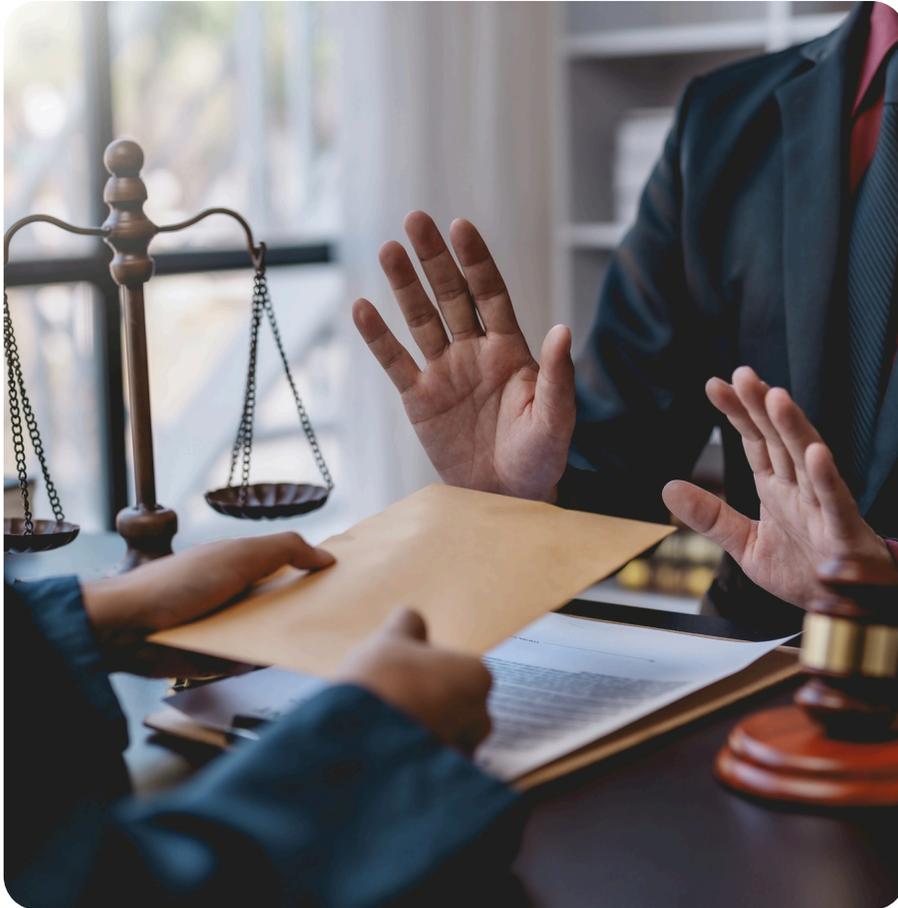
Every complaint and report is recorded from beginning to end; collected documents are retained as evidence, and all work is archived at the end of the process. Decisions made by the Ethics Committee are implemented immediately, and the results are communicated to the relevant parties.

## ***2024 Ethics Training Practices***

PilenPak regularly conducts Ethics Training to strengthen its employees' commitment to ethical values and reinforce its corporate culture. Every new employee is provided with Ethical Principles Training during their induction process, encouraging all employees to fulfill their duties within the framework of ethical standards.

In 2024, a total of 164 hours of training was conducted covering ethics, combating child labor, diversity, equality, and inclusion. The percentage of employees who have received training on business ethics is calculated as 34%. These training programs aimed to raise employee awareness of social responsibility, human rights, and an inclusive business culture.

# Fighting Bribery And Corruption



At PilenPak Packaging, we embrace the fight against bribery and corruption as a fundamental principle of our company culture. Our employees do not engage in situations that could lead to conflicts of interest, such as debt or credit, in their relationships with our customers and suppliers, and they do not maintain any financial relationships with our colleagues that could damage the company's reputation and relationships. A zero-tolerance policy is implemented against any irregularities, corruption, or bribery attempts detected in company records. In this context, we do not accept gifts that could constitute a bribe or commission from any person or institution while performing our duties, and we do not charge the other party for travel, event, or other expenses.

All promotional activities aimed at customers are planned and implemented in accordance with applicable laws, regulations, and sectoral regulations. Our employees are also expected to comply with all these rules.

With this approach, PilenPak aims not only to act in compliance with the legislation, but also to strengthen stakeholder trust, protect the company's reputation and support sustainable business practices.

# Human



# Employee Rights

PilenPak implements its social sustainability approach through inclusive and advanced practices for its employees, customers, and the community in which it operates.

The company places the value of people at the center of all its business processes and conducts its relationships guided by the principles of honesty, transparency, and fairness. This approach is secured by the PilenPak Business Principles, Human Resources and Business Ethics Policy, and Social Compliance Policy.

PilenPak is based on the principle of equal opportunity in all its human resources practices, from recruitment to career development. Only candidates' competencies and the requirements of the position are considered in recruitment; no discrimination is made on the basis of race, gender, age, religion, disability, marital status, ethnicity, or any other grounds. The company implements a zero-tolerance policy against all human rights violations, including forced labor, child labor, harassment, mobbing, mistreatment, and discrimination.

All employees are informed about the Code of Conduct, Code of Ethics, disciplinary procedures, occupational health and safety practices, and confidentiality obligations as part of their initial orientation program. An ethical reporting channel has been established for reporting unethical behavior. Anonymity is maintained for all reports, and retaliation against those who report is strictly prohibited.

PilenPak embraces the protection of human dignity as a fundamental principle and meticulously implements Occupational Health and Safety standards to protect the health, safety, and rights of its employees. It fully complies with legal regulations regarding information security and the protection of personal data.

To support the continuous development of its employees, professional and personal development training is offered under the PilenPak Academy. In this context, competency development programs, leadership training, and activities that reinforce corporate culture are conducted beyond legal requirements. The performance evaluation system is based on measurable and objective criteria; the results achieved contribute to both individual and organizational development. Successful employees are recognized through reward systems, strengthening corporate loyalty.

Honesty, fairness, mutual trust, and respect are fundamental in customer and supplier relationships. Quality, reliability, sustainability, and commitment to human rights are considered when selecting suppliers; suppliers are also required to avoid child labor, comply with laws, and adhere to ethical standards. In engaging with local communities, projects that will enhance social well-being and raise environmental awareness are supported.

With this holistic approach, PilenPak has made social sustainability an integral part of its corporate culture and has adopted the principle of creating a fair, inclusive, and safe work environment based on ethical values as its primary objective.

# Employee Rights

## Fighting Money Laundering, Corruption and Fraud:

PilenPak implements effective policies to prevent the risks of money laundering, corruption, and fraud. Transparency, honesty, and accountability are fundamental to all business processes, in line with national legislation and the principles of the United Nations Global Compact (UNGC).

Necessary control mechanisms are implemented to prevent the use of products and services for illegal activities, and processes are regularly monitored. Fraud, forgery, misrepresentation, or similar ethical violations are strictly tolerated.

All employees are expected to adhere to these policies, and reporting any suspicious circumstances to their managers or relevant departments is encouraged. PilenPak maintains high ethical standards, acting in accordance with UNGC Principle 10, and continues to be a trusted business partner to its stakeholders.



## Anti-Competitive Practices:

At PilenPak, the principles of fair competition and full compliance with relevant legal regulations are fundamental. In all business processes, any initiative that restricts competition or could lead to unfair competition is strictly tolerated. All agreements with competitors are conducted within the legal framework and in accordance with ethical principles, and practices that could disrupt the market balance are meticulously avoided.

# Human Resources and Business Ethics Policy

PilenPak is a company that respects the law, regulations, and the rights of its employees, prioritizes the health and safety of its employees, and instills quality, product safety, occupational safety, and environmental awareness in all its employees, earning a trustworthy reputation.

In implementing its human resources processes, from recruitment and promotion to compensation, PilenPak creates an environment of equal opportunity for all employees within the framework of legal regulations, and does not discriminate among its employees based on race, religion, language, gender, or age.

PilenPak supports and respects the protection of human rights internationally. It opposes all forms of child abuse. It views personal privacy as a human right. It expects all stakeholders to comply with local laws and international standards in line with human rights practices. It acknowledges its responsibility to respect human rights, regardless of the framework set by legislation and standards for protecting human rights. It advocates for the elimination of all forms of forced and compulsory labor, the prevention of child and young labor outside of legally required requirements, and the elimination of discrimination in employment.

## **Business Ethics**

At PilenPak, we act with integrity and honesty in our relationships with employees, customers, suppliers, shareholders, and all stakeholders.

At PilenPak, we prioritize the protection of the private information of employees, customers, and suppliers, and we do not permit the sharing of this information with third parties.

PilenPak's relationships with official institutions are always transparent and open. All information and documents requested by official institutions are provided accurately, completely, and timely. Misleading or deceptive behavior in the presence of official institutions is strictly prohibited.

PilenPak employees act in accordance with the principles of legality, justice, equality, and honesty in all their actions and transactions. They do not discriminate based on language, religion, philosophical belief, political affiliation, race, gender, or similar grounds in the performance of their duties and in accessing services. They do not engage in behaviors

or practices that violate or restrict human rights and freedoms, or that hinder equal opportunities.

PilenPak employees bear personal responsibility in cases of conflict of interest. Because they are often personally aware of situations where a conflict of interest may arise, they act with caution regarding any potential or actual conflict of interest. They take the necessary steps to avoid conflicts of interest, notify their superiors as soon as they become aware of the conflict, and distance themselves from interests that constitute a conflict of interest.

Gifts are considered gifts for PilenPak employees, and include any item or benefit, whether of economic value or not, accepted directly or indirectly, that may or may not influence their impartiality, performance, decisions, or performance of their duties. It is a fundamental principle that PilenPak employees do not accept gifts, do not give gifts to PilenPak employees, and do not seek benefits related to their duties.

PilenPak employees avoid waste in the use of PilenPak goods and resources. They act effectively, efficiently and economically when using working hours, PilenPak goods, resources, workforce and facilities.

PilenPak officers may not make statements, commitments, promises, or actions that exceed their authority while performing their duties and they may not make misleading or false statements. They shall not prioritize personal interests over company interests.

PilenPak employees may not engage in preferential, prejudicial or unequal treatment or practices. They may not engage in behavior that benefits or harms any person or group.

Behaviors that violate the law regarding harassment and violence are unacceptable under any circumstances. These behaviors include: unwanted physical contact, stares, and other gestures, comments, invitations, or requests, distribution and display of offensive materials, including inappropriate pictures and cartoons, actions intended to hurt or irritate, deliberately provoking someone into making a mistake, embarrassment or intimidation, and physical or social isolation.

Employees are encouraged to believe in and adhere to these rules. Compliance with these rules is monitored. If any violations are detected, the Disciplinary Board will be contacted.

# Employee Rights - Social Compliance Policy

Our social compliance policy includes the standards we have established with a focus on stakeholder satisfaction. Our companies, PilenPak Packaging and Inka, have always been committed to conducting their operations responsibly and ethically. We respect and support international human rights principles aimed at promoting and protecting human rights, including the United Nations Universal Declaration of Human Rights and the International Labor Organization's Declaration of Fundamental Business Principles and Rights. In this context, we, as PilenPak, signed the UNGC UN Global Compact in November 2023, making a commitment.

As PilenPak Packaging, we are committed to improving the quality of our products and services, fully fulfilling our legal obligations, taking responsibility in all aspects of sustainability, and being respectful and transparent with all our stakeholders.



## ***Fair Wage:***

Our company does not pay less than the wage stipulated by law. Our compensation management ensures internal balance through the principles of "equal pay for equal work" and "performance-based compensation."

## ***Occupational Health and Safety:***

Operating under the motto "Our most valuable resource is our people," our company is committed to taking the necessary measures to create a healthy and safe working environment for all those on site, whether for work, internships, or visits. Our company holds ISO 45001 certification.

