

Sustainability Report 2023



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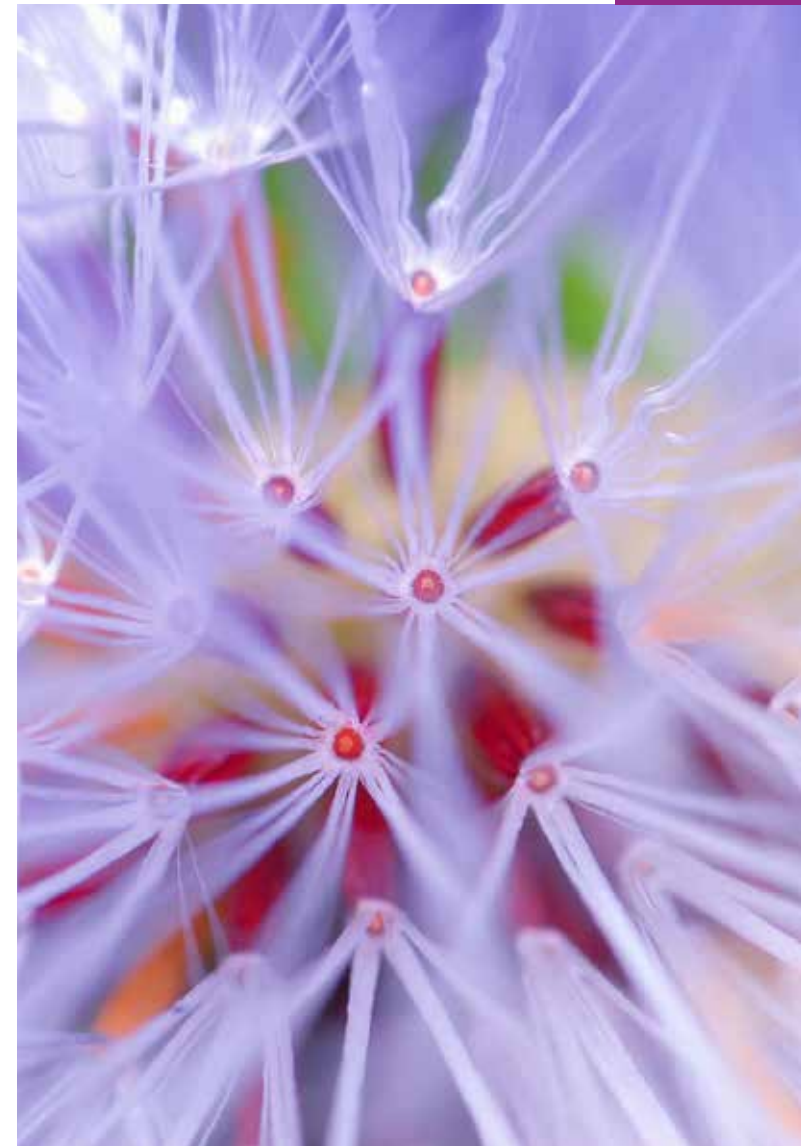
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Presentation and About the Report

Our second sustainability report for the year provides a summary of our performance in the economic, social, and environmental fields and our sustainability approach. The report covers the period from January 1 to December 31, 2023, and includes all our operating regions.

This report has been prepared in accordance with the GRI Standards. The report also includes our contribution to the United Nations Sustainable Development Goals and our performance under the United Nations Global Compact (UNGC).

We prepared our 2023 report in three main sections within the framework of our sustainability strategy, "Vision 2030."

In the "Stakeholder" section, we have included our customer satisfaction practices, product quality and safety efforts, research and development, innovation, digitalization and data security, supply chain management, risk management and business continuity.

The "Environment" section includes our environmentally friendly products, energy, emission, waste and water management, circular economy and biodiversity approach, which form the basis of our environmental management.

In the "Social" section, we have presented a comprehensive summary of our occupational health and safety, employee development and satisfaction efforts, social responsibility, gender equality practices, corporate governance practices, and our understanding of business ethics within the scope of our employee health and development practices.

Should you have any comments or suggestions regarding the report, please send them to info@ispak.com.



Message from the CEO

Esteemed Stakeholders,

We began the year 2023 with deep sorrow due to the devastating earthquakes that struck 11 provinces, one of the greatest disasters in our recent history, which deeply affected us all. Once again, I wish God's mercy on our citizens who lost their lives in the earthquakes and my condolences to their relatives and our nation.

As Kibar Group, we will continue the support we have been providing on the ground since the first day of the disaster, and we will continue the process of rebuilding the region and healing all the wounds.

On the other hand, 2023 was a very important and special year for our country. We proudly celebrated the 100th anniversary of the Republic of Turkey. We are pleased to share İspak Ambalaj's 2023 Sustainability Report with you.

As a company committed to sustainability, the Kibar Group considers economic growth and development as a whole with sustainability principles. In this context, we act in accordance with our sustainability principles in all sectors and geographies in which we operate, evaluate our risks and opportunities related to sustainability, and integrate them into our decision-making processes. In our operations, we utilize natural resources efficiently, benefit from innovative technologies, and strive to minimize the negative impacts of our operations by developing environmentally friendly technologies and products.

The Kibar Group 2025 Sustainability Strategy has been shaped in alignment with the United Nations Sustainable Development Goals. We are moving towards our goals within the framework of this strategy with a sense of purpose and determination. We address our sustainability efforts in all economic, social, and environmental dimensions and work to expand them throughout our value chain.

İspak, one of the flagships of Kibar Group with its facility, which is the largest flexible packaging investment made in Turkey at one time, is one of the leading companies in its sector, producing high technology and quality based on automation in accordance with international standards. İspak is a flexible, solution-oriented, dynamic company that works with Industry 4.0 principles with the aim of becoming a preferred business partner and employer in its sector by integrating sustainability into all its processes, being innovative, environmentally sensitive, and producing according to customer needs.

İspak develops and implements products and processes that enable its customers to reduce their carbon footprint. This is achieved through the company's R&D Center, Solvent Recovery unit, and sustainable product options with recyclable and biodegradable properties, which are offered to the market under the İspak Green brand. İspak is an employer that provides a safe and continuously developing work environment for its employees. Additionally, the company contributes to social welfare by supporting Kibar Group's social responsibility activities.

İspak is committed to further investment in order to become the leading institution in the flexible packaging market, both in our country and in our region. I would like to express my gratitude to our customers, business partners, stakeholders, and colleagues for their support on this journey.

Haluk Kayabaşı
CEO
Kibar Holding



Message from the General Manager

Esteemed Stakeholders,

The year 2023 marked a significant milestone for our country as it celebrated the 100th anniversary of our Republic. However, the year 2023 commenced with a great deal of sorrow due to the devastating earthquakes that affected 11 provinces. These events represent one of the most significant disasters in our recent history, and they have had a profound impact on our entire nation. I would like to extend my deepest sympathies to the families of those who lost their lives in the earthquakes and to the citizens of our nation. As Kibar Group, we will continue to provide the support we have provided since the disaster began, with the goal of rebuilding the region and closing all wounds.

We are pleased to present our second sustainability report.

As İspak, we have continued our work in our 50-year corporate history by adopting Kibar Group's ethical values and understanding of creating value for our stakeholders. At İspak, we have implemented a human and environmentally conscious business model, which has enabled us to achieve economic growth while considering the social and environmental impacts of our operations. We are pleased to present our second sustainability report, which addresses our entire value creation process in economic, environmental, social, and governance terms.

As İspak, we have become a signatory to the United Nations Global Compact (UN Global Compact), a voluntary initiative that aligns with our commitment to sustainable development and our vision of conducting business at world standards.

The past year has been one of significant global economic challenges.

2023 was a year in which efforts to combat inflation were a primary focus across the globe. In the Turkish

economy, the effects of global market fluctuations and uncertainties were observed. In light of these developments, the Turkish Packaging Industry's exports in 2023 reached a value of 6.9 billion dollars. Despite a 8% decline in packaging exports compared to 2022, Turkey achieved a foreign trade surplus of 2.2 billion dollars. Sixty-five percent of exports were directed to European countries. The decline in packaging exports was due to a number of factors, including the impact of crises and wars between countries and the challenges faced by shipping traffic.

The transition to a green economy presents both risks and opportunities.

In 2023, extreme weather events continued to disrupt production and supply processes, underscoring the impact of climate change. In light of these developments, it is crucial for all sectors, including the packaging industry, to adopt a proactive approach to managing climate risks. In light of this understanding, we at İspak analyze the impacts of the transition to a green economy on our operations in terms of risks and opportunities. We aim to make our strategic business plans resilient by using alternative scenarios for possible impacts. Furthermore, we seek to reduce the vulnerability of our processes to climate events.

We assess all potential risks that may impact our operations from both a financial and non-financial perspective. We conduct studies on the impact of these risks on our processes, including supply chain, product development, R&D, innovation, procurement, production, sales, production facilities, and logistics.

While the "green economy" presents certain risks, it also offers significant opportunities for the packaging industry. The packaging industry has seen an increase in production due to a rise in hygiene awareness and e-commerce, as well as changes in shopping preferences and habits that have emerged since the



Message from the General Manager

pandemic. This has been accompanied by an increase in environmental awareness among customers, who are now seeking to protect the quality of their products and make packaging choices that cause the least damage to nature.

As İspak, we view the development of recyclable and compostable packaging options within the scope of environmentally friendly products as an important opportunity for us. Our innovation efforts represent our most significant strength in reducing the environmental impact of our products and processes within the context of our green transformation efforts. We prioritize the development of environmentally friendly products in our product development processes. In 2023, as in 2022, we will continue to allocate 50% of our innovation budget to products with reduced environmental impact.

We empower our customers to make environmentally conscious choices with our products that support sustainable and circular economies. These products are commercialized under the “İspak Green” brand. As in previous years, we will continue to expand our recyclable and compostable product portfolio in 2023. Our sustainable product studies contribute to the production of environmentally friendly packaging and encourage our stakeholders in this area.

Our Solvent Recovery Facility, which was established with the objective of reducing the use of resources and optimizing energy efficiency, commenced operations at our İzmit Plant in 2019. The facility has an annual solvent recycling capacity of 4,000 tons. Our facility ensures that the solvent is not released into the air during production. We recover the waste solvent and use it for energy purposes, thereby eliminating the need to purchase primary solvent. Our efforts in this direction contribute to the circular economy.

We integrate our improvement and efficiency efforts in all areas into our production processes. As part of these efforts, we reduced our energy intensity by 7%, emission intensity by 10% and waste intensity by 11% in 2023 compared to the base year 2020.

We foster a positive, dependable, and equitable work environment for our employees.

As a production company, we maintain our commitment to occupational health and safety by continuing our investments in this area without interruption. We are engaged in numerous projects designed to foster a culture of occupational health. We are gratified by the enhancement in our occupational health and safety performance resulting from our endeavors.

As a leading company in our sector, we are committed to gender equality and recognize the importance of increasing the ratio of female employees. Through the We Are Equal Committee, we strive to ensure gender equality requirements are met both within İspak and in social life. We implement practices that will improve the conditions of our female employees. We support the “We Are Equal” activities carried out within the Holding and carry out the necessary work. Our objective is to increase the ratio of female employees and managers every year. In 2023, our white-collar female work rate was 51%, our female manager rate was 20%, and our female employee rate was 18%. As a company, we aim to be among the leading companies in our sector in the field of gender equality.

The pandemic has also led to a transformation in the way we work. As İspak, we are committed to adapting to the changing business world and protecting the work-life balance of our employees. In 2022, we launched the “Work Is Ours, Life is Ours” project, which we expanded in 2023. The project encompasses position-based evaluations and the implementation of



Message from the General Manager

flexible working models. The objective of the project was to enhance productivity, employee satisfaction, and quality of life by establishing remote working models as a permanent feature of our business operations. We work with the dream of a better future.

İspak's mission is to provide reliable and high-quality products to our customers, to be a good employer for our employees, to be a good business partner for our suppliers, and to make a sustainable contribution to the national economy within the scope of our activities for the benefit of people and society. We are dedicated to enhancing the social well-being of the communities in which we operate and implement social responsibility initiatives. The K-Star Supplier Development Program, launched by Kibar Holding in 2022 and continued in 2023, aimed to extend our sustainability approach throughout the entire value chain, transforming it into a business model.

I would like to express my gratitude to all our customers and business partners who have placed their trust in us, as well as my colleagues who have been instrumental in our success. I would also like to thank all our stakeholders. We will continue to work with all our strength to achieve better results with our stakeholders, who offer their trust and support.

Best regards,

Hakan Kocoglu
General Manager



About Kibar Holding

Kibar Holding, a leading business group in Türkiye, has been making significant contributions to the national economy and social welfare since its establishment in 1972. The company operates in six different sectors and has been a driving force in the Turkish economy.

As of the end of 2023, Kibar Group operates in the metal, automotive, packaging, building materials, real estate, logistics, energy, and service sectors with more than 20 companies and over 4,000 employees. The company is a leading exporter, with operations in over 100 countries across five continents.

Kibar Group's international business partners include Hyundai, Posco, Seoyon E-Hwa, and Heritage, which are among the world's leading brands in their respective fields. Kibar Holding and Group companies play a significant role in the Turkish economy, contributing to high production capacity, employment, exports, and social investments.