## ***Freedom of Association and the Right to Collective Bargaining:***

We respect our employees' right to freedom of association and collective bargaining without fear of reprisal, intimidation, or harassment.

## ***Prevention of Debt Collection by Labor:***

Employment at our company is voluntary. There will be no forced, compulsory, under threat of punishment, under contractual obligation, or debt collection.

# Employee Rights - Social Compliance Policy

## ***Prevention of Bribery and Corruption :***

Ethical Business Conduct: Our company opposes all forms of bribery and corruption. We do not and will not engage in any form of corruption, fraud, or embezzlement, or any form of bribery, including, but not limited to, promising, giving, receiving, or offering any financial or other incentive.

## ***Prevention of Discrimination and Harassment:***

All employees at our company have equal rights and freedoms, regardless of age, opinion, race, language, belief and practice, skin color, sexual orientation, or disability. Any form of discrimination or harassment by individuals within the company and/or by non-employees will not be tolerated.

## ***Working Hours:***

Working hours and overtime at our company are implemented in accordance with the law, and our employees are not deprived of their legal rights to rest and vacation days.

## ***Prevention of Child and Youth Labor:***

Our company opposes child labor to prevent child abuse, support their healthy development, and support their right to education. We comply with the principles and procedures for employing child and youth labor.

## ***Communicating Requests, Complaints, and Suggestions:***

No employee at our company will be penalized for submitting requests or complaints. All reports, whether submitted anonymously or not, are taken into consideration, evaluated, and feedback is provided to ensure a happy work environment for employees.

## ***Preventing Unsecured Work:***

Our company does not employ uninsured personnel under any circumstances. Employees are hired based on contracts documented in accordance with current laws and regulations, and insurance coverage is provided before they begin work.

## ***Employment of Foreign Nationals:***

The legal rights of foreign nationals to work are protected at our company, and all personnel matters, from recruitment to termination, are conducted in accordance with applicable legislation and regulations.

## ***Environmental Protection:***

Our company adopts an approach that prioritizes the sustainability of natural resources, the environment, and the needs of future generations. We focus on combating the climate crisis, zero waste, and eliminating waste to achieve better outcomes for today and the future. Our company holds ISO 14001 certification.

## ***Supplier Management:***

Our company prioritizes sustainability as the core of its business practices and prioritizes its suppliers, subcontractors, and partners to operate in this manner.

## ***Stakeholder Communication and Transparency:***

Our company is committed to establishing goodwill relationships with its stakeholders. We treat all stakeholders fairly and equally, adhering to ethical business practices.

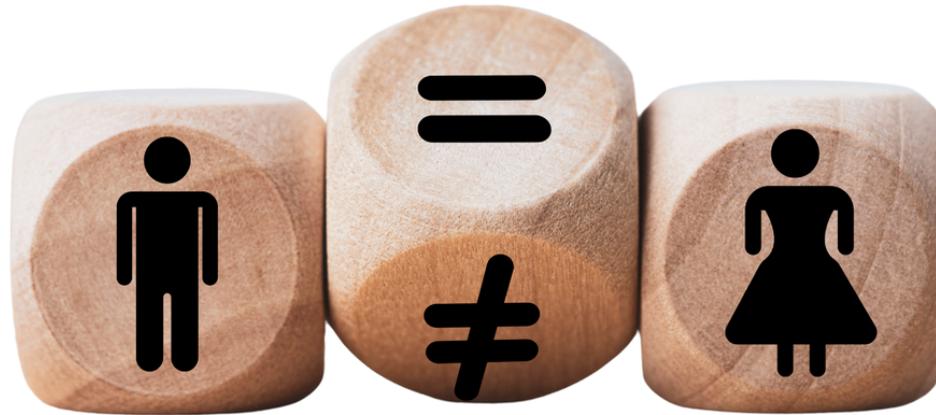
## ***Management Systems:***

Our company holds ISO 9001, ISO 27001, ISO 14001, and ISO 45001 System Certificates. Our company's activities are conducted in accordance with all requirements of these systems. All employees are obligated to comply with this policy and to knowingly implement the requirements of the Social Responsibility Policy.

# Employee Rights - Gender Equality Policy

At PilenPak, we implement a policy of equality from recruitment to retirement, providing an equal working environment for women and men. We offer equal opportunities to all our employees. We ensure absolute equality in recruitment and placement within the scope of our recruitment and placement procedures. We do not discriminate between men and women in job postings.

We support a fair working environment for our employees during recruitment, during their work and while planning their careers.



# Data Management and Information Security



Information has become one of the most valuable resources today, and the protection and secure management of data has become an essential element for businesses. At PilenPak, we consider the protection of our employees' and business partners' data one of our fundamental responsibilities. To this end, we ensure information security by establishing a strong technological infrastructure and foster a transparent and reliable business culture. With our ISO 27001 Information Security Management System certification, we maintain our commitment to information security by adhering to international standards.

No information security incidents occurred at PilenPak in 2024. Thanks to the controls and preventive measures implemented within the Information Security Management System, our company continued its operations with zero incident records throughout the year.

The total training time provided in the field of information security in 2024 was determined to be 361.5 hours. The training man-hour value of these trainings was calculated as 8.64.

# Employee Rights - Information Security Policy

As PilenPak Packaging, to ensure the continuous development of our Information Security Management System established within our organization, we:

- Allocate the necessary resources to establish and continuously improve the ISMS,
- Manage the risks and opportunities associated with internal processes,
- Protect all assets by managing their confidentiality, integrity, and accessibility,
- Fulfill the requirements by allocating the necessary resources to follow legal regulations and ensure compliance,
- Provide awareness training and ensure that training effectiveness is measured theoretically and practically,
- Monitor security incidents and impose sanctions when necessary,
- Develop, implement, and test plans to ensure business continuity,
- Conduct periodic assessments of Information Security to identify existing risks, review action plans based on these assessments, and monitor them,
- Identify and assess risks related to the confidentiality, integrity, and accessibility of information, and implement necessary controls for all assets exceeding acceptable levels,
- We are committed to measuring the performance of Information Security Processes, generating targets from this data, minimizing our weaknesses and threats through investments in infrastructure, working environment, hardware, software and training, meeting the security requirements required by our business, customers, suppliers and legal requirements, and continuous improvement.



# Employee Health And Safety

PilenPak Packaging implements systematic and proactive approaches to ensure its employees work in a safe and healthy environment. The company prioritizes the physical and operational safety of its production areas, ensuring the necessary protective equipment for employees and subcontractors, conducting regular health checks and equipment maintenance. This approach supports the adoption of a safety culture by all employees and the sustainable execution of business processes.

Employee representatives convey employee feedback to occupational health and safety committee meetings. Senior management also participates in these meetings, supporting the evaluation of the feedback received and the planning of necessary actions.

All OHS practices are supported by the appointment of an occupational safety specialist and occupational physician. Occupational accidents and OHS incidents are meticulously investigated, root cause analyses are conducted, and corrective actions are initiated. Near-misses and hazardous situations can be reported anonymously or confidentially through the "Submit Your Request/Complaint" system, contributing to the improvement of processes. PilenPak Packaging regularly monitors all workplace risks through OHS risk assessments and field inspections, and increases employee awareness and preparedness through emergency plans, drills, and training. Work equipment and occupational hygiene measurements are periodically inspected, and chemicals, explosive atmospheres, and other hazardous areas are managed with special instructions and procedures.

Furthermore, entry procedures are implemented for visitors and subcontractors, and necessary training and safety rules are provided. All these practices demonstrate PilenPak Packaging's commitment to high standards in occupational health and safety and its continuous monitoring of employee safety.



# Occupational Health and Safety Policy

At PilenPak Packaging, we aim to create a healthy and safe working environment at all stages of our production activities. Recognizing that high-quality and efficient production can only be achieved with healthy and safe personnel, our priority is always based on the principle of "Safety First."

In this regard:

- To ensure compliance with our obligations in line with national legislation, standards, and customer expectations regarding occupational health and safety.
- To establish, develop, and ensure a culture of occupational health and safety in our workplace, and to make it a way of life.
- To continuously improve our processes and enhance our performance with a proactive approach to occupational health and safety.
- To seek the opinions and suggestions of all our employees regarding the identification of occupational health and safety risks and the determination of necessary precautions, and to ensure their participation in these activities.
- To reduce our risks by taking the necessary collective safety measures against fire and explosions.
- To create ergonomically appropriate working conditions and undertake necessary improvement efforts in this regard.
- To continuously monitor the health of our employees and ensure that each employee is employed in a physically appropriate job.
- To declare and undertake to combat child labor, not employ child labor in our workplace processes, and not permit the employment of child labor by our subcontractors, suppliers, customers, and all our stakeholders.
- When taking precautions regarding our occupational health and safety risks, we will primarily eliminate the risk, reduce it at its source, or adopt collective protection measures.
- Provide and provide all personal protective equipment, most appropriate for the job, to protect our employees from work-related risks.
- Follow technological advancements to ensure and improve the maintenance of our machinery and equipment in optimal occupational health and safety conditions.
- Develop and maintain training and events for our employees, employees of subcontractors/suppliers from whom we receive services, visitors, and interns to ensure the adoption of occupational health and safety principles.

# Our Highlights of 2024 Occupational Safety Practices

## Safe Eye Practice

As part of the Safe Eye Practice, which we implemented to strengthen our occupational health and safety culture, one person is selected from among our production employees each week to serve as a "Safe Eye." Equipped with brief training, this employee identifies unsafe situations and risky behaviors in their area for a week, intervenes immediately, and reports them to the OHS team.

Identified risks are evaluated through our system, and necessary actions are taken swiftly. At the end of the month, the most successful observer is awarded the title of "Sharp Eye." This practice encourages the active participation of our employees in the process and contributes to the continued implementation of a safe work culture in the field.



# Our Highlights of 2024 Occupational Safety Practices



## OHS Partner Application

The OHS Partner Application, implemented to increase employee participation and continuously improve our occupational health, safety, environmental, and hygiene standards, enables representatives selected from all departments to conduct regular field inspections.

During these inspections, conducted on designated days each week, OHS Partners identify risks and improvement opportunities in relevant areas on-site and document them with photographs and comments. These findings are evaluated by the OHS department, entered into the ERP system, and necessary actions are swiftly implemented.

This application encourages our employees' active participation in safety and environmental awareness while strengthening our proactive risk management culture.



# Our Highlights of 2024 Occupational Safety Practices

## Strong Start Application

Implemented to ensure the adoption of an occupational health and safety culture from the outset, the Strong Startup Program is a specialized orientation and awareness program for new employees.

As part of this program, new team members undergo detailed occupational safety training before starting their duties. They are introduced to their workspaces, informed about potential risks, and their awareness of workplace rules is increased. At the end of the training, participants' questions are answered to foster open communication and promote a safe work culture.

Following the training, evaluation sessions reinforce knowledge and monitor participant experiences, ensuring program content is updated in line with the principle of continuous improvement.

"Strong Start Application " is not just an orientation program; it is also a preventative safety approach that supports employee engagement, workplace safety awareness, and corporate sustainability goals.



# Our Highlights of 2024 Occupational Safety Practices

## Near-Miss Recording System

A Near-Miss Recording System, accessible through PilenPak ERP, has been implemented to allow employees to report potential accidents before they occur. Reports can be made confidentially or by selecting Subject: Occupational Safety and Type: Near-Miss from the "Submit Your Request/Complaint" tab, specifying their name and surname.

This system, accessible to all employees, proactively manages risks. Records are reviewed daily by the OHS officer and specialist, and tracked through ERP using tools such as CAPA, Maintenance Request, and Project Request.

This strengthens safety awareness in the field, and preventative measures are implemented quickly.

## Disability-Friendly App

**Buddy Appointment:** To facilitate the integration process of employees with disabilities in the workplace, PilenPak has implemented the "Buddy" app. This app assigns an experienced employee as a guide and provides support to employees with disabilities throughout their work processes.

This app aims to increase the social integration of employees with disabilities within PilenPak, facilitate knowledge sharing, and create an inclusive work environment where they are supported at all times.

# Our Highlights of 2024 Occupational Safety Practices

## OHS Training Program and Recording System

PilenPak Packaging offers comprehensive occupational health and safety training in full compliance with legal regulations in order to raise awareness among its employees. The training program covers a wide range of topics, including occupational accidents and near-misses, emergency preparedness and drills, occupational hygiene, risk assessments, and the use of personal protective equipment. Occupational safety issues are handled by OHS specialists, and occupational health issues are handled by the occupational physician.

At our workplace, which is classified as a hazardous area, all employees receive at least 12 hours of Basic OHS Training as soon as possible after starting work, and this training is renewed at least every two years. All training is recorded in the PilenPak ERP – PilenPak Academy module, and signed documents are retained by Human Resources.

All new employees receive hands-on orientation training provided by experienced staff before starting work. This training, along with periodic repetitions, ensures that all employees have up-to-date knowledge and skills, contributes to the maintenance of a safe work environment, and ensures that our production processes maintain high OHS standards.

Throughout 2024, the total training time provided on occupational health and safety was recorded at 4,174 hours. The training man-hour value of this training was calculated as 23,31.

### 2024 Accident Frequency Rate - Accident Severity Rate Data

Accident Severity Rate

305,19

Accident Frequency Rate

25,35

# Emergency Preparedness and Management

At PilenPak, comprehensive emergency plans are prepared and kept up-to-date in accordance with relevant occupational health and safety regulations. Firefighting equipment, alarm and detection systems, and emergency lighting systems are periodically inspected and maintained. Emergency teams and first aid personnel are assigned according to the workplace's hazard classification, and their competencies are ensured through regular training. Emergency drills are conducted at least annually, and any non-conformances identified during these drills are monitored as part of corrective actions.



# Human Resources And Employee Development

## **Recruitment:**

PilenPak conducts its recruitment processes at all workplaces within the framework of the principle of equal opportunity. Recruitment is based on candidates' knowledge and skills meeting the job requirements and aligning with the company's values and Business Principles.

## **Non-Discrimination:**

In the recruitment process, candidates are not considered based on criteria such as age, gender, disability, marital status, pregnancy or maternity status, race, color, nationality, ethnic or national origin, sexual orientation, political views, or religious beliefs unless they are relevant to performance and competence; discrimination is prohibited.

## **Working Age:**

PilenPak ensures that employee ages comply with the Labor Law and customer standards. We take a firm stance against child labor and never accept working conditions that negatively impact children's development.

## **Protection of Personal Data:**

All applicant information is protected confidentially and their rights are safeguarded under Personal Data Protection Law No. 6698.

## **Career Management at PilenPak:**

PilenPak supports the preparation of all employees for required roles and leadership positions. Career management is conducted based on performance results, manager evaluations, and competency analyses. High-potential employees are identified early and prepared for roles requiring greater responsibility by providing professional knowledge, skills, and development opportunities. Career advancement is not solely dependent on a single criterion such as seniority, age, or education.

## **Regular Evaluation of Individual Performance:**

At PilenPak, regular evaluation of employee performance is a fundamental element of our corporate development and sustainable success goals. In this context, individual performance is reviewed in line with established processes based on both qualitative and quantitative criteria.

Performance evaluations aim to highlight our employees' strengths, identify areas for development, provide the support they need, and reward high-performing employees. This contributes to the career development of our employees and creates holistic value in achieving our company's strategic goals.

## **Rewarding Success:**

PilenPak values the achievements of its employees and teams and encourages their dissemination within the corporate culture. The reward system is implemented based on the measurability of employee contributions and their value to the company; recognizing achievements contributes to increased motivation and performance.

## **Organizational Communication Management:**

PilenPak provides a communication environment where employees can share their ideas, suggestions, and opinions freely and, if they wish, anonymously. Employee requests, suggestions, and complaints are received through the "Submit Your Request/Complaint" module in our ERP system, and necessary actions are implemented. Additionally, a comprehensive internal communication plan is created for all employees, and consistent and appropriate communication tools are used to implement this plan.

# Human Resources And Employee Development

## *Encouraging Internal Mobility:*

PilenPak prioritizes internal mobility as a strategic priority to support the career development of its employees and utilize their talents in the most effective way. Various practices are implemented to enable employees to both develop their individual potential and adapt to the needs of the organization.

In this context,

- We support our employees to advance to the next level through promotion or transfer through vertical mobility.
- We support them to gain new experience by moving to different departments or functions through horizontal mobility.
- We support them to create added value for the organization by utilizing transferable skills across different roles through cross-functional mobility.
- Our employees' development journeys are actively encouraged through internal promotion and transfer processes, job rotation practices, on-the-job training, and mentoring programs. 13.3.8 Rewarding Success



# Equality and Transparency in Recruitment Policy

As PilenPak and Inka Packaging, we conduct our recruitment activities within the framework of the principles of equality, transparency, and impartiality.

In this regard, we:

- Provide equal opportunities to every candidate during the recruitment process and never discriminate for any reason under any circumstances.
- Ensure that candidates have equal rights and opportunities in social, economic, and political spheres; provide equal opportunities to all candidates regardless of factors such as gender, age, ethnicity, disability, religion, or sexual orientation.
- Announce open job postings that a job will be hired for a specific position. We are committed to providing information about the job requirements, responsibilities, required qualifications, and the application process in these postings. We are committed to finding suitable candidates by reaching out to potential candidates through open job postings.
- We are committed to evaluating applicants objectively and transparently, as specified in the Recruitment Instructions.
- We are committed to using standardized evaluation criteria during the recruitment process.
- We are committed to never using discriminatory language during interviews with candidates and not asking candidates personal questions that they have not specifically shared, beyond the scope of the job they will be performing.
- We are committed to keeping the identity of all applicants confidential.

# Employee Satisfaction

PilenPak conducts regular employee satisfaction surveys to measure employee satisfaction levels and improve their work experience. These surveys provide direct feedback from employees, and the results are meticulously analyzed to plan necessary improvement actions. Through these surveys, issues such as general satisfaction, corporate values, management approach, job scope and content, career opportunities, training opportunities, social activities, company-employee relations and physical work environment are evaluated holistically.



As PilenPak, we appreciate the long-term efforts of our employees and the value they add to the company. Accordingly, a "Seniority Award" payment was made in 2024, based on employees' seniority for each full year. This practice honored employees' commitment to the organization and emphasized the importance of long-term collaboration.

PilenPak regularly monitors turnover rates, a key indicator of employee engagement. Exit interviews are held to obtain the opinions and suggestions of employees who are leaving their jobs. The data collected is used to develop strategies to increase employee satisfaction and engagement. This data serves as a key reference point for PilenPak's human resources strategies and is regularly shared with senior management, enabling data-driven decisions on practices that will enhance employee engagement.

# Diversity, Equality, and Inclusion

PilenPak embraces the protection and promotion of human rights in the workplace as an integral part of its business culture. Human resources processes are conducted with an objective and systematic approach; employee performance is measured and evaluated fairly under equal conditions. The principles of "the right person for the right job," "equal pay for equal work," "merit," and "equal opportunities for everyone" are upheld throughout the human resources cycle. Only the education, knowledge, skills, competence, and experience required for the job are considered in recruitment, compensation, promotion, and development opportunities. Factors such as ethnicity, religion, language, race, age, gender, sexual orientation, nationality, disability, or cultural differences are not grounds for discrimination in any way. PilenPak acts in compliance with international human rights standards and stands against behaviors that violate human dignity, discrimination, and inequality.

## Our Commitments

- We ensure the protection and promotion of human rights in the workplace.
- We uphold the principles of equality, merit, and fair evaluation in our human resources processes.
- We apply the principle of "the right person for the right job" and "equal pay for equal work."
- We only consider the competencies required for the job in recruitment, compensation, and promotion.
- We stand against behaviors that violate human dignity and unethical business practices.

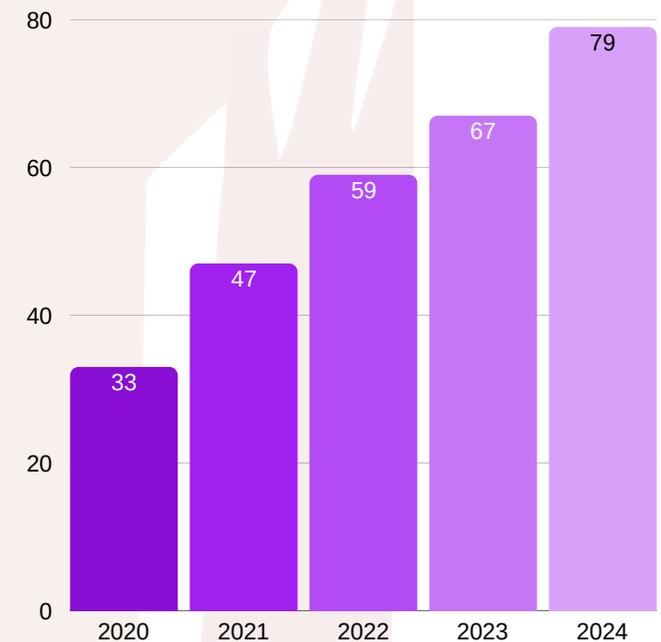
- We do not discriminate based on ethnicity, religion, language, race, age, gender, sexual orientation, nationality, disability, or cultural differences.
- We monitor discrimination and employee rights issues through our Human Resources Department and Disciplinary Committee.
- We conduct our activities within the framework of ethical business conduct and in accordance with relevant legislation.

PilenPak embraces diversity as a core value in its employment policies. Our company prioritizes the representation of all employee groups in line with the principle of equal opportunity and has set increasing female employment as one of its priority goals. In this context, we are working to increase the proportion of female employees not only in specific positions but also at all levels. To increase workforce diversity, ensure equal opportunities, gain diverse perspectives, and develop various skills, we employ female employees in production activities and across all areas. This approach, which supports gender equality, aims to empower women in the workplace and ensure they have a greater role in decision-making processes. Thanks to our human resources policies and inclusive recruitment practices, we have increased the number of our female employees by 18% by 2024 compared to the previous year. As of 2024, the percentage of female employees across the organization has reached 16.5%.

There is no wage differential between men and women working in the same role or position. Our compensation policy is implemented regardless of gender, based on the requirements of the position and the employee's competencies.

PilenPak fulfills its obligations under the Labor Law and employs individuals with disabilities at a rate of 3% of its total workforce. This practice is a significant indicator of our goal of creating an inclusive and equitable work environment, as well as legal compliance.

Number Of Female Employees



# Product Safety And Consumer Health

As a company that produces food-contact packaging materials, PilenPak considers the protection of human health to be one of its fundamental responsibilities. Accordingly, we not only comply with legal regulations and industry standards, but also aim to protect consumer health at the highest level by continuously improving our product safety practices. Within the framework of our Integrated Management Systems Policy, we are committed to fully meeting product safety, quality, hygiene, and traceability requirements, regularly improving our processes, and providing our customers with reliable products.



# Social Responsibility And Social Contribution

PilenPak embraces contributing to the enhancement of social welfare within its area of responsibility as a key element of its corporate values. Our social responsibility approach aims to create social benefit, develop projects responsive to needs, and create lasting impacts in social areas for a sustainable future.

In this regard, our social responsibility activities in 2024:



## Run for Good

We ran on behalf of the Turkish Education Volunteers Foundation in the Izmir Marathon "Run for Good" event held on April 21st, transforming our efforts into contributions to the education of young people and raising social awareness through a donation campaign.

## International Women's Day

As part of March 8th, International Women's Day, donations were made to the Mor Çatı Women's Shelter Foundation on behalf of all our women employees, and gift bags prepared with these donations were presented to our employees.