6 different
sectors



More than
4,000
employees



Export to over
100 countries



high
production capacity



About Us

İspak Ambalaj, established in 1974, is one of Türkiye's most established flexible packaging manufacturers with nearly 50 years of expertise and R&D studies. The company is engaged in integrated packaging production from raw material supply to lacquering, lamination and extrusion, from printing and dilling to the delivery of special packaging products.

In İzmit Asım Kibar Organized Industrial Zone, we have increased our production capacity to 712,510,000 m² per year in our facility, which is an important investment for the packaging industry, with automatic warehouse, hygienic production areas, solvent recovery system and designed with Industry 4.0 technology. We produce packaging materials for chocolate products, confectionery, dairy products, beverages, dried fruits and snacks, medical devices and pharmaceutical packaging, hygiene products and pet food, with our expertise in flexible packaging production and our ability to offer a variety of production applications. We also design and supply tobacco and industrial packaging applications. Our climate and insulation solutions bring together the products we design to meet the needs of the industry.

As İspak, we are proud to serve a number of large Turkish and global companies. We maintain a close working relationship with our customers, striving to gain a deep understanding of their needs and expectations. At the core of our business is the production of high-quality, sustainable, cost-effective, and easy-to-use packaging.

High Technology and Quality

Our state-of-the-art facility, the largest single investment in flexible packaging in Türkiye, enables us to produce high-tech, quality products based on automation in accordance with international standards.



Kocaeli/İzmit
production facility



Istanbul/Tuzla
production facility



İzmir
sales office

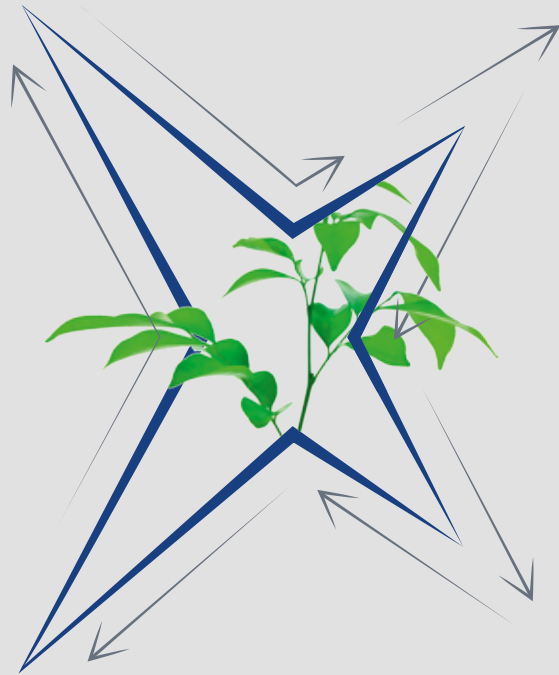


Export to
40
countries



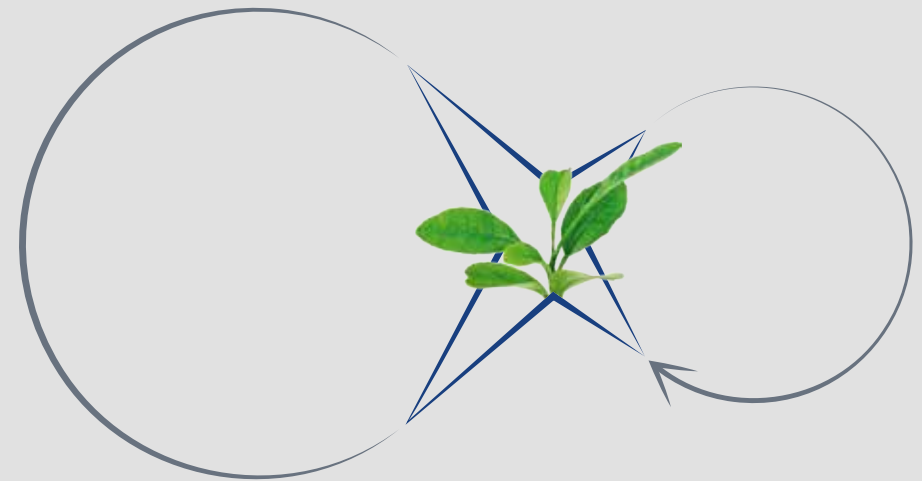
VISION

To be an innovative, fast
and global solution partner.



MISSION

We offer products and solutions that make
life easier in the flexible packaging,
air conditioning, and insulation sectors
with our globally sensitive and value-adding
approach.



Highlights in 2023



Production Capacity:
35,300 tons



Capacity Utilization Rate:
70%



Total Production Amount:
24,536 tons



Number of Employees:
395



Export Rate:
34%



Total Hours of OHS Training
Provided to Employees:
6,196 hours



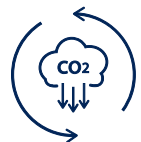
Local Supplier Ratio:
88.42%



Recycled/Recovered
Waste Ratio:
%96



Reduction in Energy Intensity:
7%*



Reduction in Emission Density:
10%*



Reduction in Waste Intensity:
11%*

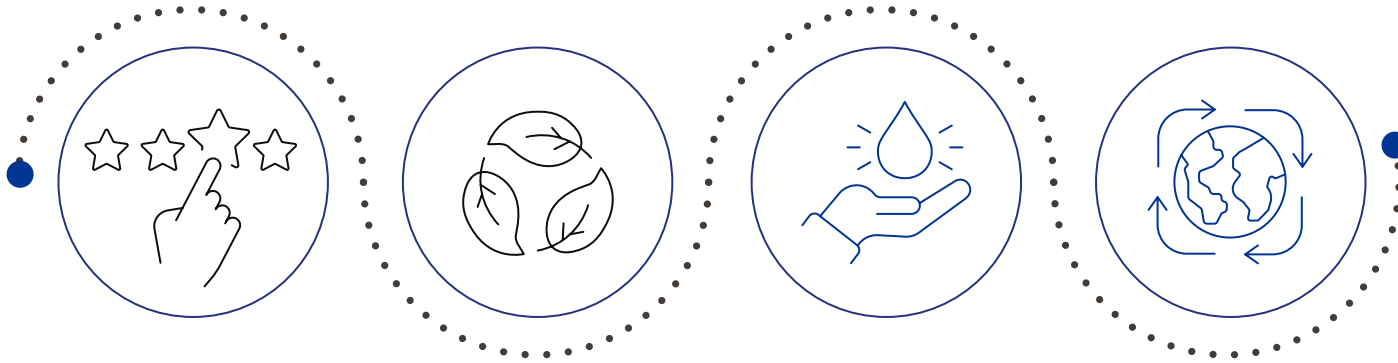


Share of Green Products
in Product Development Budget:
%50



*The change rates are based on 2020.

Awards in 2023



*13th Food Engineering
Congress – Single
Layer Recyclable
Top Foil Project Best
Poster – Third Prize*

*Asım Kibar Blue Drop
Awards – Environmentally
Friendly Ice Cream
Cone Packaging Project
Innovation Category –
Third Prize*

*EcoVadis
Bronze Medal*

Our Products

Flexible Packaging

- *Chocolate*
- *Chewing gum and candy*
- *Milk products*
- *Beverage*
- *Powdered food and snack*
- *Frozen food and ice cream*
- *Other food*
- *Pet products*
- *Medical hygiene products*
- *Tobacco products*



Our Products

Technical Foils

• *Finslaq*

• *RefBack*



Sustainability at İspak

İspak Ambalaj's sustainability approach is based on a stable economic growth model that considers social and environmental factors. We view sustainability as a way of doing business and have integrated it into our corporate culture. We have developed sustainability policies and strategies, institutionalized sustainability efforts, extended sustainability to all operations and processes, and encouraged stakeholders in the field of sustainability.

In order to produce sustainable products and become a preferred employer and business partner, we work with our vision of "Being an innovative, fast and global solution partner" and position sustainability as our brand value. By including our economic, social and environmental impacts in all decision-making mechanisms, we adopt a participatory, innovative, reliable, environmentally sensitive and people-oriented management approach.

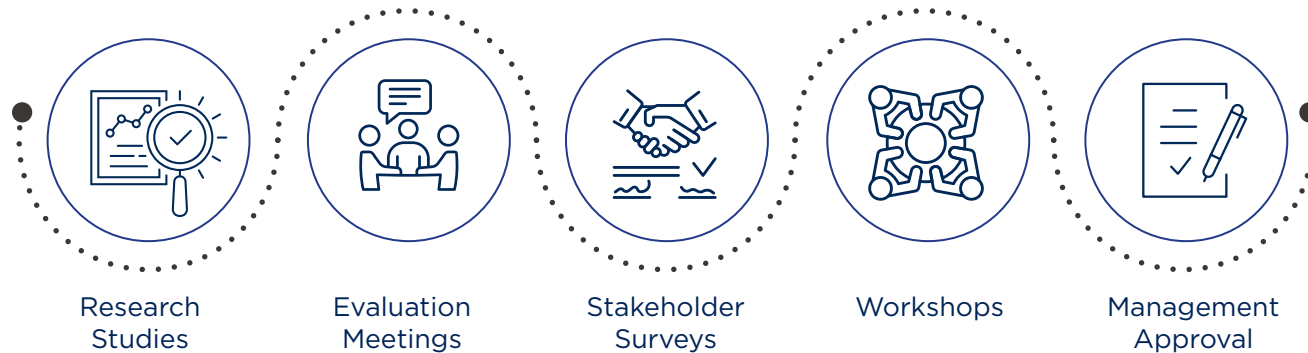
Our sustainability philosophy is guided by the sustainability principles of Kibar Group, under which we operate, the United Nations Global Compact, of which we are a signatory, our sectoral requirements, and the expectations of our stakeholders.



How Did We Determine Our Priorities?

The sustainability priorities identified within the scope of the prioritization study conducted last year were used to formulate the Sustainability Strategy. We presented the identified topics, which we narrowed down by evaluating them with the members of the Sustainability Working Group, to our employees and external stakeholders for their input. Participants were asked to evaluate these topics in terms of the impact, risk, and opportunity they may pose for our company. Additionally, participants evaluated global trends that may impact our business model and the UN Sustainable Development Goals to which our company should contribute. At the workshop where we evaluated the survey results, we identified our material issues, which form the basis of our Sustainability Strategy. For further details on our prioritization study, please refer to the İspak Sustainability Report 2022, page 15.

Following the identification of our material issues, we created our sustainability roadmap based on the Kibar Group 2025 Sustainability Strategy, taking into account our sectoral priorities. Between 2022 and 2030, we defined the sustainability priorities and sustainability axis that we will focus on in our company. In 2023, we conducted a review of our 2022 priorities and made updates to align with sectoral requirements. While our list of material issues remained unchanged, we grouped our focal points corresponding to these issues under three headings.



Our Sustainability Strategy: Vision 2030

We concentrated our efforts on Vision 2030, which outlines the sustainability priorities we will prioritize in our company and our sustainability roadmap between 2022 and 2030. We focused on three main areas: social, environmental, and stakeholder.

In 2022, we developed a sustainability scorecard and conducted internal and external environmental analyses for our key performance indicators. In 2023, we conducted a review of our strategy and goals.

What are our goals?

In alignment with our Vision 2030 strategy, our objective is to enhance our sustainability performance while contributing to the UN Sustainable Development Goals, with targets set for the 2022-2030 period. We have established targets and performance indicators for all of our key performance areas within the context of our sustainability strategy. Please refer to the relevant topic pages for further information on these targets.



Our Sustainability Strategy: Vision 2030

Social

- Occupational Health and Safety
- Employee Development and Satisfaction
- Gender and Equal Opportunity
- Social Responsibility
- Business Ethics
- Corporate Governance Practices

Environment

- Environmentally Friendly Products
- Energy and Emissions Management
- Water Management
- Circular Economy
- Waste Management
- Biodiversity

Vision 2030



Stakeholder

- Customer Satisfaction
- Product and Solution Quality and Security
- R&D and Innovation
- Digitalization and Data Security
- Supply Chain Management
- Risk Management
- Business Continuity

Sustainability Management

The Sustainability Unit at İspak is responsible for monitoring the company's sustainability targets and performance. The unit is also responsible for increasing sustainability awareness and coordination within the company, monitoring external engagements and integrating best practices in sustainability into company processes. In 2023, we made significant strides in our sustainability efforts by establishing a dedicated unit within the Strategy Department. This unified approach enables us to streamline our corporate sustainability efforts and align them with our overall business strategy. The unit convenes every two weeks to report on sustainability efforts to senior management. Feedback is received on the issues reported to senior management, and relevant plans are made in response.

As a member of the Kibar Holding Sustainability Committee and Sustainability Working Group, İspak is committed to promoting sustainability across the entire organization. The Committee is responsible for determining the Kibar Group's sustainability strategy and setting its goals. It is comprised of Holding function managers and general managers of Group companies.

The Sustainability Working Group is comprised of representatives from various departments within the Holding and its subsidiaries, including Human Resources, Financial Affairs, Strategy, Purchasing, Internal Audit, Information Technologies, Corporate Communications, Sales and Marketing. The Working Group implements the action plan within the scope of the strategy determined by the Committee, coordinates sectoral sustainability activities and sustainability efforts on the basis of the functions they represent.