# Social Responsibility And Social Contribution



## Blood Donation

On April 16, a Red Crescent Blood Donation vehicle visited our company, and our employees volunteered to donate blood. This initiative not only contributed to public health but also strengthened the social awareness of our employees.

## Breast Cancer Awareness

On October 17, 2024, as part of Breast Cancer Awareness Month, an informational seminar on the symptoms, risk factors, and early diagnosis methods of breast cancer was held with the participation of Dr. Hülya Yurtdaş Pirinççi. The event emphasized the importance of early diagnosis and the role of regular checkups in preventing the disease. As PilenPak Packaging, this training, organized to protect the health of our employees and raise public awareness, aimed to raise awareness among individuals about protecting their own health.



# Environment



# Climate



Climate change is a global crisis that threatens not only environmental but also economic and social sustainability. At PilenPak Packaging, we are resolutely committed to reducing greenhouse gas emissions, which lie at the heart of this complex process. Recognizing the human-induced impacts of industrialization, fossil fuel use, and natural resource depletion, we embrace a production approach that minimizes environmental impact.

Our environmental policy is designed in line with circular economy principles, prioritizing low-carbon solutions across all processes, from product lifecycle to energy management. We monitor our environmental performance in both our own operations and our supply chain, and implement guidance and auditing mechanisms to ensure our suppliers implement similar sustainability practices. We play an active role in combating climate change by developing innovative projects in energy efficiency, renewable resource use, and waste management.

At PilenPak, we develop environmental strategies that consider not only today's needs but also the needs of the future. In line with our medium- and long-term goals, we analyze climate risks, evaluate opportunities, and develop concrete action plans accordingly. With our vision of being a pioneer of sectoral transformation, we are moving forward with the goal of being among the most environmentally friendly packaging manufacturers in Europe.

# Climate - Our Environmental Policy

As PilenPak Packaging, we conduct all our activities with an environmentally sensitive approach and a sense of duty to leave a livable environment for future generations.

In this context, we aim to:

- Assess the environmental aspects of our business throughout its processes and product lifecycle, aiming for continuous improvement to reduce negative environmental impacts and protect biodiversity.
- Ensure compliance by following our obligations in line with national environmental legislation, standards, and customer expectations.
- Monitor carbon emissions resulting from our activities and undertake efforts to reduce greenhouse gas emissions.
- When preparing projects related to products and processes, we take their environmental impacts into account, prevent pollution sources, continuously reduce natural resource use, and increase the use of renewable energy.
- Maintain continuous communication with our customers, suppliers, and all stakeholders to improve the environmental impact of our products. We declare and undertake to undertake all necessary efforts to meet the suggestions and expectations received in this regard.
- To raise awareness among our employees, suppliers, customers, and all other stakeholders to raise our environmental standards.
- To plan and implement measures to minimize environmental damage in the event of accidents, emergencies, or extraordinary circumstances that may occur during our operations, and to contribute to the protection of natural life by not deforestation.
- To use our resources effectively and prevent waste generated in our production processes at their source, reduce waste, and implement recycling or appropriate disposal processes.
- To fulfill all our responsibilities in passing on to future generations a clean, healthy environment that is sensitive to climate change.



# Climate - Environmental Services and Advocacy

PilenPak acts responsibly in environmental services and advocacy. Our company is committed to developing solutions that support our customers in identifying and reducing the environmental impacts resulting from their activities and consumption.

In this context, we aim to:

- Help our customers reduce their carbon footprint by offering alternative and innovative packaging solutions.
- We aim to support the circular economy through practices focused on recycling, reuse, and the second life of products.



# Climate - Emissions and Climate Adaptation

## *Our Consumption Strategies to Reduce Our Environmental Impact:*

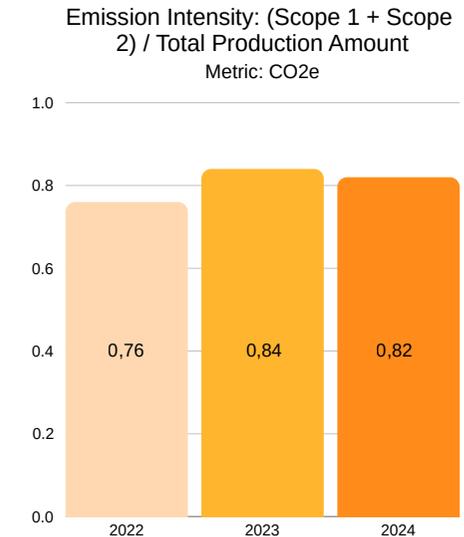
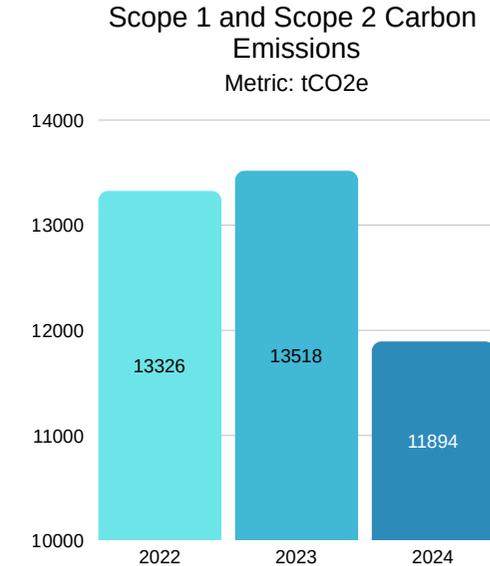
PilenPak prioritizes emission management as a key element of its sustainability strategy. The company develops continuous improvement projects to reduce its environmental footprint and play an active role in combating climate change. These efforts support the achievement of the sustainability goals set by 2030. Following Turkey's ratification of the Paris Climate Agreement, PilenPak's 2050 net-zero emissions vision was included in its long-term roadmap. Since 2023, it has been conducting voluntary carbon footprint calculations in accordance with the ISO 14064 standard. The company also embraces the principle of transparency, sharing its emissions data with the public every year and demonstrating its climate responsibility with concrete steps.

As part of its emission reduction efforts, our company regularly calculates Scope 1, Scope 2, and Scope 3 greenhouse gas emissions and has the resulting data verified by authorized verification organizations.

PilenPak Packaging considers combating climate change a key element of its sustainability strategy. Our company implements a systematic methodology within the framework of the ISO 14064 standard and the GHG Protocol to calculate greenhouse gas emissions transparently, accurately, and in compliance with international standards.

The emission factors used in the calculations are sourced from globally recognized organizations such as DEFRA and the IPCC. This includes not only carbon dioxide (CO<sub>2</sub>), but also other greenhouse gases with a high climate impact, such as methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), and hydrofluorocarbons (HFCs).

PilenPak Packaging adopts an operational control approach across all its operations and manages emissions data holistically. This allows us to accurately identify environmental impacts across processes from production to logistics, identify reduction opportunities, and develop action plans aligned with sustainable growth goals.



# Air Emission Management and Monitoring

PilenPak Packaging views air emission management as a fundamental element of its environmental responsibility, aiming to minimize the impact of its activities on air quality and ensure continuous improvement in relevant processes. In this context, all emissions from production activities are regularly monitored and controlled, and full compliance with legislation is ensured.

Our company holds an environmental permit for air emissions and is subject to the Continuous Emission Measurement Systems Communiqué. Accordingly, all emission sources are measured by authorized measurement companies at least every two years, and the results are reported. Furthermore, uncontrolled emission points within the facility are strictly prohibited.

Periodic measurements taken in boiler and operation chimneys to protect air quality show that all emission values (CO, NO<sub>2</sub>, NO, SO<sub>2</sub>, dust and VOC) are well below the current legal limits.



# Air Emission Management and Monitoring

## *Work Processes and Technologies Implemented to Reduce Dust and Particulate Matter Emissions:*

### **Air Conditioning and Ventilation System Filters;**

Although PilenPak does not have dusty work processes, the filters in air conditioning and ventilation systems are regularly maintained and inspected to maintain the highest level of indoor air quality. These filters capture dust, pollen, smoke, and other particles, providing healthy indoor air for our employees and contributing to the prevention of environmental air pollution.

### **Filter Change and Maintenance Records;**

Filters are cleaned and replaced at scheduled intervals. This practice maintains energy efficiency and ensures consistent indoor air quality.

Current work processes and technologies used to control dust and particulate matter emissions in our company are recorded and regularly monitored as part of PilenPak's Occupational Health and Safety Risk Assessment

## *Noise Management and Environmental Impact Control:*

PilenPak is exempt from the environmental permit related to "noise" due to its workplace being located within an organized industrial zone, away from residential areas. However, despite this legal exemption, our company considers reducing noise pollution and protecting employee health as part of its corporate responsibilities. Both technical and administrative measures are implemented to this end.

- **Source Control and Regular Maintenance:** Periodic maintenance programs are implemented to ensure the efficient operation of production machinery and to keep noise levels low, preventing increased noise levels due to mechanical wear.
- **Noise Isolation and Space Planning:** High-noise equipment is positioned separately from quieter machinery to reduce employee exposure. Space layouts are designed to allow for effective control of noise sources.
- **Personal Protective Equipment (PPE):** Following regular noise measurements, hearing protectors of appropriate standards are provided to employees in areas exceeding the exposure action value, and their effectiveness is monitored at regular intervals.

While these practices protect the occupational health and safety of our employees at the highest level, they also contribute to the prevention of noise pollution as a reflection of our understanding of environmental sustainability.

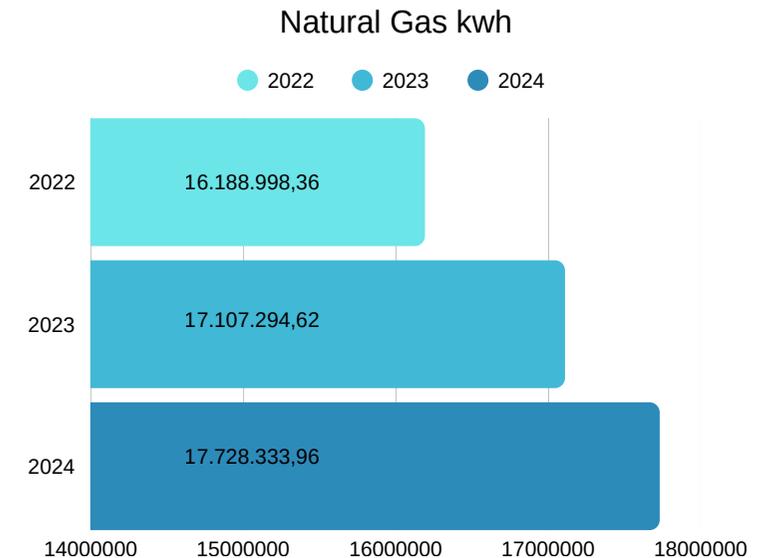
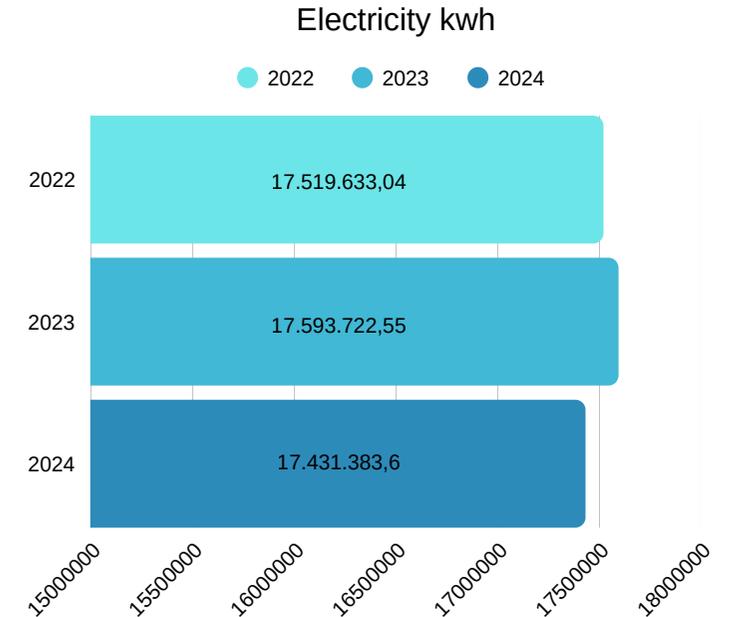
# Energy Management

Aware of the high energy consumption in its production processes, PilenPak Packaging has identified energy management as one of the priority areas of its sustainability strategy. In this context, it is currently in the process of implementing the ISO 50001 Energy Management System and will complete the certification process in the first quarter of 2025. At the same time, energy consumption reduction targets for 2025 will be set and monitored.