Our Contribution to the Sustainable Development Goals

		1 NO POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	14 LIFE BELOW WATER	15 LIFE ON LAND	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS
Stakeholder	Customer Satisfaction								●	●		●	●					
	Product and Solution Quality and Security								●	●		●	●					
	R&D and Innovation								●	●		●	●	●				
	Digitalization and Data Security											●	●					
	Supply Chain Management								●	●			●	●	●	●	●	
	Risk Management								●	●		●	●	●				
	Business Continuity								●	●		●	●	●				
Environment	Environmentally Friendly Products									●		●	●	●	●	●		
	Energy and Emissions Management						●	●		●								
	Water Management						●			●		●	●	●	●	●		
	Circular Economy																	
	Waste Management						●								●			
	Biodiversity											●	●	●	●	●		
Social	Occupational Health and Safety			●					●		●		●				●	
	Employee Development and Satisfaction				●				●	●								
	Gender and Equal Opportunity					●					●							
	Social Responsibility	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	
	Business Ethics												●				●	
	Corporate Governance Practices																●	

Our Contribution to the Sustainable Development Goals

As İspak, we support the United Nations Sustainable Development Goals and directly contribute to the 8 goals in the weighted impact area in line with our activities.

3 GOOD HEALTH AND WELL-BEING



We provide the safest possible working environment for our employees with our occupational health and safety practices.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



We develop high-performance, customer-specific, value-added products with high performance that support the low carbon economy through the work we carry out at our R&D Center. We consider strengthening our R&D competencies as one of our key strategic goals.

4 QUALITY EDUCATION



We prepare our employees for the competencies of the future with development programs for their professional and personal development. We contribute to improving the quality of education in our country with our social benefit investments in the field of education.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



We support the low carbon economy and adopt a circular economy and innovation-based production model. We increase reuse through effective waste management and prefer environmentally friendly disposal methods. We help our customers choose the right products with technical support.

5 GENDER EQUALITY



We implement practices that support and strengthen women's employment and increase the ratio of female employees and managers. We carry out various practices and awareness-raising activities to encourage women's active participation in business life.

13 CLIMATE ACTION



We assess the impacts of climate change on our operations in our risk processes. We increase energy efficiency and reduce our energy and emission intensity.

8 DECENT WORK AND ECONOMIC GROWTH



We work for an inclusive economy that creates value for all our stakeholders. We take international standards as a guide in our supply chain and attach importance to preventing child and forced labor and ensuring fair working conditions. We produce value-added products through our investments in R&D and innovation.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS



As a member of Kibar Group, we adopt the principles and objectives of the United Nations Global Compact. We do not compromise our business ethics and corporate governance principles.

Initiatives We Support

We endorse the UN Global Compact (UNGC) and UN Women's Empowerment Principles (UN WEPs), as well as the Business World Plastic Reduction Initiative, of which Kibar Holding is a member.

Furthermore, in 2023, İspak signed the UN Global Compact (UNGC).






We collaborate with Kibar Group Companies on product development initiatives.

Organizations We Are a Member



Stakeholder

Our objective is to become a highly competitive company that develops innovative products in all processes, from product safety to customer satisfaction. We aim to be easily adaptable to new technologies and systems, and to grow on a global scale. As İspak, we contribute to sustainable growth through our R&D and innovation-oriented approach to business. Our solutions prioritize product quality and customer satisfaction, adding value to the sector.

	Our Priority Topics	2030 Target	2023 Realization
	Customer Satisfaction	Working towards the goal of 100% customer satisfaction	Our customer satisfaction score was realized as 90%
	Product and Solution Quality and Security	Ensuring the continuity of product and process certifications	In 2023, our İzmit facility was certified with AA+ score, the highest score in BRCGS PM standard.
	R&D and Innovation	Developing the product range with a sustainability approach	50% of the new product development budget was allocated to the Environmentalist product range. 8 new recyclable and compostable products were developed in 2023.
	Digitalization and Data Security	To complete infrastructure works and digitalization processes within the scope of the “Digital Transformation Roadmap”	In 2023, the MES system was launched on 7 lines and went live on 1 line.
	Supply Chain Management	Creating a sustainable supply chain	In 2023, product development studies were initiated with 2 different suppliers for 3 different products in order to localize the products purchased from abroad.

Our objective is to expand our portfolio in the fields of flexible packaging and technical foil products in our new factory, which we designed with Industry 4.0 principles. This represents the largest flexible packaging investment made in Türkiye at one time.

Customer Satisfaction

At İspak, customer satisfaction is a top priority that we manage without compromise. In this context, we prioritize understanding the opinions and demands of our customers. To this end, we engage in joint studies with them and develop participatory solutions. During the reporting period, we conducted 120 face-to-face meetings with customers and met the demands of 57 customers. A total of 49 customers participated in our customer satisfaction survey, which we conduct on an annual basis. The satisfaction score for 2023 was 90%.

Once the products have been delivered to our customers, our technical teams provide on-site support in prototype trials before the product is released to the market. In these trials, any negative situation that may occur is evaluated and addressed promptly.

We collaborate with our customers on joint research and development projects to address specific challenges or meet customer needs. In 2023, we collaborated with eight customers on joint projects.



Product/Solution Quality and Safety

As a company, İspak takes its responsibility to provide accurate information about its products very seriously. Our objective is to match the right product with the right customer. We provide our customers with a quality certificate that includes all the technical specifications and measurement results of the product. The quality certificate includes all product-specific tests, the standards according to which these tests were carried out, and the results. The Quality Control Unit ensures end-to-end traceability throughout the entire production process.

İspak adheres to international standards, such as those set forth by the International Organization for Standardization (ISO) and the American Society for Testing and Materials (ASTM), in its testing methods. When necessary, support is obtained from accredited outsourced laboratories. Internal audits are conducted on a continuous basis by certified auditors.

In accordance with the product safety declarations received from suppliers,

- Declarations of conformity with REACH directive 1907/2006/EC are regularly requested and archived for all input raw materials we use. Our products comply with REACH requirements.
- We undertake that the packaging materials we produce do not contain Substance of Very High Concern (SVCH) > 0.1% (w/w) in the most current candidate list according to Annex XIV published by the European Chemicals Agency (ECHA).
- We produce products that comply with the requirements of Directive 2017/2102/EU, Regulation on the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment (ROHS).
- We require supplier declarations for Conflict Minerals.

We continue to manufacture products that comply with these requirements in new product trials and alternative raw material selections.

We are committed to ensuring compliance with the Regulation on Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) by engaging the services of external consultants. We request that our suppliers provide us with Material Safety Data Sheets (MSDS) for all chemical products used during production. We hold meetings with our suppliers to discuss registration processes. We remain committed to maintaining compliance.

Standards followed for product safety:

- ISO 22000: 2018 Food Safety Management System
- BRCGS PM Global Standard for Packaging and Packaging Materials
- TS OIC / SMIIC 1 General Requirements for Halal Food
- TS 13572 Specific rules for the implementation of TS OIC / SMIIC 1 on halal food packaging and packaging materials
- TSE ISO / TS 22002-4 Prerequisite programs in food safety - Part 1: Food packaging production
- Kosher
- HACCP Hazard Analysis and Critical Control Points Management System (HARA)



Product/Solution Quality and Safety

Solvent residue is continuously analyzed by GC (Gas Chromatography) device at the end of each process and the products are approved.

Our product safety analyzes within the scope of Turkish Food Codex (TGK) and European Union (EU) regulations are performed by independent external sources. These analyzes are

- Total migration analysis
- 23 specific metal migration
- Bisphenol A (BPA) analysis
- Phthalate analysis
- Primary Aromatic Amine (PAA) analysis
- Coneg analysis - Cd, Pb, Hg, Cr (VI)
- Paper analysis.

We adhere to Good Manufacturing Practices (GMP), the Turkish Food Codex, European Union, American Food and Drug Administration (FDA), and German Federal Institute for Risk Assessment (BfR) regulations for food contact materials. Should our customers require compliance with regulations from a country other than Turkey, we will conduct the necessary research on the raw materials and finished products in question and submit declarations of conformity.

At İspak, we manage the following activities in order to ensure the long-term sustainability of our product quality:

- Following legislation and regulations,
- Internal and external audits (Certification bodies and customer audits)
- Supplier- raw material food compliance declarations
- Quality, hygiene and food safety trainings,
- Traceability and recall exercises,
- Outsourced product safety analysis based on TGK and EU regulations
- HACCP – Critical Control Point (CCP) measurements
- Calibration and verification activities
- Pest control system
- Corrective and preventive actions, root cause analysis
- Digitalization efforts (tracking quality data and Sales Force-CRM applications)
- Continuous development through university-industry collaborations
- Customer satisfaction measurements
- Documentation control

We adhere to the relevant sectoral food and food packaging labeling regulations on a regular basis. Verifying the text containing allergen information is a crucial step in our printing process. All products are shipped with coil labels bearing identifying information. The coil labels include the product name, customer order number, quantity, and physical measurements. For export products, we provide a packing list indicating the contents of the total shipment. In 2023, we did not receive any complaints or code violations regarding product labeling and marketing communications.

The Lean Management System Project aimed to teach the company's employees the problem-solving approach as a team, improve processes by applying lean techniques, and embed this culture in the company. In the project, which we are targeting operational efficiency for completion in 2024, we have set the rotogravure printing OEE target at 65% improvement and the waste improvement target at 30%. The results achieved in 2023 were 25% and 20%, respectively.



Research and Development and Innovation

Our R&D and innovation strategies are designed to enhance productivity, product quality, and diversity; reduce resource use and waste; develop new business models and technologies that will create value for stakeholders; and produce environmentally friendly and high-value-added products.

As İspak, we conduct our R&D and innovation studies in our own Quality and R&D laboratories. In our R&D studies, we adhere to reliable, long-lasting, environmentally friendly, and sustainable innovations, which we then apply to our production processes.

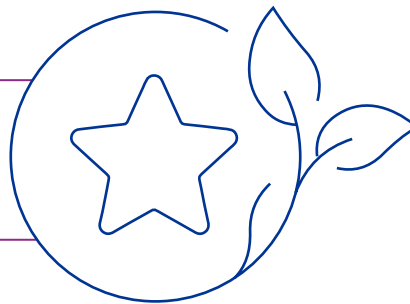
We are committed to further reducing the weight of our products in order to support the transition to a low-carbon economy. The objective of these studies is to remove one or more layers from the final product structure and demonstrate comparable physical, mechanical, and chemical properties. At the same time, we aim to minimize the carbon emissions released by reducing the number of processes in the machines used in the production process due to the reduction in the number of layers of the products.

In preparing what we consider sustainable products, we prioritize considering the raw materials from which they are produced and ensuring that they can be recycled into nature. We also benefit from the guidelines published by non-profit organizations. By reducing the use of chemicals in our production processes and emphasizing the use of raw materials produced from renewable resources we aim to make our products biodegradable and/or recyclable.

Once again, we are developing localization projects for the production of products supplied from the Far East and abroad by domestic suppliers in order to support low carbon emission and sustainable supply processes.

In order to support our sustainable economic growth and increase our production volume in the market, we are implementing new product groups into our company on an annual basis.

Asım Kibar Blue Drop Awards - Environmentally Friendly Ice Cream Cone Packaging Project Innovation Category - Third Prize



Our R&D Highlights in 2023

Our objective is to expand our portfolio in the fields of food packaging and industrial products with our new factory, which has been designed with Industry 4.0 concepts. This will be the largest single investment in flexible packaging in Türkiye in 2019. In 2023, 50% of the R&D budget for new product development at İspak was allocated to environmentally friendly products, in line with the 2022 figures.

In 2023, İspak Ambalaj commercialized 6 new technical foil products that were not previously in the product group.

Recyclable Tea Packaging

The products designed as part of the study to make composite tea packaging suitable for recycling were produced on İspak machine lines. The objective of the current study is to develop new products that can be used as a final product in the paper recycling process and reduce the use of plastic.

Compostable Coffee Packaging

At İspak, studies were conducted to design compostable coffee packaging with a structure designed with bio-based raw materials. The tests conducted in this context have yielded positive results. Compostable coffee packaging is a valuable addition to the sector and a valuable solution for customers.

Indigenization of Induction Adhesive Seal Lids Project

We are pleased to announce the initiation of a project to develop a domestic production line for squeezable polymer-based gaskets. These gaskets are used to close bottles for sealing and freshness in products such as ketchup, mayonnaise bottles, granulated coffee or spice boxes, and mineral oil. The objective is to redesign and develop the current composite structure of the gasket caps, which are the project's output, in accordance with recycling or composting by using sustainable raw materials. If the products developed as part of this project are successfully commercialized, they will be produced domestically for the first time.

Indigenization of Coatings Used in Finstock Industry

Finstock materials are composed of layers of aluminum foil stacked on top of each other, offering excellent heat transfer properties. Although aluminum foil has high heat conductivity, it has low resistance to corrosion caused by condensed water during heating and cooling processes. For this reason, a special coating is required on the surface. All of these coatings are imported from abroad. The objective of this project is to reduce the company's carbon footprint, promote sustainable business practices, and enhance innovative product development processes through local supplier studies.



Digitalization and Data Security

At İspak, we prioritize continuous improvement of our products in response to customer needs and demands through regular R&D activities and strategic investments. Our production facilities, established with the Industry 4.0 approach, are designed to meet both current and future needs. Consequently, we view digitalization as a core corporate priority for our company.

In our ongoing digitalization projects, we are focused on enhancing operational efficiency, strengthening our technological infrastructure, bolstering cyber security, and ensuring system continuity with the help of Industry 4.0 and new technologies. We have a digitalization roadmap, which is reviewed and updated annually in light of technological developments and our business processes. This is overseen by Assan Bilişim, a Kibar Group company.

At İspak, we implement the ISO 27001 Information Security Management System in all facilities and offices. We provide information security training to our newly recruited employees at the beginning of their employment and to all our employees at certain intervals annually. This training is designed to increase their awareness of information security. Information security training covers information security policy, information procedures, policies and instructions, information security breach incidents, and information security organization. We offer a range of encryption practices, antivirus software, firewall applications, access authorizations, clean desk/clean screen procedures, and locked cabinet applications. We collaborate with relevant stakeholders who have signed confidentiality agreements.

In order to work on the Internet of Things and artificial intelligence with the Analytics team within Kibar Holding, we have initiated studies on artificial intelligence, primarily predictive quality and predictive maintenance processes. Training sessions were conducted for key users within the Holding, while educational activities were held on current issues. The pilot project has commenced, with the objective of developing an artificial intelligence-based quality prediction system for solvent laminating machines. In 2022, we initiated training programs for key users in analytics.

As a leader in our industry, İspak continues to innovate with the Smart Warehouse, which has been in use since 2019 at our İzmit facility with Industry 4.0 infrastructure. The 10,000-pallet capacity Smart Warehouse enables us to conduct digitalization-oriented studies across the entire production process.

Sales teams were provided with mobile access to all data via Salesforce (CRM). A scrap management system was established and digitalization was provided for the management of curing times of products.



Our Featured Digitalization Practices in 2023

We are planning to initiate SAP transformation efforts, as the existing ERP is not compatible with the company processes.

The İzmit Factory infrastructure has been established in line with Industry 4.0 standards. The existing automated warehouse, solvent recovery, and production machines generate a significant amount of data. The team established within the holding will oversee the effective use of this data at decision-making points.

The Manufacturing Execution System (MES)

The objective of MES is to establish a centralized repository for field data and production confirmations. The project will associate quality control, line stops, and material consumption with real-time and machine parameters, creating a platform where the data required for Industry 4.0 is collected.

Once the project is operational, a significant amount of data will be collected automatically from the field. This data will be linked to the product in question. The objective is to enhance efficiency by identifying incompatibilities in the product and the material and machine parameters used.

The company has decided to manage all production systems through MES, and the necessary infrastructure has been created to match products and machine parameters

by taking 10 machines live. The remaining 15 machines are still in the process of being completed.

As İspak, we view the MES system as a pivotal component of the Industry 4.0 transformation.

RPA

In order to reduce the need for labor and increase efficiency, the robotic automation of data entry and system controls that do not require interpretation has commenced with the robotic automation of processes selected as a pilot in the Finance department. Following the successful implementation of the system in the Finance department, the next step is to expand it to other departments.

Key User Management

This project, which was initiated in 2022, is a continuous journey that will continue in the following years. Its objective is to ensure that the departments reach the desired level in order for the company to achieve its digitalization roadmap target. It also aims to identify key users within the company and to create competent personnel for digitalization.

Once key users have been identified, processes will be defined, process maps will be created, and training will be provided to create a competent group that can comment on other disciplines.



Supply Chain Management

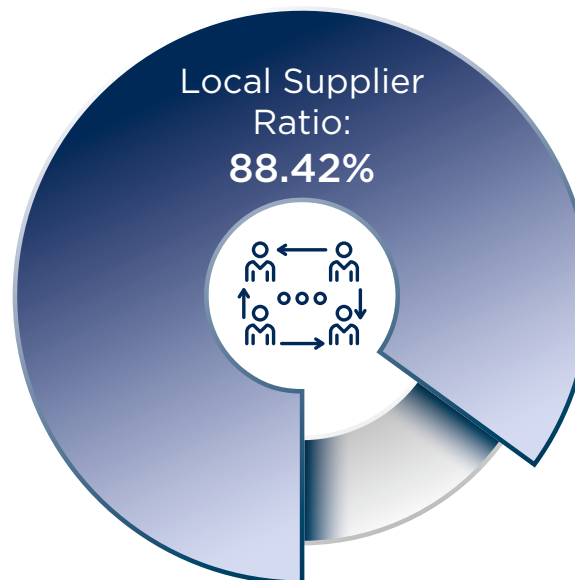
At İspak, we prioritize the dissemination of our corporate ethics and sustainability approach throughout the supply chain. Consequently, we favor long-term business agreements. In the joint purchasing structure of Kibar Holding, suppliers offering high-tech, energy-efficient products and services are preferred, and purchasing activities are carried out through a global supplier network.

All suppliers are required to implement the Code of Ethics for Purchasing, which is defined by corporate documents and procedures that are an integral part of the Kibar Group Code of Ethics.

The Business Ethics Principles, Anti-Corruption and Anti-Bribery, Forced Labor, Child Labor, Harassment, Remuneration, Working Hours, Non-Discrimination, Occupational Health and Safety, Environment, Biodiversity, Integrity, Quality and Continuous Improvement, and Information Security are defined in detail.

The selection of suppliers is conducted in accordance with the Group Purchasing procedure and the Approved Supplier List, as detailed below. The following criteria are used to select suppliers:

- Development,
- Future, stability and continuity,
- References, reputation and experience,
- Flexibility and support,
- Assurance in terms of quality,
- Financial structure,
- Authorization documents such as license, distributorship, agency
- Technological competence,
- Shareholding structure and other factors required by the relevant business area.



Supply Chain Management

Prior to adding a company to the approved supplier list for procurement items that may affect production, a preliminary meeting is held between the candidate supplier and the purchasing and related company units (quality/technical team, etc.). The Quality and Supply Chain departments either conduct a company audit or have the company complete and approve the Supplier Evaluation Form at the desk. The sample production and testing phase commences with companies that have attained a sufficient number of points. Suppliers that have successfully completed all of the aforementioned stages are then added to the approved supplier list.

During the supplier selection phase, the company is classified as a supplier with regard to information security criticality. In the event that the company is approved as a supplier, the necessary audits will be conducted. Once the candidate company analysis is complete and the Purchasing Manager and Purchasing Management have given their approval, the Framework Agreement and Confidentiality Agreement are sent to the candidate company by the Purchasing Officer. The company's compliance with information security criteria is verified. During the supplier selection phase, the Group Purchasing Code of Ethics document is provided to the supplier company and compliance with the rules is monitored. The framework contract and Code of Ethics documents address all pertinent issues and rules, including environmental compliance, sustainability, and working conditions. Suppliers who complete these processes are registered as approved suppliers.

Kibar Holding's Purchasing Procedures, developed in accordance with the United Nations Global Compact, address key issues such as the prevention of child labor and forced labor, the provision of fair working conditions, and the reduction of environmental impacts.



Supplier Audits

As İspak, we require that our suppliers comply with the standards required by the sector within the framework of the Code of Business Ethics. We conduct supplier audits and evaluations to monitor these issues.

During the supplier performance evaluation process, evaluation cards were sent to suppliers who were evaluated in commercial, quality, and environmental issues within the scope of action plans determined for certain score ranges. Suppliers deemed necessary were provided with information on development areas.

In 2023, as in 2022, we did not have any suppliers whose contracts were canceled due to non-compliance with environmental standards and negative impacts. During the performance evaluation phase, no supplier with a negative impact on environmental criteria was identified.

Kibar Group Supplier Sustainability Program (K-Star)

In order to increase and accelerate the contribution of Kibar Group's approximately 7,000 active suppliers of different sectors and sizes to the United Nations Sustainable Development Goals and the Group's sustainability goals, the Supplier Sustainability Program (K-STAR) was launched in 2022 in line with the principle of "WE ENCOURAGE our stakeholders". The project's objective was to disseminate sustainability principles, goals, and targets and to transform responsible purchasing principles into a way of doing business.

The K-Star Project's main stages are as follows:

- Analyzing suppliers' needs within the context of sustainable procurement
- Establishing sustainable procurement rules, evaluation criteria, process steps, and program monitoring structure
- Designing a supplier reward and incentive approach
- Commissioning, monitoring, and evaluation of the program

In 2023, a segmentation study was conducted as part of the program, with suppliers classified according to sectors and categories. A total of four sectors were created by grouping the A, B, C, and D segments. These sectors were then matched with the SASB (Sustainability Accounting Standards Board) sectors.

A total of 1,214 suppliers in 59 different sectors in 41 countries were evaluated for performance and included in the survey study, with 72% participation in the survey. Suppliers were evaluated on a total of five scales. The performance evaluation was conducted using a five-tiered rating system, with Open to Improvement, Bronze, Silver, Gold, and Platinum representing the lowest to highest levels of performance. Based on the results, approximately 30,000 actions were assigned to 875 suppliers through the system.

Localization in the Supply Chain

In 2023, product development studies were initiated with suppliers for gold epoxy lacquer used in finstock production and gold epoxy lacquer used in lacquered food foil production. The laboratory trial processes for product studies have been completed, and the machine trial phase will commence shortly.



Risk Management

At Ispak, we apply the Kibar Holding corporate governance approach. Kibar Holding places the highest importance on the early detection and effective management of corporate risks that may pose a threat to its existence in order to provide the highest possible value to its stakeholders. In this context, the objective is to integrate corporate risk management into company strategies and corporate culture. This will ensure that all employees focus on risks, opportunities, and compliance with obligations as well as their performance while carrying out their daily operations. This will also contribute to the sustainable growth of the company. It is of the utmost importance that any changes are handled and managed in line with this policy. In the event of a conflict of interest, the protection of human life and the environment is given priority when addressing risks.

Kibar Holding is proud to hold ISO 31000 Risk Management and ISO 22301 Business Continuity Management System certifications. The objective is to have the risk management framework internalized by all employees as an important component of corporate sustainability. This will be achieved by structuring it in accordance with ISO 31000 and similar international standards, integrating it into company strategies and corporate culture. The Kibar Holding Risk Management Standard and Policy serves as the primary guide for the group's corporate risk management activities. These activities include the evaluation of internal and external

risk and opportunity factors, including strategic, operational, financial, and legal factors, that may arise against the company's processes and strategic goals. Based on the evaluation, prioritization activities are conducted in alignment with the company's strategies and preferences.

Our Company's senior management teams and executives are responsible for creating the platforms required for the early identification, accurate assessment and effective management of all risks of the company; determining strategies and actions for the effective management of these risks; participating in risk assessment studies and monitoring the risk management action plans created; establishing company-specific policies and procedures for risk management and monitoring that processes are managed within these policies and procedures; preparing risk management reporting and analyzing risk management data accurately, completely and timely and sharing them with the relevant parties. During the last quarter of 2023, the establishment of the Risk Management System was initiated.

Our risk management approach is guided by a commitment to human rights and ethical conduct. The corporate risk inventory assesses environmental, social, and governance risks. These include analyses and assessments under the following headings: Environmental Risk, Fire Risk, Natural Disaster Risk, Occupational Health and Safety Risk, Fraud Risk, Risk of Disruption of Labor Peace, Risk of Failure to Protect



Risk Management

Fundamental Human Rights, Employee Rights and Sociocultural Rights, and Economic and Political Risk. Reputational risks are also included in the risk management studies. All other identified risks are evaluated and analyzed in conjunction with their potential impacts and consequences.

The risk management representative at İspak works in collaboration with the risk management unit within the Holding, organizing monthly meetings. The Corporate Risk Map is updated annually through workshops attended by relevant unit representatives. On a quarterly basis, the development status of medium and high-level risks is monitored and information on development actions for high-level risks is requested from process owners and reported to the Holding Risk Management Unit. Six-monthly follow-up studies are conducted to assess the status of defined actions and to implement any necessary updates. Monthly activity reports are used to monitor key risk indicators (KRI) determined on a specific subject/process basis. Furthermore, at the quarterly Kibar Holding Risk Committee meetings, the committee is presented with a report on the KRI values that have been exceeded.

The Holding Risk Management Unit convenes annually to discuss the general market, economic trends, sectoral conditions, raw material procurement processes, and order evaluation issues. All process owners and factory senior management participate in these discussions. Based on these discussions, the unit evaluates the occurrence of new risks.



Business Continuity

At İspak, we manage operational risks in collaboration with the Risk Management, Insurance Management, and Risk Engineering units within Kibar Group. The Risk Engineering department, established within the Group's insurance and brokerage company, is responsible for identifying and monitoring operational risks in production areas and making recommendations for improving these risks. Action plans are prepared for the effective management of operational risks with the participation of all relevant departments. In the event of an incident, the management of such risks is communicated to all employees.