Our Integrated Management System policy aims to effectively control energy use and raise energy awareness among our employees. This approach reinforces our commitment to increasing operational efficiency and reducing environmental impact.

PilenPak views the efficient use of energy resources not only as an operational necessity but also as a fundamental part of environmental responsibility. Therefore, a holistic management model is implemented that systematically monitors, analyzes, and improves energy consumption.

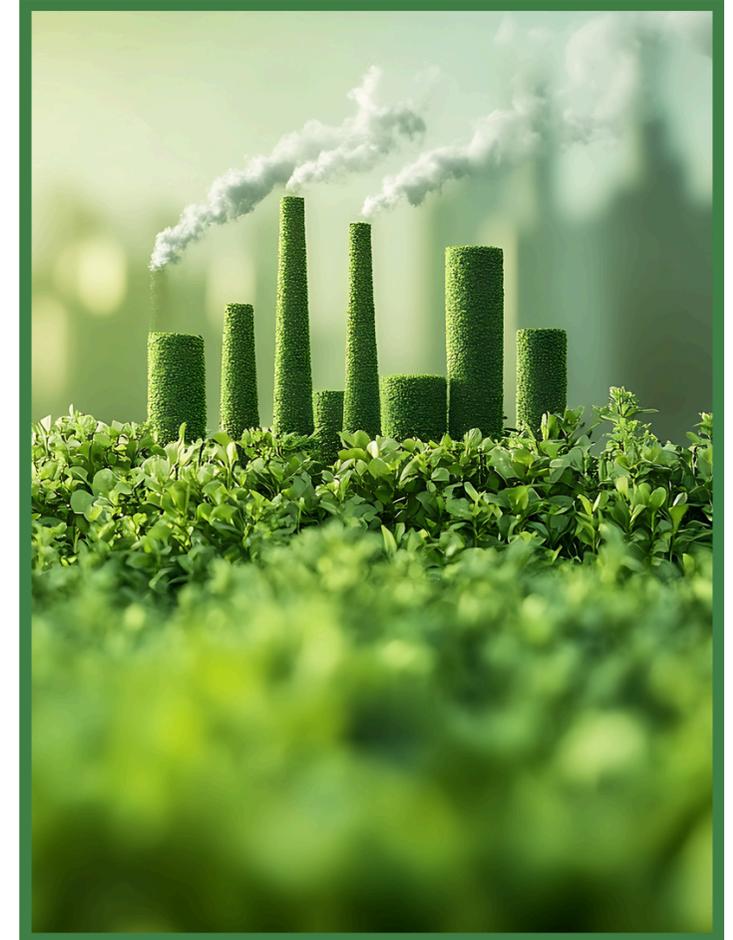
The team established within the Energy Management System is at the center of this process. At quarterly meetings, led by the Energy Management Representative, we plan to evaluate consumption data, assess performance alignment with targets, develop necessary action plans, and monitor the implementation process.



# Our Energy Policy

To achieve its goals and objectives related to energy efficiency, energy use, and energy consumption, PilenPak implements the following principles in its operations:

- To provide all available information and necessary resources,
- To optimize energy use by continuously improving the energy performance of key energy users and the Energy Management System,
- To consider improving energy performance in design activities and investments by monitoring new technologies and energy resources,
- To purchase energy-efficient products and services,
- To comply with all legal regulations and other requirements,
- To carry out all these processes with the full participation and support of employees,
- To regularly review the Energy Management System and ensure its up-to-date status.



# Energy Efficiency Awareness Training



## Energy Efficiency Awareness – Work Life:

Energy efficiency awareness training programs offered at PilenPak Packaging teach employees the importance of energy management systems and the effective control of energy use in business processes. These programs encourage employees to contribute to energy efficiency in production processes and actively participate in reducing energy consumption. Thus, a culture of energy conservation in the workplace extends to all operational areas, supporting the company's sustainability goals.

## Energy Efficiency Awareness – Home Life:

Home energy savings training programs for employees provide practical information on reducing energy use in daily life. Through these programs, PilenPak Packaging aims to encourage its employees to implement energy efficiency practices outside of work and adopt sustainable energy habits in their own homes.

In 2024, the total training time on energy was recorded as 444.5 hours. These trainings were calculated as a total of 8.92 training man-hours.

The total training time provided for ISO 14064:2018 Greenhouse Gas Reporting (Carbon Footprint) requirements during the 2023-2024 period was determined to be 350 hours. This training was calculated as a total of 14 training man-hours.



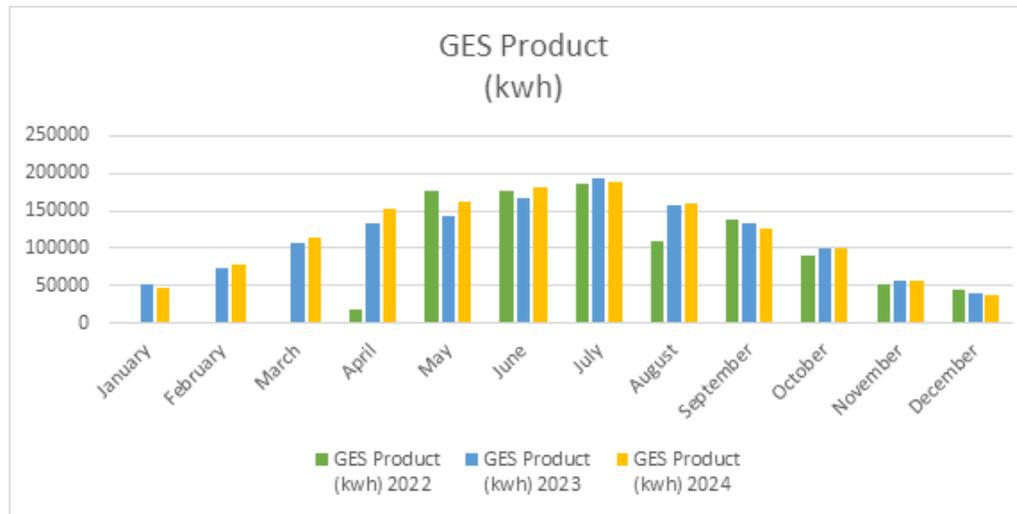
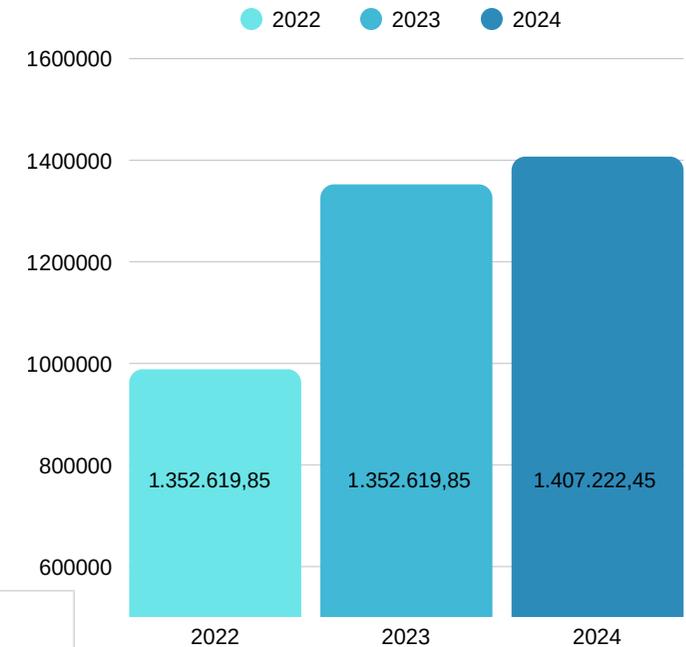
# Energy Performance and Renewable Resources

PilenPak Packaging positions energy management as a core element of its sustainability strategy. By effectively planning energy use and integrating renewable energy sources, the company aims to both increase operational efficiency and minimize environmental impact.

In 2021, project work for a Solar Power Plant (SPP) began, and extensive discussions were held with domestic companies. The company, with whom an agreement was reached in January 2022, installed photovoltaic panels on the roofs of the main campus and commissioned the plant in April 2022. The existing Solar Power Plant (SPP) meets 8.07% of the total electricity needs of facilities PP1, PP2, and PP3.

Thanks to this system, PilenPak Packaging increases its use of renewable energy, strengthens its energy efficiency practices, and makes tangible contributions to its sustainable production goals.

Solar Power Plant (kwh)



# Recycling And Zero Waste Management

## ***Our Sustainable Waste Management Practices:***

PilenPak Packaging plans its waste management and reduction efforts within the framework of its Environmental Policy and internal waste management procedures. Our company prioritizes minimizing waste generation from production and operational processes and managing waste effectively.

As part of its environmental and waste management practices, our company identifies potential environmental risks through risk analysis processes and proactively implements the necessary measures. To prevent potential disruptions in waste management processes and minimize their impacts, our company implements continuous improvement and active management strategies.

## ***Employee Training and Waste Management Awareness:***

As part of its environmental responsibility approach, PilenPak prioritizes raising employee awareness of waste reduction, separation, and proper disposal. To this end, regular training is conducted annually under the guidance of an environmental consultant.

The Zero Waste Training programs offered as part of the program provide employees with comprehensive information on hazardous and non-hazardous waste types, recycling methods, and disposal processes. This ensures that all employees embrace PilenPak's Zero Waste Management System goals.

In addition to waste management training, awareness campaigns are also conducted on topics such as energy efficiency, water management, and compliance with environmental regulations. These training programs ensure that employees gain in-depth knowledge of environmental issues and integrate this knowledge into their daily work processes.

A total of 2,363 hours of training were provided as part of the Basic Environmental Information Training in 2024. The training man-hour value of these training sessions was calculated as 10.09

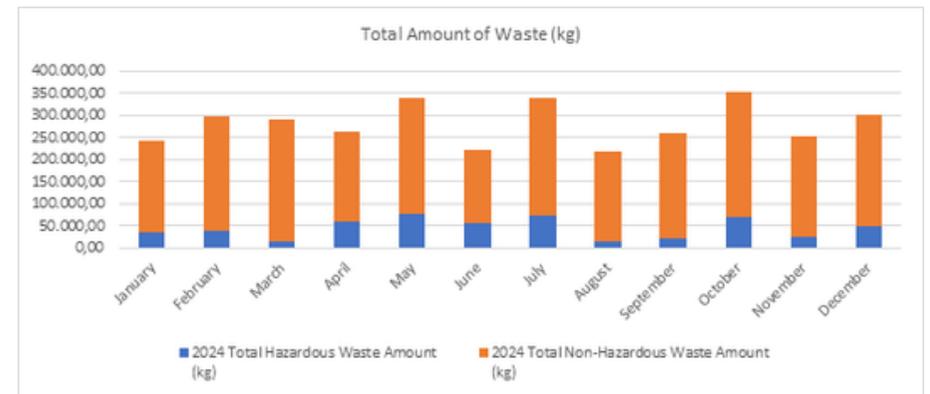
## ***Our Sustainable Approach to Waste Management:***

PilenPak considers it a fundamental responsibility to manage the waste generated by its operations in a way that minimizes their environmental impact. The Waste Management Plan implemented in this regard covers the entire process, from waste reduction at the source to safe disposal. The plan: It defines in detail elements such as waste classification, temporary storage conditions, compliance with legal regulations, and disposal methods.