In the event of an interruption, crisis, or disaster at İspak, business continuity plans have been created and implemented to ensure the continuity of business processes, products, and services and to return all business processes to normal working order within the planned periods. The objective is to enhance the efficacy of business continuity programs through annual drills and training sessions. In the context of business continuity, we have developed backup and recovery plans/drills for critical data, systems, and applications. It is of the utmost importance to implement these plans and drills in order to minimise data loss and to facilitate a swift return to normal business operations. Backup systems are tested on a regular basis to verify their reliability. In line with these efforts, backup centers have been established in different geographical regions, and contingency plans have been put in place to ensure business continuity in the event of natural disasters, fires or other catastrophic events in case the main data centers fail. Redundant and highly accessible infrastructures were established,

including a network and data center. The objective is to ensure uninterrupted operation of the systems and to reduce the effects of failures that may occur at a single point. Systems and networks are continuously monitored and threats are assessed on a regular basis. This assessment ensures that potential risks are identified at an early stage and that the necessary measures are taken (Service tree, SOC, SOAR, XDR, Sandbox, NDR, drills, etc.). Given the crucial role of technology in maintaining infrastructure-specific business continuity, regular staff training and awareness-raising activities are conducted. These efforts are designed to reinforce the technology infrastructure in order to guarantee business continuity and to be prepared for disaster situations. Each is brought together and continuously updated and improved to ensure the uninterrupted operation of businesses.

Our company has established management procedures, plans, and teams to address potential emergencies. In accordance with our emergency procedure, we engage in preventive and informative activities in advance of high-risk events such as natural disasters, fires, and epidemics. In accordance with our annual plan, we conduct drills and carry out checks within the scope of our monitoring-measurement plan to ensure that the equipment to be used in possible emergencies is always ready. Our emergency teams are fully trained and equipped to handle any situation. In the wake of the 2023 earthquakes in Kahramanmaraş and Hatay, in addition to our voluntary aid efforts to the region, we provided all our employees with training to raise earthquake awareness.

In 2023;

Number of Scheduled Shutdowns:	2,719
Number of Unscheduled Shutdowns:	52,683
Scheduled Shutdown Time (hours):	21,837
Unscheduled Shutdown Time (hours):	48,243



Environment

At İspak, we are committed to reducing our environmental impact in all processes, from the design of our products to the end of their life cycle. In this context, we develop environmentally friendly products, use natural resources responsibly, and support the circular economy. In managing our environmental impact, we adhere to all environmental legal regulations in accordance with our monitoring and measurement plan.

In accordance with our environmental management system, ISO 14001 Environmental Management System Certification has been obtained for our Tuzla and İzmit locations. Furthermore, work has commenced on the ISO 50001 Energy Management System Certification.

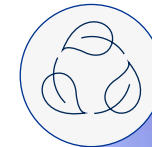
Our approach to environmental protection is based on the principles of measurement and evaluation. We measure our environmental impacts in all our processes and implement measures to minimize negative impacts.

Innovation: We engage in research and development activities to produce sustainable products.

Investments: We integrate environmental considerations into the investment process, ensuring that the environmental impacts of all our investments are managed as an integral part of the investment process. A minimum of 50% of our innovation budget is allocated to products with reduced environmental impact.

Collaborations: We collaborate with our customers, suppliers, and Kibar Group companies to reduce our environmental impact. We believe that collective action and shared commitment are essential for environmental protection.

Targets	Target	2023 Realization
Environmentally Friendly Products	Increasing the range of environmentally friendly products	8 different sustainable packages have been developed with 5 different customers.
Energy and Emissions Management	Reducing GJ/ton energy intensity by 15% by 2030 compared to the 2020 base year	Reduced by 7% in 2023
Water Management	Reducing water intensity by 5% by 2030 compared to 2021 based on the number of employees	Increased by 1% in 2023
Circular Economy	Ensuring sustainable management and efficient use of resources	Recycled/recovered waste ratio was realized as 96%.
Waste Management	Reducing waste density by 15% by 2030 compared to the 2020 based on production amount	Reduced by 11% in 2023



Environment

Managing Climate-related Risks and Opportunities

At İspak, we closely monitor climate change as a risk and opportunity-oriented issue due to its potential to create operational and financial risks. We proactively manage climate-related risks and opportunities. We integrate these risks and opportunities into our business strategy to inform our corporate strategies and guide our product range transformation.

There are some medium and long-term risks specific to our sector due to climate change. Due to changing ecological conditions and extreme weather events, there may be problems in accessing raw materials, resource interruptions, and energy and water shortages. In light of the evolving weather patterns and rising temperatures, it may be necessary to undertake additional research and development (R&D) studies and investments to develop more durable packaging solutions to meet customer needs. There is a possibility of delays in compliance with required improvements (Clean Energy Strategy) due to foreign investors and investment funds preferring to invest in green and sustainable companies. Delays in compliance with the standards and regulations required for exports (carbon tax and eco-labeling at the border) and extra cost problems may result in a loss of market share in exports. The rise in transportation costs due to the shift towards sustainable smart transportation may result in additional expenses.

The Circular Action Plan has the potential to impact packaging materials and products that utilize plastic inputs.

In recent years, our industry has seen a number of significant developments aimed at reducing its environmental impact. Two key areas of focus have been the production of packaging from sustainable resources and the use of circular economy and closed-end cycling wherever possible. Global companies are on track to replace all packaging with recyclable packaging by 2030. In light of this, the design of recyclable packaging has become a key focus. Given that only a limited portion of recyclable packaging is sourced sustainably, biodegradable packaging from sustainable sources is another important trend.

As İspak, we are developing various specifications for recyclable and biodegradable packaging structures within the scope of the R&D Center project, taking into account the standards required as of 2020. These changes in packaging structure may pose environmental risks, such as the potential for food shortages due to the conversion of agricultural land to industrial use and the reduction in biomass caused by the conversion of forest areas to agricultural land.

At İspak, we are committed to reducing our environmental impact through the implementation of innovative projects that aim to reduce energy consumption, utilize alternative raw materials, reduce product weight, and develop new

products. In addition to these efforts, which have yielded positive results in the short term, we are working to increase energy efficiency on a product basis by focusing on packaging production with different approaches (compostable, recyclable, biodegradable, etc.) used in waste management. We develop proactive projects by placing climate risks at the core of our business strategy.



Environmentally Friendly Products

At İspak, we prioritize sustainability as a core component of our corporate strategy. In alignment with our objective of making a positive impact on the sustainability of the world in all aspects and in accordance with our sustainability strategy, we have identified the focus of our new product development efforts as designing products with a minimal negative impact on the environment. In 2023, as in 2022, 50% of the new product development budget was allocated to environmentally friendly products.

İspak Green

Our İspak Green brand enables us to continue adding value to the environmental economy thanks to our focus on sustainability, ecological efficiency, and innovative approaches.

By commercializing our products that support the sustainable and circular economy under the “İspak Green” brand, we enable our customers to make more sustainable choices.

In 2023, we will continue to contribute to more sustainable packaging production with the recyclable and compostable packaging solutions we are developing and encourage our stakeholders to progress in this field.

We are developing more sustainable end-of-use products with our BIO Film and PLA-based compostable packaging.



Sectoral Trends in Green Packaging

One of the most significant developments in recent years has been the growing focus on sustainable packaging production and the integration of the circular economy into processes. This approach is crucial for reducing the environmental impact of our industry. In this context, the design of recyclable packaging is of paramount importance. Another important trend is the use of biodegradable packaging. Only a small portion of packaging suitable for recycling is obtained from sustainable sources.



Environmentally Friendly Products

Our R&D Center, launched in 2020, is dedicated to the development of recyclable and biodegradable products within the scope of our environmental product studies. We adhere to all relevant standards and regulations throughout our operations. In accordance with the EN 13432 standard for biodegradable packaging, we adhere to the following principles: At every stage of the product life cycle, our goal is to produce products with minimal environmental impact through our environmentally friendly packaging efforts. We are committed to minimizing our environmental impact through the use of recyclable and biodegradable products. Our compostable products are designed to complete their life cycles without leaving a trace in nature. Our recyclable products are brought into the economy without waste after completing their life cycles.

Our sustainable products offer customers environmental benefits through features that allow for inclusion in the raw material production process. This includes storage and regeneration after the end of their useful life. Additionally, they can be included in the raw material production process where waste parts to be scrapped are used in customer filling machines, apart from the packaging part.

In 2023, we conducted comparable environmental product studies on existing packaging products already on the market.

In our sustainable product studies,

- Our objective is to ensure that the packaging produced by combining raw materials with different structures and properties becomes single-layered. If it is necessary to use more than one layer, we design our products using raw materials produced from the same base, with the aim of facilitating recycling.
- We have reduced the use of chemicals and plastics.
- We prioritize the use of paper raw materials with FSC and PEFC certifications.
- We maintain close observation of developments in natural raw material resources.
- As a CEFLEX member, we design with the guidelines of organizations such as CEFLEX and Recyclclass in mind, as part of our commitment to sustainability.



Environmentally Friendly Products

In light of the necessity for extensive collaboration, innovation, and investment to contribute to the circular economy of flexible packaging, we are incorporating CEFLEX's recommendations into our approach to circularity.



Our Sustainable Solutions

Recyclable

Compostable

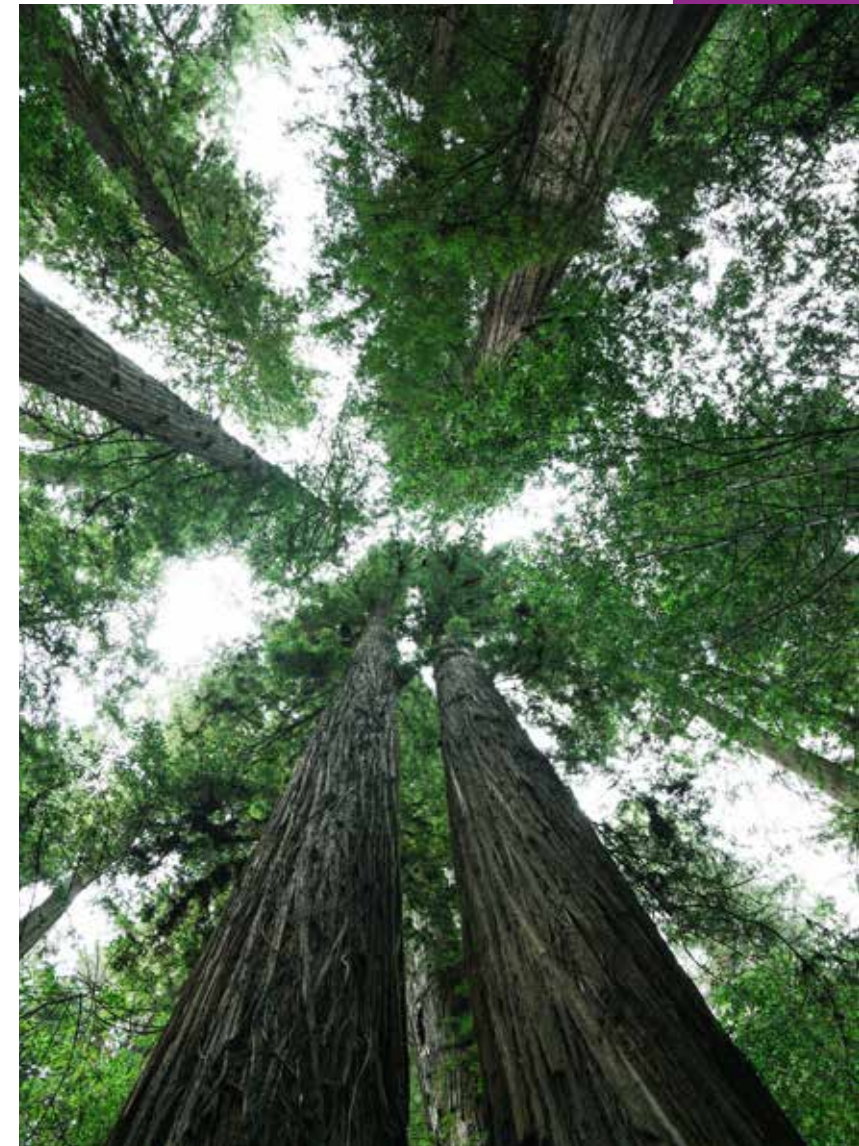
Paper-Based

Aluminum-Based

Plastic-Based

Paper-Based

Polymer-Based



Environmentally Friendly Products

Compostable Film Packaging

100% compostable packaging suitable for sachets and doypacks, with alternative production options such as extrusion coating and film lamination, suitable for rotogravure and flexo printing techniques for dry foods that do not require barrier and product groups suitable for powder filling within the framework of the EN 13432 standard, TÜV Austria Ok to Compost: Industrial certified products

Sustainable Paper Based Chewing Gum/Candy Packaging:

The studies conducted for the trials of gum inner and outer packaging included the creation of recyclable structure designs for various non-recyclable packaging structures, including aluminum/paper laminated, wax-coated paper, siliconized paper, and others. Following the successful completion of machine line trials and aging tests, CEPI recyclability tests were conducted. Further dissemination studies are underway for a range of chewing gum products and packaging types.

For Products Requiring Barriers Compostable Packaging Designs:

For products requiring a moisture or oxygen barrier, we are developing a product made from special raw materials that can be composted at the end of its life cycle. In 2023, we completed the development of a structure designed with bio-based raw materials to serve different product groups, including compostable coffee packaging, healthy snack bar packaging, and two-layer laminated pouch packaging.

Cardboard Food Container:

The studies we conduct aim to transform cardboard/PE food containers into a monolayer structure suitable for recycling. This involves converting them into a cardboard/barrier lacquer structure. The current recycling process is not suitable for thermoformed food containers. Our studies design a structure that is suitable for recycling with a lacquer coating suitable for deep shrinkage, resistant to paste, acidic, acidic, oily, liquid foods; suitable for deep shrinkage in machine lines. In addition to meeting all the aforementioned specifications, the compliance of the lacquer to be used for coating with the SUP Directive is another crucial and challenging aspect. As a result of the recipe content of the lacquer products they have developed, suppliers are unable to make a SUP Directive declaration. Our suppliers are continuing to work on this issue. Following the completion of the studies, the lacquers developed by the suppliers will be tested in the machine park to ascertain their suitability for the quality tests.



Environmentally Friendly Products

Single Layer Recyclable Top Foil:

A significant portion of environmental pollution is attributable to packaging waste. The majority of these packages are metal-containing and represent composite materials. The objective of this study is to redesign composite packaging structures produced using aluminum metal as a sustainable and recyclable material for the food packaging sector. The aim is to maintain their current properties while reducing the environmental impact.

The study included a product used in the packaging industry, bathtub sauce top foil. A sustainable packaging structure suitable for recycling was designed using only aluminum material in this packaging, which is available in the market in an aluminum/polyester laminated composite structure. A heat-sealable lacquer was applied to the food-contact area of the single-layer aluminum material to act as a separator. In addition to the sustainability of the designed structure, the replacement product has been successfully tested for adhesion performance to the lower container, ease of opening for the end user, compatibility with the food placed inside, and shelf life without corrosion.

The trial production of this packaging for disposable sauces such as ketchup and mayonnaise, which are included in the fast consumption group, employed different thicknesses and alloys of aluminum materials. The experimental findings indicate that the newly developed structure is resistant to corrosion, similar to the existing structure. Additionally, the adhesion temperature is reduced, resulting in enhanced adhesion performance during the filling process and reduced energy consumption. Furthermore, the wastes generated during the packaging of food can be recycled by storing them regularly.

The results of the study indicate that the designed packaging demonstrates the performance capabilities that can replace the aluminum/polyester laminated composite packaging currently available on the market.

13th Food Engineering Congress – Single Layer Recyclable Top Foil Project Best Poster – Third Prize



Environmentally Friendly Products

Sustainable Cardboard Cups:

The project, scheduled for completion in 2024, aimed to transform cardboard/PE disposable cups into single-layer structures suitable for recycling. This approach will achieve both layer reduction and prevent the coexistence of different base materials that prevent recycling. For cardboard cups that are not suitable for recycling due to their polyethylene-coated cardboard structures, such as food containers, our objective was to design a structure suitable for recycling with a barrier lacquer coating on the cardboard surface. This coating has barrier properties, hot-cold resistance, resistance to liquid foods such as acidic beverages and soups, ultrasonic adhesion, and a food-safe barrier lacquer coating. Following supplier interviews and research, we conducted laboratory studies and tested customer machine performance with suitable products. At the same time, qualitative tests were conducted, and the product with the most suitable machine performance was taken to the cup test. The lacquer development method was used due to the leakage problem. The project is currently in the laboratory study phase. In addition to meeting all the specifications, the compliance of the lacquer to be used for coating with the SUP Directive is another crucial and challenging aspect. Suppliers are unable to make a SUP Directive declaration due to the recipe content of the lacquer products they have developed. Our suppliers are continuing to work on this issue. Following the completion of the studies, the lacquers developed by the suppliers will be tested in the machine park to ascertain their suitability for the quality tests.

Sustainable RefBack:

In order to maintain our leading manufacturer position achieved in the refrigerator back panel structure, we have initiated studies to identify more cost-effective and low-weight (low carbon emission) alternatives to replace the single type of cardboard used. Concurrently, we have initiated studies to identify an equivalent structure for sheet metal back panels. This will result in increased market volume, the acquisition of new customers, and the advancement of sustainable business growth.

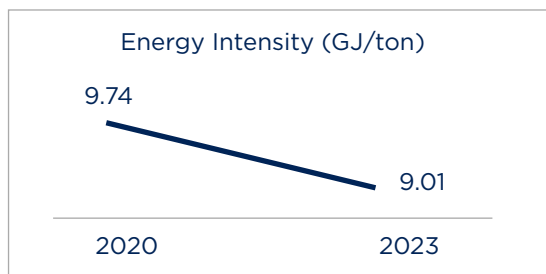


Energy and Emissions Management

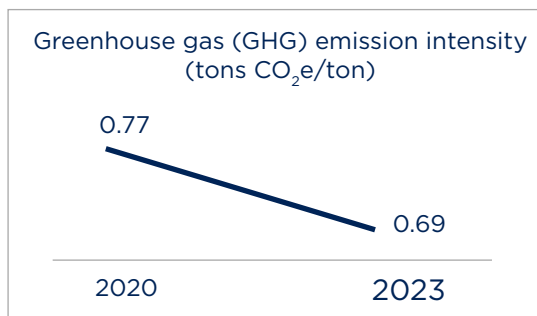
We are aware of the importance of effective energy and emission management in combating climate change. At İspak, we are committed to reducing our carbon footprint and increasing our energy efficiency.

We conduct the necessary work to identify and reduce our greenhouse gas emissions resulting from our activities. In this context, we calculate and record our greenhouse gas emissions in accordance with the ISO 14064 standard. We have initiated corporate carbon footprint calculations and third-party verification studies. We have initiated work on product-based emission calculation and reporting in accordance with the Borderline Carbon Regulation Mechanism (BCRM), which was implemented in the last quarter of 2023.

We closely monitor energy consumption and develop projects to reduce it. We also prefer energy-efficient alternatives in all our investments. In 2023, our energy intensity decreased by 7% compared to 2020.

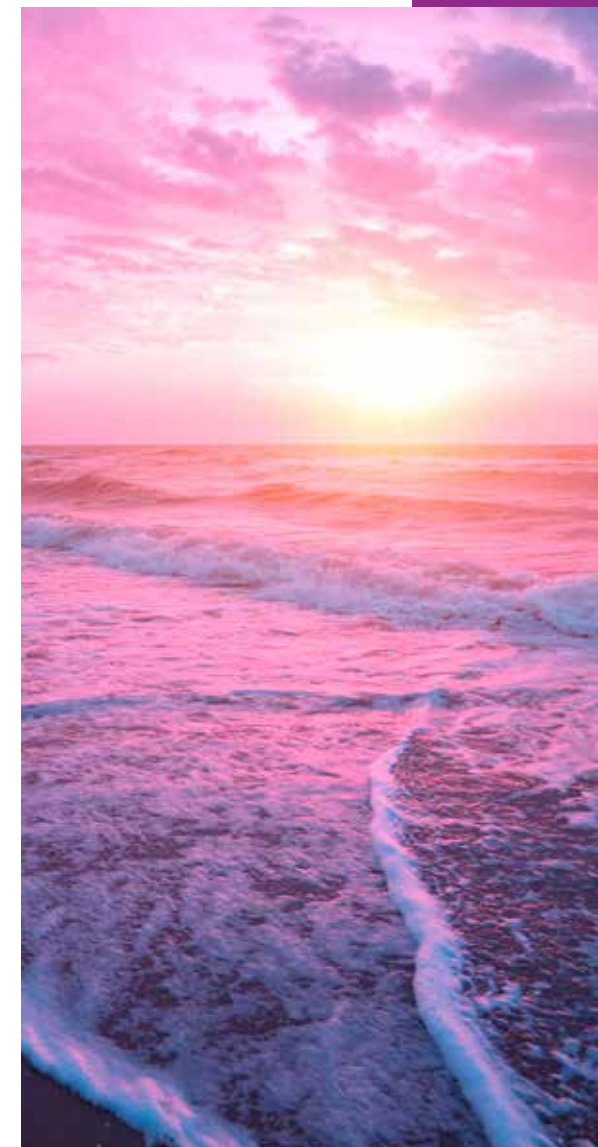


As a result of our efforts, our emission intensity decreased by 10% in 2023 compared to 2020.



Highlights of 2023 in energy efficiency:

- installation and commissioning of Compressor Room Optimization (Increasing compressor efficiency)
- Punch Machine Revision, (New generation drive and machine acceleration)
- IBA installation and commissioning (Reduction of repetitive failures and machine efficiency through failure analysis)
- Replacement of SGK fan motor (125 kw) with a motor with higher efficiency class for redundancy purposes



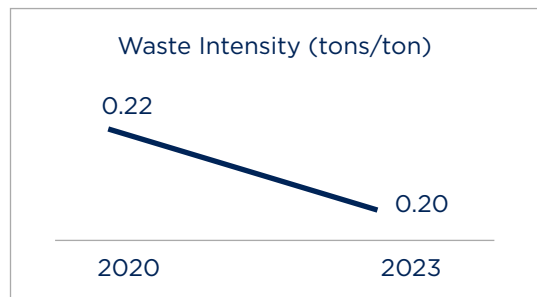
Waste Management

Waste management is a crucial aspect of our environmental impact. At İspak, we are committed to improving the entire process from waste generation to disposal in a way that protects the environment and human health. In light of this awareness, we have adopted an innovation-based production model for our effective waste management, enabling the reuse of resources with our circular economy approach.

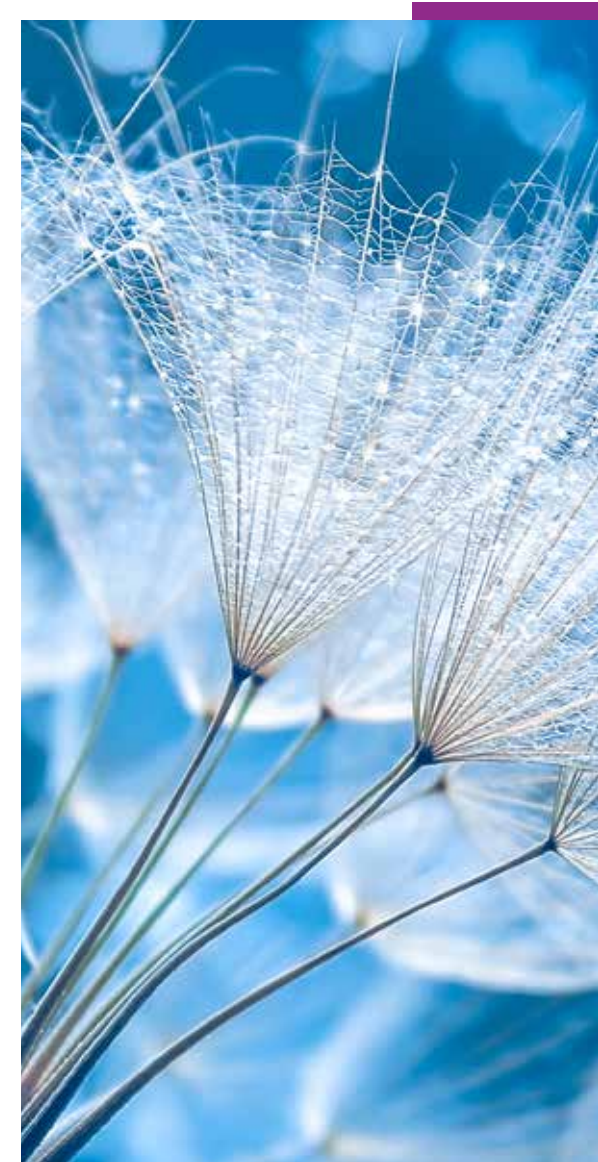
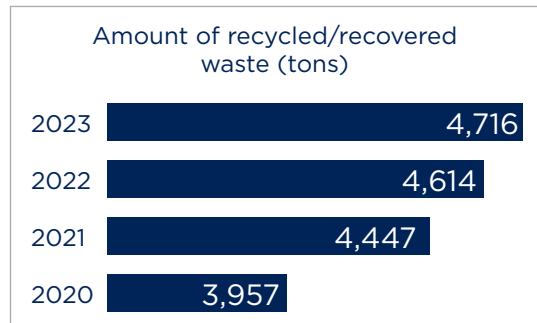
Our waste management priorities include reducing, recovering, and disposing of waste in an environmentally friendly manner. In light of this understanding, our objective is to ensure that all waste is recycled by conducting regular controls of our production processes. Our Solvent Recycling Facility, established with the goal of reducing resource use and optimizing energy efficiency, ensures that solvent is not released into the air during production. By recovering waste solvent, we are able to use it for energy purposes and reduce our natural gas consumption. We review chemicals that are not suitable for recycling as part of our innovation efforts and replace them with alternatives that are suitable for recycling.

We conduct studies to reduce the use of hazardous substances. In some of our production processes, we are trialling the use of water-based products instead of solvent-based products. Our objective is to eliminate the risk of combustion by replacing solvent-based products with water-based products, which have a high risk of combustion and flare, while minimizing the damage to the environment.

We have reduced our waste intensity by 11% compared to 2020 as a result of our efforts to use resources efficiently and provide environmental benefits, which we have integrated into all our operations.



The amount of waste we recycled increased by 19% in the same period.



Circular Economy

As İspak, we direct our operations with the principles of reduce, reuse, and recycle. We adopt a circular economy approach, which contrasts with the linear economy's take, use, and dispose model. Our innovative production model enables us to reduce waste, recycle, and design environmentally friendly products. We continuously assess our processes and products to ensure alignment with the European Union Circular Economy Action Plan.