With its Industrial Waste Management Plan approval, the company ensures the safe disposal of hazardous waste in particular and contributes to the protection of natural resources by utilizing environmentally friendly technologies in its treatment processes.

As part of its environmental sustainability approach, PilenPak Packaging holds a Zero Waste Certificate. Our company meticulously manages waste and adopts a systematic approach in all processes.

Waste is separated using equipment aligned with codes determined by its point of origin and directed to temporary waste storage areas. It is transferred to subsequent processing or disposal stages according to the relevant categories. Hazardous and non-hazardous waste, in particular, are stored in separate, secure storage facilities in accordance with regulations, minimizing environmental risks and ensuring legal compliance.



# Environmentally Friendly And Innovative Practices In Packaging Production

## **Chemical Management and Recycling Practices:**

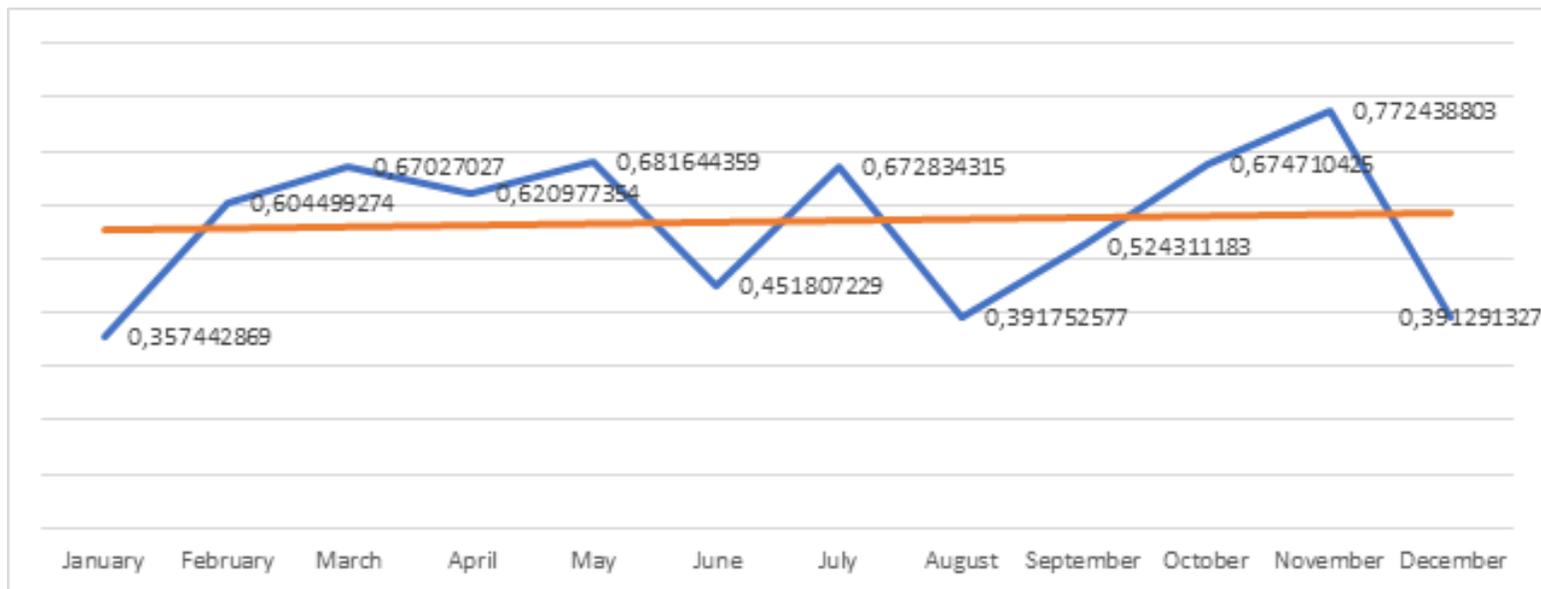
PilenPak Packaging is investing in solvent recovery to reduce chemical use and minimize environmental impact. Research and project design for the Solvent Recovery (SRU) facility, initiated in 2020, was completed in 2021 following discussions with supplier companies, and the facilities were commissioned at both of our company's campuses in the last quarter of the same year.

These systems enable the recovery of solvent vapors contained in emissions during the printing process, reducing the amount of volatile organic compounds (VOCs) released into the atmosphere. Recovered solvents are reused in production processes such as diluting inks and adhesives, reducing both chemical usage rates and operating costs. This allows for full compliance with regulatory limits while minimizing environmental damage and strengthening our sustainable production goals.

## **Film Recycling and Reuse:**

PilenPak Packaging prioritizes the recycling of plastic waste generated during its production process, in line with its circular economy approach. Thanks to the Recycling Machine in our film line, discarded reels and edge waste are recycled and granulated. These recycled granules are reused in our in-house production processes, increasing raw material efficiency and significantly reducing waste. This practice supports the efficient use of resources and directly contributes to environmental sustainability.

2024 Solvent Recovery Amount



# Innovative Packaging Solutions

In line with its sustainability vision, PilenPak Packaging implements monomaterial technologies (a combination of mono PE, mono PP, or mono polyolefin) in its flexible packaging solutions. This approach enables packaging to be designed from a single material, making recycling processes more efficient and thus contributing to the circular economy.



Our ISCC Plus certification, obtained in 2024, strengthens our infrastructure for sustainable, raw material use in our supply chain. While continuing its recyclability efforts, our company aims to increase the use of PCR (Post-Consumer Recycled) raw materials in the future. This approach supports our strategic goals of recycling waste into the economy and reducing the use of fossil-based raw materials.

PilenPak also conducts studies to increase the use of biodegradable and renewable materials in line with its goal of developing sustainable packaging solutions. In this context, Polylactic Acid (PLA), produced from renewable resources such as corn starch and sugar cane, has been evaluated as an alternative to widely used petroleum-based plastics such as PET. R&D studies investigating the potential use of PLA in flexible packaging structures aim to reduce environmental impact and promote the use of sustainable materials.

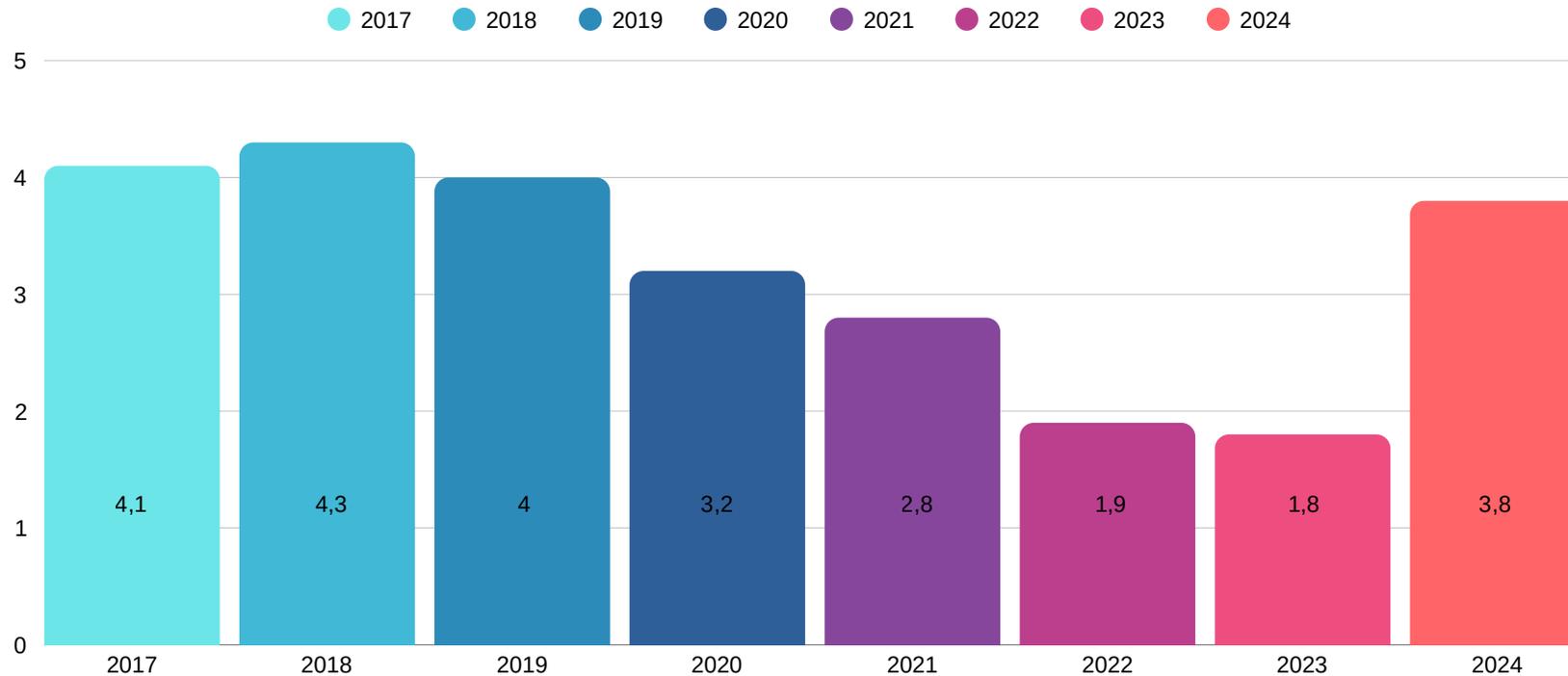
As part of the project, the use of PLA-based films instead of printing and laminating films has been tested, and laboratory studies have been successfully completed. Currently, development work on industrial-scale PLA-based applications is ongoing, and the process is also being carried out within the framework of university-industry collaboration.

# Water And Wastewater Management

PilenPak Packaging considers the sustainable management of water a fundamental element of our environmental responsibility. In this context, we regularly monitor water consumption in our production processes, evaluate efficiency, and systematically identify areas where water use can be reduced. Monitoring and analysis conducted to ensure the efficient use of water resources provide continuous improvement opportunities in line with sustainability goals.

The resulting wastewater is discharged into the Manisa Organized Industrial Zone sewer system in accordance with applicable legislation and environmental standards. The primary priority in these processes is to safeguard environmental safety and public health.

All these practices are shaped within the framework of our company's Water Policy, where strategic decisions are made to protect water resources and leave a sustainable environment for future generations.



# Our Water Policy

As PilenPak Packaging, we recognize that water is an indispensable resource for life, and we recognize that our water-related policies and actions have a significant impact on our employees, customers, and other communities.

In this context, we declare and undertake to:

- Improve our water performance by focusing on reducing water consumption, increasing water efficiency, improving water monitoring systems, and recycling and reusing water, in line with our environmental goals.
- Minimize our water-related environmental impacts throughout the product lifecycle by adopting innovative technologies.
- Raise awareness among all our employees, stakeholders, and the public about water pollution and the efficient use of water.
- Ensure compliance by monitoring our obligations in line with national legislation, standards, and customer expectations regarding water consumption and wastewater.

# Biodiversity

PilenPak Packaging considers the protection of biodiversity and the strengthening of environmental sustainability an important part of its long-term responsibilities. Our company aims to minimize the negative impacts of its production activities on natural life and implements environmentally friendly, innovative practices accordingly. Energy and resource efficiency, waste management, and carbon emission reduction are among PilenPak's priority areas of work that indirectly contribute to biodiversity.

## ***Our Biodiversity Policy:***

Recognizing that the decline in biodiversity can have a negative impact on the entire ecosystem on a global scale, we prioritize biodiversity to protect the environmental balance and ecosystem. In our ongoing activities, we prioritize biodiversity to ensure environmental sustainability while preserving biodiversity.

- Supporting the diversity of natural life,
- Assessing the impact on biodiversity in areas where we operate and developing biodiversity action plans,
- Implementing a preventative approach to minimize impacts on biodiversity in our new projects,
- Developing practices that consider the protection of endangered or threatened species in all our existing and ongoing projects,
- Reviewing the current situation in biodiversity conservation efforts, collaborating closely with relevant legal authorities, scientists, and local governments, and collaborating with our stakeholders on local solutions and global impacts,
- Giving biodiversity a prominent place within our sustainability goals and integrating it into our decision-making processes,
- Encouraging all our employees and stakeholders to participate in efforts to protect biodiversity.

# Sustainable Supply Chain Management



# Sustainable Supply Chain Management

At PilenPak Packaging, environmental responsibility and sustainability are a priority throughout every link in our value chain. In our relationships with our business partners and suppliers, we prioritize the use of environmentally friendly technologies and the minimization of environmental impact. Our suppliers are expected and encouraged to act with the same sensitivity.



As our company grows and makes new investments in line with its strategic goals, our supplier portfolio is updated according to needs, diversified, and supply continuity is ensured. Quality, reliability, and sustainability are prioritized in supplier selection. At PilenPak, we obtain the necessary declarations in advance when purchasing materials from chemical suppliers to ensure compliance with legal requirements and our sustainability standards.

To minimize potential disruptions in the supply chain, the supplier list is regularly reviewed, and service quality and continuity are guaranteed through contracts. Supplier audits are conducted regularly; compliance with environmental and social criteria is checked. Action plans are developed with suppliers to address any non-conformities identified as a result of audits, and the implementation of these plans is meticulously monitored.

This approach enables the development of alternative solutions to potential risks in the supply chain, strengthening operational sustainability and environmental performance.

# Our Supply Chain Approach

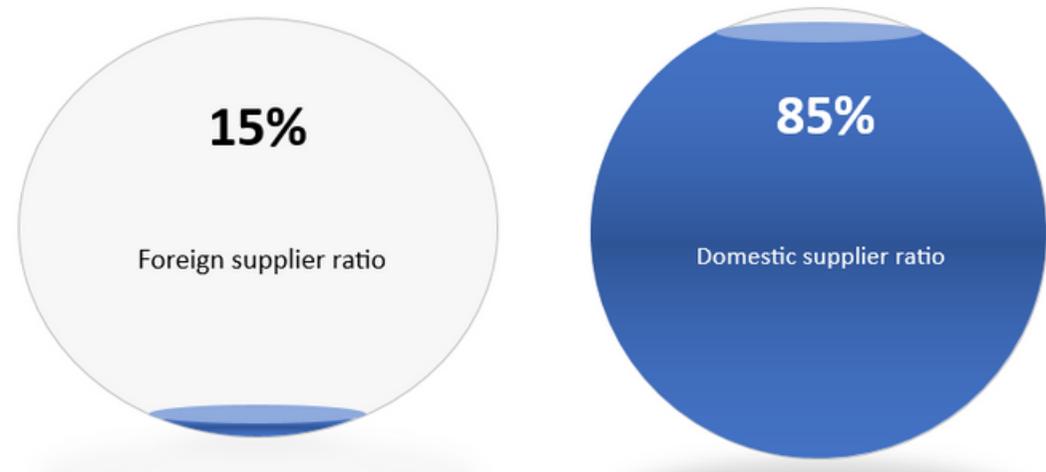
PilenPak views the supply chain not only as a business relationship but also as a strategic partnership in achieving sustainability goals. Therefore, we expect our local and global suppliers to adhere to ethical business practices and fulfill their environmental responsibilities. Our fundamental conditions for cooperation include holding management system certifications such as ISO 14001 and ISO 45001 in compliance with international standards, fully meeting legal requirements, and contributing to our sustainability vision.

PilenPak considers supply chain management one of its strategic priorities and demonstrates its commitment in this area through its Sustainable Supply Chain Policy and the PilenPak Supplier Code of Conduct. Within this framework, our company takes a holistic approach to the supply chain, not only from an economic perspective but also in its environmental and social dimensions.

Our policy encourages suppliers to conduct their activities in compliance with national and international legislation, fulfill their environmental and social responsibilities, and conduct business with high ethical standards. PilenPak expects its suppliers to monitor their environmental impacts and demonstrate a commitment to taking improvement steps to manage them.

This comprehensive approach not only secures existing supply relationships but also contributes to the achievement of our long-term sustainability goals. PilenPak aims to build a transparent, responsible, and sustainable value chain with its business partners.

Our company supports sustainable growth by prioritizing local resources in its procurement policies. In our 2024 purchases, 85% of our suppliers were sourced domestically, while the remaining 15% were sourced internationally. Our focus on local suppliers not only reduces environmental and logistical risks but also contributes to the development of the local economy.



# Sustainable Sourcing Policy

PilenPak Packaging San. ve Tic. A.Ş. is committed to upholding the principles of compliance, integrity, and ethical behavior. The purpose of this policy is to explain the standards and fundamental principles PilenPak Packaging observes in its relations with its suppliers. This policy aims to ensure sustainable supply chain management by acting responsibly, in line with quality and business conduct during the procurement process.

## ***Application principles:***

We expect our suppliers to act in accordance with the guidelines set out in this policy and to comply with all applicable laws and regulations relevant to their operations in each country in which they operate.. At PilenPak Packaging, we take these principles into consideration in our supplier selection, evaluation, and audits.

Our suppliers;

- Not employ child labor under the minimum working age defined under Article 138 of the International Labor Organization Convention.
- Not employ forced or compulsory labor.
- Not employ workers without any employment security.
- Not discriminate based on race, ethnicity, gender, gender identity, sexual orientation, color, religion, country of birth, marital status, pregnancy, dependents, age, job position, disability, social class, union membership, or political views.
- To respect human rights and operate with a work approach befitting humanity and human dignity.
- To never accept any form of physical abuse, sexual, verbal, or physical harassment, or intimidation in the workplace.
- To act fairly and in accordance with fundamental moral and human values in all business relationships.
- To compensate their employees at least the minimum wage, to ensure that all fringe benefits comply with the rules set by laws and regulations, and to ensure that payments are made regularly and on time.
- To ensure that employees are provided with holidays and leave in accordance with laws and regulations, and that working hours are in accordance with regulations. Ensure compliance with these regulations.

# Sustainable Sourcing Policy

- Respect their employees' right to freedom of association and collective bargaining without fear of reprisal, intimidation, or harassment.
- Observe occupational health and safety rules in the workplace, take all necessary precautions, and provide regular occupational health and safety training to their employees.
- Comply with all applicable environmental laws, regulations, and legislation, and hold documents or commitments containing ISO 14001 certification or similar standards.
- Support sustainable forestry practices among our suppliers for the management of wood and paper products, select sustainable products, and prioritize FSC-certified suppliers.
- Prioritize and promote women-owned businesses in their supplier selection to support women entrepreneurs.
- Do not accept or offer unlawful payments, donations, bribes, gifts, or other improper benefits in their business transactions.
- Respect PilenPak Packaging's intellectual property rights and notify us upon becoming aware of any threat and/or violation of these rights, and ensure that any potential violation is prevented and/or terminated. We expect them to cooperate with PilenPak Packaging to resolve the issue.
- If PilenPak Packaging discloses confidential information to its employees and consultants, we expect them to warn the parties and ensure that these individuals comply with their confidentiality obligations.

We pledge our cooperation on relevant matters.

# Global Goals and Contributions



# Sustainable Development Goals

## Climate Change And Sustainable Production and Service Conception

PRIORITY ISSUE	PRIORITY ISSUE DESCRIPTION	UNGC PRINCIPLES	RELATED SDG	SDG TARGET ITEM NUMBER	INDICATORS TO BE MONITORED	ECONOMICS-SOCIAL-ENVIRONMENTAL
Adapting to climate change and reducing emissions	Continuing adaptation efforts by integrating climate change and emission reduction strategies into all business processes.	<p><b>Principle 7:</b> Businesses should support a precautionary approach to environmental challenges;</p> <p><b>Principle 8:</b> Undertake initiatives to promote greater environmental responsibility</p>		<b>13.3:</b> Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning	<p>Total Emissions - Scope 1 + Scope 2 (tonsCO2e)</p> <p>Total Emissions - Scope 3 (tonsCO2e)</p> <p>Emission Intensity: (Scope1+Scope2) / Total Production Quantity (tons)</p>	Environmental
Responsible Supply Chain	Our purchasing processes include procedures that ensure that we make our selections not only by considering price optimization but also by paying attention to some valuable social (child labor, forced and compulsory labor, etc.) and environmental (energy consumption, waste management, etc.) criteria.	<p><b>Principle 1:</b> Businesses should support and respect the protection of internationally proclaimed human rights</p> <p><b>Principle 2:</b> Make sure that they are not complicit in human rights abuses.</p>	  	<p><b>8.7:</b> Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms</p> <p><b>12.2:</b> By 2030, achieve the sustainable management and efficient use of natural resources</p> <p><b>16.2:</b> End abuse, exploitation, trafficking and all forms of violence against and torture of children</p>	Recyclability rate (%) of recycled packaging	Environmental
Digitalization and Customer Satisfaction	It covers studies on digitalization processes and their impact on customers.	<b>Principle 9:</b> Encourage the development and diffusion of environmentally friendly technologies.		<b>12.6:</b> Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle	<p>Customer Satisfaction Rate</p> <p>Digitized Processes and Services</p> <p>Number of Sustainability Reports</p>	Economic
Regulatory compliance and risk management	Within the scope of the fight against corruption and bribery, it is the implementation of risk management practices based on ethical principles in all processes within the framework of compliance with relevant legislation (environment, OHS and other).	<b>Principle 10:</b> Businesses should work against corruption in all its forms, including extortion and bribery.		<b>16.5:</b> Substantially reduce corruption and bribery in all their forms	<p>Anti-corruption training hours (person-hours)</p> <p>Environmental training hours (person-hours)</p>	<p>Social</p> <p>Environmental</p>

# Sustainable Development Goals

## Environmental Awareness

PRIORITY ISSUE	PRIORITY ISSUE DESCRIPTION	UNGC PRINCIPLES	RELATED SDG	SDG TARGET ITEM NUMBER	INDICATORS TO BE MONITORED	ECONOMICS-SOCIAL-ENVIRONMENTAL
Waste Management	It covers the work carried out within the scope of hazardous and non-hazardous waste production, waste management and reduction resulting from our operations.	<p><b>Principle 7:</b> Businesses should support a precautionary approach to environmental challenges;</p> <p><b>Principle 8:</b> Undertake initiatives to promote greater environmental responsibility</p>	 	<p><b>3.9:</b> By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.</p> <p><b>12.5:</b> By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.</p>	<p>Total weight of hazardous waste (kg)</p> <p>Total weight of non-hazardous waste (kg)</p> <p>Total weight of recycled waste (kg)</p>	Environmental
Chemical Management	It covers studies to ensure the traceability of chemicals used in our operations and to reduce their potential hazards.	<p><b>Principle 7:</b> Businesses should support a precautionary approach to environmental challenges;</p> <p><b>Principle 8:</b> Undertake initiatives to promote greater environmental responsibility</p>	 	<p><b>3.9:</b> By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.</p> <p><b>12.2:</b> By 2030, achieve the sustainable management and efficient use of natural resources</p>	Obtaining declarations from chemical suppliers before purchasing materials (Reach etc.)	Environmental
Value Chain, Circular Economy and Life Cycle	These are our innovation-centered activities where resources are used more responsibly, product lifecycles are extended, and materials are reintegrated into the production process without generating waste.	<p><b>Principle 9:</b> Encourage the development and diffusion of environmentally friendly technologies.</p>	 	<p><b>9.4:</b> By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities</p> <p><b>12.4:</b> By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health</p>	<p>Sustainable R&amp;D and innovation investments</p> <p>Impact of R&amp;D and innovation investments</p> <p>Rate of recyclable materials</p> <p>Recycled and used material projects</p>	Economic
Energy Management	It covers investments and projects carried out to increase energy consumption, energy management, efficiency and reduce consumption in our company's operations.	<p><b>Principle 7:</b> Businesses should support a precautionary approach to environmental challenges;</p> <p><b>Principle 8:</b> Undertake initiatives to promote greater environmental responsibility</p>	 	<p><b>7.2:</b> By 2030, increase substantially the share of renewable energy in the global energy mix</p> <p><b>13.1:</b> Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries</p>	<p>Total Energy Consumption kWh</p> <p>Amount of Renewable Energy Production</p> <p>Ratio of Renewable Energy Production in Total Energy Consumption</p> <p>Energy Consumption per Unit</p>	Environmental
Water Management and Wastewater Management	It covers the studies carried out for water consumption, increasing water efficiency, reducing consumption and effective management of the resulting wastewater in our company's operations.	<p><b>Principle 7:</b> Businesses should support a precautionary approach to environmental challenges;</p> <p><b>Principle 8:</b> Undertake initiatives to promote greater environmental responsibility</p>		<p><b>6.3:</b> By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally</p> <p><b>6.4:</b> By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering</p>	<p>Water consumption by source - m3</p> <p>Water discharge (wastewater) by source - m3</p> <p>Water used per unit of production</p>	Environmental