Our Solvent Recovery Facility, which is one of our key operations within this scope, commenced operations at our İzmit plant in 2019. It has an annual solvent recycling capacity of 4,000 tons.

The facility collects solvent from raw material chemicals and returns it to production, eliminating the need to purchase primary solvent. In this way, we contribute to the circular economy. By reducing the number of layers of our standard products and/or ensuring that they are produced from the same raw material, we provide the infrastructure for the products obtained to feed the recycling processes.

All İspak production facilities have zero waste certificate.



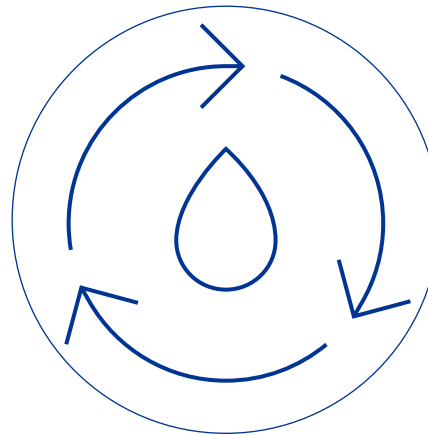
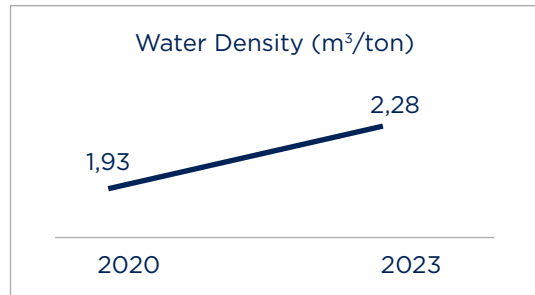
Water Management

We are fully aware of the importance of water management in our environmental impact. As a company, İspak does not have a production process that requires intensive water use. Consequently, we only consume domestic water. All of the water consumed is discharged as wastewater. Nevertheless, we adhere to the principles of the circular economy by striving to generate the least amount of wastewater.

As we do not use water in our production processes, we do not have any interaction with local or general water resources. Our operational areas are not located in a region with water stress, and there are no protected wetlands within our operational areas.

As a company, we are committed to the protection of natural resources and have implemented projects to reduce our water consumption. We also organize awareness training for our employees. We adhere to the standards set forth by the Asim Kibar Organized Industrial Zone for water discharge. We ensure that the pH of the wastewater is within the permitted range and that it is discharged in accordance with the relevant standards.

Water density is expected to increase by 17% in 2023 compared to 2020.



Biodiversity

Climate change, pollution, overexploitation of natural resources, unsustainable use of resources, and rapid population growth are contributing to a decrease in biodiversity. As İspak, we strive to mitigate the impact of the negative factors contributing to biodiversity decline through our operational practices and product development initiatives. We employ a sensitive approach to minimize the effects of our activities on the natural balance. Our company does not engage in any production activities in biodiversity-sensitive and protected areas. However, we consider the impact of all new investment and procurement decisions on biodiversity.

We support the Business World Plastics Initiative, which was launched by the United Nations Global Compact Turkey, the Turkish Industrialists' and Business People's Association, and the Sustainable Development Association to draw attention to the issue of plastic pollution. As of 2023, Kibar Holding and İspak are signatories to this initiative. We have pledged to gradually reduce and eliminate single-use plastics in our offices by 2023. In light of this, we have ceased the use of single-use water bottles in our offices as of 2023.



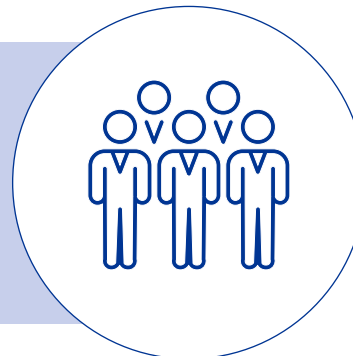
Social

At İspak, we embrace a work culture that is unified and collaborative in alignment with Kibar Holding's "WE" approach, which symbolizes success and the power of shared experiences. We endeavor to provide our employees with a robust, forward-thinking, secure, and tranquil work environment.

Targets	2030 Target	2023 Realization
Occupational Health and Safety	Target to approach "zero" accident rate	The training hour rate for safe behavior support reached 4.2 hours/person.
Employee Development and Satisfaction	Increasing participation in programs to support the development of employees and leaders for an organization that shapes the future	A total of 15 Focus Group Workshops, each session lasting at least 2 hours and up to 4 hours, were organized. Participation rate: 91% Action Closure Rate: 41
Gender and Equal Opportunity	Ensuring equality between women and men in employment and employee income, increasing the number of women working in the field by 10% or more	Field Female Employment Rate: 2.56% in 2022 was realized as 5.23% in 2023. 49% increase was achieved. 2023 Female Promotion Rate: 69.23
Social Responsibility	Realizing a social responsibility project every year in our activity area	In 2023, 31 events were attended by Kibar volunteers.

In 2023;

- Our number of employees increased by 23% compared to 2020.
- Our female employee ratio is 18%.
- Our white-collar female employee ratio is 51%.
- Our female manager ratio was realized as 20%.
- We provided 6,500 hours of training to our employees.



Occupational Health and Safety

As Ispak, we consider it our fundamental responsibility to ensure that our employees have a safe working environment. Consequently, we have adopted the ISO 45001 standard in occupational health and safety management and implemented a management system that includes third parties within the scope of this standard. We manage OHS risks in accordance with the OHS Hazard Identification and Risk Management Procedure. Risk assessment is conducted at all stages of an activity or change, beginning with the design and establishment phase. This process involves identifying hazards, analyzing risks, identifying and documenting risk control measures, updating the work done, and performing renewal stages when necessary. The procedures apply to all employees and subcontractors.

The potential risks to our employees in production processes and the measures we implement to mitigate these risks are as follows:

Risk	Precaution
Chemical exposure	Effective ventilation, source reduction and provision of Personal protective equipment (PPE)
Noise	Mechanical improvements and PPE
Ergonomic issues	Lifting equipment, training, PPE
Falling from a height	Lifeline, seat belts, training

Ispak facilities are staffed with a full-time physician and health personnel who are available 24 hours a day, 365 days a year to protect our employees from risks and occupational diseases. The company's employees receive ongoing training in occupational health and safety (OHS) matters, while information boards are used to raise awareness of OHS issues. Information is provided through distance education via the Learning Management System (LMS) system.

Our company offers employees access to a range of benefits, including complementary and private health insurance, as well as a hospital referral system. The on-site mobile laboratory system enables employees to have tests performed at the workplace. Our company offers employees the opportunity to be checked by a dietician, psychologist, and internal medicine specialist once a week.

Office ergonomics is enhanced through the measurement of lighting, noise, and thermal comfort.



OHS Knowledge Contest

To enhance our employees' awareness of occupational health and safety (OHS), we conduct a quiz every month that they can access on their mobile devices. This approach allows us to reinforce and educate our employees on OHS information that can be applied in their professional lives. Our objective is to increase the participation rate in the contest each month and to increase the number of employees with a success score of 100. In this context, we participated in the Kibar Holding OHS Knowledge Contest, which was held during the OHS Week from May 4-10. We achieved second place in the contest.



Employee Development and Satisfaction

At İspak, we prioritize a participatory work environment that enables our employees to develop their skills, acquire future competencies, and feel at ease and fulfilled in their roles. All newly recruited employees receive orientation training. Annually, we collate and assess the training requirements of our employees from across the business. We participate in development programs organized by Kibar Holding's human resources department.

The “K-team Young Talent Internship Program” is a long-term internship program that will last for a total of one year. It offers university students in their fourth year of studies a real work experience opportunity with Kibar Group. The program is designed to prepare talents for professional life, starting from the first step of business life. The motto “Real career starts with real internship” reflects this approach.

The K-Start Field Young Talent Program offers senior vocational school students the opportunity to gain hands-on experience in the production process before graduating. With the motto “There is a Future in the Field!,” we provide employees with programs that allow them to apply what they have learned through the K-Start Field Young Talent Program in the field and shape their careers with our leaders.

We aim to enhance employee satisfaction through initiatives such as “Something is happening at İspak” and “Special days in the cafeteria.” To achieve this goal, we engage in meetings with employee representatives, participate in Kibar sports competitions, and implement ethics committee practices.

Our company employs a continuous performance approach based on Objectives and Key Results (OKR). We provide all employees with performance feedback through a system that encourages high performance, a lean, transparent, and agile performance culture.



“Power is in US” Development Platform

We are proud to support the development journeys of our employees with the “Power is in US Development Platform,” which was commissioned by Kibar Holding in 2020. The platform enables our employees to track their individual development and access a range of resources at any time and from any location. Furthermore, the platform facilitates continuous learning and ensures efficiency, automation, and digitalization in training processes. The Effective Management and Leadership Development Program is designed to enhance the leadership competencies of our employees in all managerial positions. Furthermore, brand and executive presence training programs are also organized for managers and above.

Development Platform Supporting Continuous Learning

The Development Platform Supporting Continuous Learning is designed to guarantee the uninterrupted progression of the development process and to disseminate the culture of learning from one another through a range of programs in various fields, including leadership development, training for internal trainers and mentors.

Managerial Development Program

The Managerial Development Program is designed to enhance the capabilities of first- and middle-level managers, fostering the development of a unified leadership model and culture. The program’s curriculum is developed in accordance with employee expectations, as determined through focus group studies. New or promoted managers and directors receive support through the “WE in Management” module, while managers and directors who manage or do not manage teams receive support through a program consisting of content specific to their level. In 2023, 370 individuals participated in the program, which was structured into four modules and included 21 hours of training. The program received an average satisfaction score of 4.5 out of 5.

Expert Development Program

The program, which supports the competencies of our employees at the Assistant Specialist, Specialist, and Senior Specialist levels, includes analyses to identify development needs and the preparation of a catalog of training in the areas deemed necessary. In accordance with this approach, the training program is structured around six core competencies: We are Innovative, We Take Decisions, We Achieve Results, We Collaborate, We Act in a Planned Way, and We are Customer Oriented. Participants were included in the training process by indicating their preferences through the Power in WE Development Platform in parallel with the BİZSmart Performance System Development targets. In 2023, 695 individuals participated in 14 hours of in-person training. The program received an average satisfaction score of 4.63 out of 5.



Leadership Development Program

The Leadership Development Program provides directors and above with the opportunity to redesign the leadership culture across the group and create the appropriate climate. Based on the results of the program and the Life module, we organize various workshops and trainings to address non-business issues. In 2023, the Leadership Development Program recommendation score was 8.57 out of 10. In 2023, the Leadership Development Program recommendation score was 8.57/10.

Development Ambassadors Training Program

The Development Ambassadors Training Program is designed to provide training for internal trainers and internal mentors, as well as to foster a culture of sharing. We provide training for internal trainers on the use of modern and up-to-date design techniques for the creation of internal training materials, with the objective of ensuring an efficient training experience for participants. As part of the internal mentoring program, meetings are held between volunteer mentors and mentees. The objective is to foster a culture of learning from each other. The internal mentoring program also encompasses mentoring and reverse mentoring initiatives. In 2023, 43 participants who volunteered to participate in the program received 12 hours of training. The satisfaction score for the program was 4.8 out of 5.



GameChangers

Game Changers, launched in 2020 at Kibar Group, is a highly selective development program. The objective of this program is to facilitate the personal growth of our colleagues by equipping them with the skills and knowledge required to navigate the evolving business landscape and achieve their professional goals. Those eligible for the program undergo a development process tailored to their needs and have the opportunity to engage in a range of activities, including development planning, one-on-one coaching interviews, online classroom training, mentoring, project work, and senior management meetings. In 2023, 18 experts and 21 managers and directors participated in the program, receiving a total of 42 hours of training. In addition to the training sessions, online workshops were also held. The program received an overall satisfaction score of 4.63 out of 5.



OUR Work OUR Life

In 2022, we initiated the “Our Work, Our Life” project, which is designed to ensure that our employees achieve a healthy balance between their professional and personal lives. In this context, we apply flexible working models based on position-based evaluations. The objective of the project was to enhance productivity and employee satisfaction by making remote working models that were successfully implemented during the pandemic a permanent feature of our operations. In 2023, we continued the program we launched in 2022. The program encompasses three distinct new-generation working models: Remote+, Hybrid and Onsite & Office+.

Achieving Together

The human resources department addresses employee well-being, process and system improvements, and development issues on a quarterly basis through meetings that bring together all Human Resources units in Kibar Group companies.



We recognize the importance of enriching the social lives of our employees, as this contributes to their overall well-being, including their mental and physical health. Our facilities offer employees a variety of social and recreational activities, including access to a gymnasium, recreation areas, playgrounds, table tennis and billiard tables. We also organize intra-company football tournaments. As part of the Kibar Festivals initiative, we participate in various sporting competitions open to all employees. Our Something Happens at İspak event is designed to facilitate social interaction and team-building among our employees.

Our internal communication activities are designed to ensure that all employees are aware of the value of our work culture and to increase their awareness of our company's WE mission.