# Sustainable Development Goals

## The Future of Work With Our Employees

PRIORITY ISSUE	PRIORITY ISSUE DESCRIPTION	UNGC PRINCIPLES	RELATED SDG	SDG TARGET ITEM NUMBER	INDICATORS TO BE MONITORED	ECONOMICS- SOCIAL- ENVIRONMENTAL
Employee Training and Talent Development	It includes efforts to provide professional and personal training and coaching services in relevant fields and subjects in order to support the development of our employees.	<p><b>Principle 4:</b> The elimination of all forms of forced and compulsory labour</p> <p><b>Principle 5:</b> The effective abolition of child labour</p> <p><b>Principle 6:</b> The elimination of discrimination in respect of employment and occupation.</p>		<b>4.4:</b> By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship	Training hours per person	Social
Equal opportunities and gender equality	It includes initiatives related to policies and practices that support equal opportunities and gender equality.	<p><b>Principle 4:</b> The elimination of all forms of forced and compulsory labour</p> <p><b>Principle 5:</b> The effective abolition of child labour</p> <p><b>Principle 6:</b> The elimination of discrimination in respect of employment and occupation.</p> <p><b>Principle 10:</b> Reduce inequalities within and between countries</p>	 	<p><b>5.5:</b> Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life</p> <p><b>10.2:</b> By 2030, ensure and strengthen the social, economic and political inclusion of all, regardless of age, gender, disability, race, ethnicity, religion, economic or other status</p>	Employee Demographic Structure Total Number of Employees Female Employee Ratio Male Employee Ratio Female Employee Ratio at Management Level Male Employee Ratio at Management Level	Social
Human Rights and Ethics	These are activities carried out with an understanding of compliance with ethical rules and policies, focusing on issues such as combating bribery and corruption, and protecting human rights.	<p><b>Principle 1:</b> Businesses should support and respect the protection of internationally proclaimed human rights</p> <p><b>Principle 2:</b> Make sure that they are not complicit in human rights abuses.</p> <p><b>Principle 3:</b> Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining</p>		<b>16.7:</b> Ensure responsive, inclusive, participatory and representative decision-making at all levels	Human Rights Training per person - per hour Number of cases of ethical violations	Social
Sustainable Development-Focused Collaborations	It is the implementation of joint projects with universities, NGOs, and other business partners.	<b>Principle 9:</b> Encourage the development and diffusion of environmentally friendly technologies.		<b>17.6:</b> Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries, in particular developing countries	Number of collaborations for sustainability innovation	Economic

# Sustainable Development Goals

## Safe Working Environment

PRIORITY ISSUE	PRIORITY ISSUE DESCRIPTION	UNGC PRINCIPLES	RELATED SDG	SDG TARGET ITEM NUMBER	INDICATORS TO BE MONITORED	ECONOMICS- SOCIAL- ENVIRONMENTAL
Occupational Health and Safety	Activities carried out within the scope of occupational health and safety include studies on relevant committees, policies, and training and information processes.	<p><b>Principle 4:</b> The elimination of all forms of forced and compulsory labour</p> <p><b>Principle 5:</b> The effective abolition of child labour</p> <p><b>Principle 6:</b> The elimination of discrimination in respect of employment and occupation.</p>		3.9: By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination	Accident Frequency Rate Accident Severity Rate Hours of OSH training provided in accordance with legislation and beyond (person hours)	Social
Human Working Environment	Providing a safe and healthy working environment to increase the satisfaction levels of our employees includes studies that include elements such as ergonomics, lighting and work organization.	<p><b>Principle 4:</b> The elimination of all forms of forced and compulsory labour</p> <p><b>Principle 5:</b> The effective abolition of child labour</p> <p><b>Principle 6:</b> The elimination of discrimination in respect of employment and occupation.</p>		8.8: Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment	Employee Satisfaction Scores Ambient Emission Measurement	Social

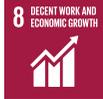
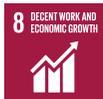
## Social Contribution

PRIORITY ISSUE	PRIORITY ISSUE DESCRIPTION	UNGC PRINCIPLES	RELATED SDG	SDG TARGET ITEM NUMBER	INDICATORS TO BE MONITORED	ECONOMICS- SOCIAL- ENVIRONMENTAL
Social Responsibility projects	It covers activities carried out on a voluntary basis, in cooperation with certain non-governmental organizations, or on the company's own initiative, with the aim of benefiting society.	UNGC 10 principles	 	8.6: By 2020, substantially reduce the proportion of youth not in employment, education or training  17.17: Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships	List of Social Responsibility Projects Adding Sustainability Parameters to Brand Reputation	Economic
Local Suppliers	It covers the activities carried out within the scope of increasing the number of local suppliers among the suppliers and contributing to the development of these suppliers	<b>Principle 9:</b> Encourage the development and diffusion of environmentally friendly technologies.	 	8.3: Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services  12.7: Promote public procurement practices that are sustainable, in accordance with national policies and priorities	Proportion of purchases from local suppliers	Economic

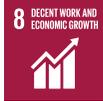
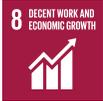
# PilenPak With Data



# Sustainability Goals

ESG	RELATED SDGs	GOAL DESCRIPTION	PERFORMANCE INDICATOR	METRIC	2022	2023	2024	BASE YEAR	TARGET YEAR	TARGET
Environment	 	Reducing Carbon Emissions	Scope 1 and Scope 2 Carbon Emissions Reduction Compared to Base Year (TonCO2eq)	(tonCo2eq) %	3754	5356	4064	2024	2025	10
Environment	 	Reducing Carbon Emissions	Reducing Scope 1 and Scope 2 Carbon Emissions per Unit of Production	CO2eq	59	67	79	2022	2025	40
Environment	 	Reducing Electricity Consumption	Reducing Unit Electricity Consumption (kwh/kg)	%	-	-	34	2024	2030	100
Environment	 	Reducing Natural Gas Consumption	Reducing Unit Natural Gas Consumption (kwh/kg)	%	-	-	0	2024	2030	0
Social		Accident Frequency Rate	Reducing accident frequency rate	%	-	-	0	2024	2030	0
Social		Accident Severity Rate	Reducing accident severity rate	%	-	-	0	2024	2030	0

# Sustainability Goals

ESG	RELATED SDGs	GOAL DESCRIPTION	PERFORMANCE INDICATOR	METRIC	2022	2023	2024	BASE YEAR	TARGET YEAR	TARGET
Social		Increasing Staff Training	Increasing employee hours of training and awareness on occupational safety	Hour	3754	5356	4064	2024	2025	10
Social	 	Women's Employment	Increasing the Number of Female Personnel Employed	%	59	67	79	2022	2025	40
Governance	 	Awareness Raising Trainings	Providing training on ethics to all employees	%	-	-	34	2024	2030	100
Governance		Number of Corruption Cases	No confirmed corruption cases	Unit	-	-	0	2024	2030	0
Governance	  	Discrimination and Harassment Cases	Conducting regular annual data monitoring to monitor the number of workplace discrimination and physical, psychological and verbal harassment cases and recording all reports.	Unit	-	-	0	2024	2030	0
Governance		Child Labor Number	Number of reported child labor and forced labor cases	Unit	-	-	0	2024	2030	0

# Social Sustainability Indicators

## Total Number of Female/Male Employees

Year	Number of Female Employees	Number of Male Employees
2024	79	402

## Number of female and male employees in management and decision-making positions (excluding the Board of Directors)

	MALE	WOMEN	TOTAL
Manager	14	5	19
Responsible	12	9	21
Director	1	2	2
<b>Grand Total</b>	<b>27</b>	<b>16</b>	<b>43</b>

## Percentage of women in senior management (excluding board of directors)

Total number of employees at senior management level	43
Male management (%)	63%
Female Management (%)	37%

## Percentage of Women on The Organization's Board Of Directors

Total number of board members	5
Male board member (%)	60%
Female board member (%)	40%

## Average hours of training per employee

Year	Training hours per employee
2022	7,11
2023	20,74
2024	16,96

# Social Sustainability Indicators

**Number of confirmed corruption cases, whistleblowing procedure reports, and verified information security incidents**

	2022	2023	2024
Number of confirmed corruption cases	0	0	0
Number of reports related to the whistleblowing procedure	0	0	0
Number of confirmed information security incidents	0	0	0

**Number of days lost due to work-related injuries, deaths and illnesses, number of work-related accidents**

	2022	2023	2024
Lost Days	402	423	301
Accident Frequency Rate	36,23	29,87	25,35
Accident Severity Rate	394,26	421,22	305,19

Accident frequency rate calculation formula = (number of work accidents / total working time) x 1.000.000

Accident severity rate calculation formula = (lost days / total working time) x 1.000.000

# Environmental Sustainability Indicators

## Total Energy Consumption (kWh)

	Electricity (kwh)	Natural gas (kwh)
2022	17.519.633,04	16.188.998,36
2023	17.593.722,55	17.107.294,62
2024	17.431.383,60	17.728.333,96

## Total Renewable Energy Consumption (kWh)

	GES kwh
2022	988.638,26
2023	1.352.619,85
2024	1.407.222,45

## Total Water Consumption (m3)

	2022	2023	2024
January	2.135,00	2.167,00	684,00
February	2.034,00	1.455,00	2.728,00
March	1.656,00	1.955,00	3.913,00
April	1.780,00	1.635,00	3.662,00
May	2.236,00	2.823,00	4.495,00
June	4.366,00	2.953,00	4.931,00
July	2.736,00	4.583,00	5.405,00
August	3.332,00	3.667,00	4.798,00
September	3.158,00	5.087,00	3.933,00
October	2.119,00	3.737,00	3.829,00
November	1.898,00	2.795,00	3.613,00
December	2.298,00	2.403,00	3.952,00
<b>Average Monthly</b>	<b>2.479,00</b>	<b>2.938,33</b>	<b>3.828,00</b>
<b>Total</b>	<b>29.748,00</b>	<b>35.260,00</b>	<b>45.943,00</b>

# Environmental Sustainability Indicators

## Total Amount of Wastewater (m3)

	Total Amount of Wastewater (m3)
2022	26.773,00
2023	31.734,00
2024	41.349,00

## Total Weight Of Non-Hazardous Waste

	Total Non-Hazardous Waste Amount (Kg)
2022	3.201.739,00
2023	3.389.280,00
2024	2.843.709,00

## Total Weight of Hazardous Waste

	Total Amount of Hazardous Waste (Kg)
2022	495.127,00
2023	501.280,00
2024	531.460,00

## Geri kazanılan atıkların toplam ağırlığı

	Total Weight of Recycled Waste (kg)
2023	513.700,00
2024	1.048.492,00