We communicate both within the company and with Kibar Group companies through the in-house network Porttakal, "Kibarca" magazine, and our mobile application "Mobiliz." Our General Manager and employees convene quarterly for the Future is OURS meetings.

We utilize social media effectively in our employer branding efforts. We aim to become a preferred employer for young talent by showcasing our sector at relevant fairs and university events.

We regularly conduct satisfaction surveys of our employees through the use of independent institutions. The survey results are used to inform improvements to our practices. In 2023, our employee satisfaction rate was 56% for office employees and 54% for field employees. After the survey, we hold focus group workshops with employees to receive detailed feedback and plan our actions accordingly.



Gender and Equal Opportunity

İspak is committed to providing a workplace free from discrimination and where equality and fairness are paramount. A committee has been established to oversee actions related to diversity and inclusion.

We implement projects and practices to ensure gender equality. Kibar Holding is a signatory to the United Nations Women's Empowerment Principles.

The We Are Equal Committee is responsible for ensuring that gender equality requirements are met both within İspak and in social life. The committee is responsible for determining actions related to diversity and inclusion. The committee, comprising seven participants from various departments and levels, commenced its activities in 2022.

The We Are Equal Program enables the implementation of programs that are not based on gender and that address development needs. We implement the necessary measures to ensure gender equality through tools such as the Gender Equality Guide, Information Guide Against Domestic Violence and Workplace Violence, AÇEV Related Fatherhood Support Program, and Corporate Social Responsibility Policy Against Violence.

Highlights in 2023;

- Our female employee ratio increased to 51% in office employees, 5% in the field and 18% in total.
- In 2023, 18% of field employees and 56% of office employees were women.
- The shuttle route was reviewed for the safety of female employees on night shifts.
- All committee members received Diversity and Inclusion Training.
- Human Resources team received Zero Tolerance to Violence Training.

İspak does not discriminate on the basis of gender in its compensation, promotion and recruitment processes. As a company, we determine and implement the compensation policy objectively and fairly, taking into account the principles of gender equality. We work together with our colleagues, candidates and all internal and external stakeholders in line with our employer brand motto "WE are Stronger Together". There were no incidents of discrimination in our company during the reporting period.



Social Responsibility

At İspak, we are committed to enhancing the well-being of the communities in which we operate. We strive to create value for our stakeholders and society at large. We participate in the Kibar Volunteers Program, developed by Kibar Holding for employees of Kibar Holding and Group Companies, which encourages voluntary social responsibility activities.

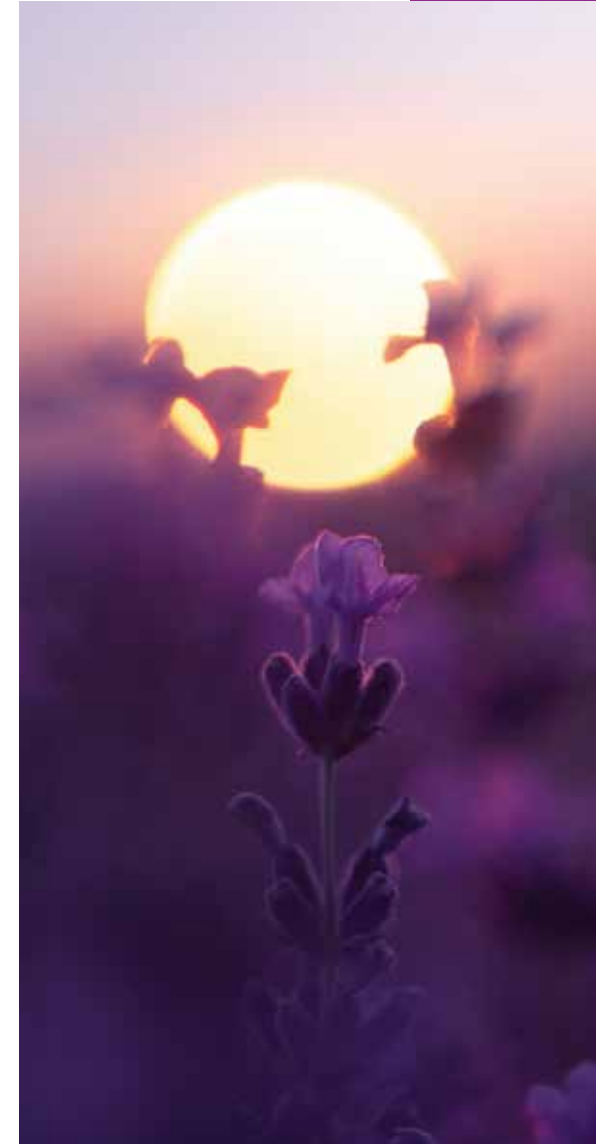
In 2023, our Kibar Volunteers;

- Within the scope of the “We Share Hope with KAÇUV” event, we gave hope to children by selling tea, coffee, lemonade and handmade cookies to our staff working in Umut Café for a day with İspak volunteers.
- In the 45th Istanbul Marathon, we ran for Darüşşafaka, Koruncuk and UNICEF associations with 40 volunteers and collected donation aid.
- We organized a trip to Rahmi Koç Museum and Miniaturk with our volunteers with the 4th grade students of Alikahya Primary School, of which we are a sponsor. With this activity, we aimed to familiarize students with historical places and increase their interest in museums.



Corporate Governance Practices

At İspak, we are committed to keeping pace with rapidly changing global conditions and creating sustainable value for our stakeholders through our management approach. We aim to be an agile, innovative, human-focused, and environmentally conscious organization. We have established our management principles as resource efficiency, effective leadership, and transparent communication, and we conduct our activities in accordance with these principles.



Corporate Governance

We adopt an accountable, ethical, and transparent management approach. Our Board of Directors consists of eight members, 3 of whom are independent members, and is the highest-level strategic decision-making body of İspak. The Board is responsible for setting corporate goals, ensuring compliance with corporate governance principles, determining and managing strategic orientations, and ensuring that risk management and control systems are fully implemented. İspak Ambalaj's General Manager oversees the implementation of strategies set by the Board of Directors. As a signatory to the Global Compact, he is dedicated to enhancing the organization's impact on the economy, environment, and people. The Strategy Manager, reporting to the General Manager, spearheads corporate sustainability initiatives. They present updates on relevant matters at the bi-weekly senior management meeting.

Internal Audit and Control

The internal audit and control activities carried out at İspak are designed to ensure compliance with legislation, corporate policies and principles, and the strategic goals set. The Internal Audit Department carries out regular internal audit and control processes under the coordination of Kibar Holding, in accordance with International

Internal Audit Standards and the Kibar Holding Code of Ethics. The audits conducted by the Vice Presidency of Internal Audit are risk- and process-oriented. Internal audits are conducted in four areas: process audit, compliance audit, financial audit, and information technology audit. Any risks identified during the course of an audit are then passed on to the relevant units, with suggestions for improvement also being presented. Internal controls are an essential component of the management process, inextricably linked to the management function.

In 2023, as in 2022, all audits conducted included a review of any potential corruption or misconduct issues. During the reporting period, there were no penalties or incidents of corruption or misconduct due to violations of the law.



Business Ethics

The primary reference document in business ethics studies at İspak is the Kibar Group Code of Ethics. The Code of Ethics delineates the responsibilities of the company towards laws, internal and external stakeholders, principles of behavior for the workplace, and the basic rights and responsibilities of employees.

The Kibar Group Code of Ethics comprises seven main topics: honesty, confidentiality, justice, quality and continuous improvement, conflict of interest, our responsibilities and accepting/giving gifts. These issues are discussed in detail. The Code of Ethics document includes case examples and examples of expected behavior.

At İspak, we provide ethics training to all employees on a periodic basis. To ensure that employees are aware of the latest developments in business ethics, we display themed posters in common working areas, such as “Do You Think It’s Ethical?”

Furthermore, İspak has Code of Ethics Consultants on hand to assist employees with any queries or concerns they may have regarding the Code of Ethics. In the event of a Code of Ethics violation, an Ethics Hotline is available for use by employees within and outside the Group. All reports submitted through this line are immediately forwarded to the Ethics Committee. All reports received by the Ethics Committee via phone, email, and/or mail are handled and evaluated in a confidential manner. Appropriate units

are assigned to carry out the necessary work, and all work related to the case is carried out meticulously.

During the recruitment process at Kibar Group Companies, employees are provided with an “Ethics Booklet.” This document, which is available in both print and digital formats, outlines the ethical principles of Kibar Group and provides illustrative examples. The final page of the booklet is completed and signed by the employee to demonstrate that they have read and understood the material. This is then forwarded to the Human Resources department. Ethics training is provided to all employees on a periodic basis. The Kibar Holding Ethics Booklet contains the pertinent rules and expectations for employees. The number of participants in the Ethics Training was 156 in 2023.

The Ethics Committee implements measures to ensure that individuals who report ethical violations are not subjected to retaliation, pressure, or intimidation.

We are proud to have successfully completed Sedex SMETA Ethics audits and Ecovadis reporting within the scope of social compliance every year.

Please click here to access the Kibar Holding Code of Ethics.



Anti-Bribery and Corruption

İspak maintains the highest standards of business ethics, which include a zero-tolerance policy for bribery and corruption. Our anti-bribery and anti-corruption approach is defined in the Kibar Holding Code of Ethics. It is the responsibility of all İspak managers and employees to comply with the Code of Ethics. All employees are required to report any violations of ethical rules or suspicions of bribery and corruption. Our anti-bribery and anti-corruption approach is binding for our employees and all our stakeholders, with particular emphasis on suppliers and business partners.

The Kibar Group Code of Ethics also addresses the issue of corruption, and the Code of Ethics Booklet is reviewed on an annual basis. Our company's corporate risk map identifies potential areas of concern, and we conduct risk assessments to address them. The effectiveness of the internal control environment for corruption risks is evaluated through both process audits and inspection and investigation activities. The results of these evaluations are reported. Furthermore, auditors present the risks they encounter and their suggestions in the annual independent audit service, which is used to continuously improve our business practices in line with the needs.

In 2023, there were no confirmed cases of corruption.



Appendices

Communication with our Stakeholders

As İspak, we consider it our corporate responsibility to provide accurate and timely information to all our stakeholders. To this end, we maintain two-way communication with our stakeholders through numerous platforms that we have prepared specifically for different stakeholder groups. We take into account internal and external stakeholder feedback received through these platforms. We increase our corporate know-how through the numerous non-governmental organizations, global and sectoral initiatives we are a member of and support. Our sustainability report, fairs and other events, social media activities, our website, interviews and news published in the press and other media, one-on-one customer interviews, technical trainings and university meetings represent some of our most important communication activities.

Stakeholder Group	Communication Methods	Communication Frequency	Relevant Sustainability Issues
SUPPLIERS	One-on-one meetings and visits	Continuous	Efforts to create a sustainable supply chain
	Inspections	Yearly	
	Supplier evaluation surveys	Yearly	
	Fairs	Periodic	
	Collaborations - business development	Periodic	
CUSTOMERS	Visits to customers	Continuous	Supporting sustainable product production
	Visits by customers	Continuous	
	Customer satisfaction surveys	Yearly	
	Inspections	Periodic	
	Fairs	Periodic	
	Corporate communication activities	Continuous	
	Social media activities	Continuous	
CSOs	Memberships	Continuous	Compliance with applicable regulations
	Joint Projects	Periodic	
UNIVERSITY STUDENTS	Long Term Internship Programs	Yearly	Efforts to increase talent acquisition and young employee ratios
	Social media activities	Continuous	
PRESS	Fairs	Periodic	Sector-based environmental impact and carbon footprint
	Corporate communication activities	Continuous	
	Social media activities	Continuous	

Appendices

Stakeholder Group	Communication Methods	Communication Frequency	Relevant Sustainability Issues
GROUP COMPANIES	One-on-one meetings and visits	Continuous	Sustainable supply chain management Product development efforts
	Supplier evaluation surveys	Yearly	
EMPLOYEES	Supplier evaluation surveys	Yearly	Ethical values employee engagement employer brand management
	Internal meetings	Continuous	
	Employee engagement surveys	Continuous	
	Evaluation meetings	Continuous	
	Corporate Communication activities	Continuous	
	Social media activities	Continuous	
SUBCONTRACTORS/ CONTRACTOR EMPLOYEES	One-on-one meetings and visits	Continuous	Business development activities
	Supplier evaluation surveys	Yearly	
KİBAR HOLDING AND SUBSIDIARIES	One-on-one meetings and visits	Continuous	Sustainable supply chain management Product development activities Sustainable management development efforts
	Supplier evaluation surveys	Yearly	
	Collaborations – business development	Periodic	

Appendices

Employee Demographics*				
Employees	2020	2021	2022	2023
Total number of employees	303	319	362	395
Total number of white-collar female employees	30	36	47	55
Total number of white-collar male employees	41	47	45	52
Total number of blue-collar female employees	4	5	7	15
Total number of blue-collar male employees	228	231	263	273
Total number of female employees	34	41	54	70
Total number of male employees	269	278	308	325
Number of employees by age groups				
Number of employees under 30 years old	44	37	64	79
Number of employees between 30-50	246	254	270	292
Number of employees 50 years and over	13	28	28	24
Total number of senior executives				
Number of female executives	3	5	4	4
Number of male executives	10	11	12	16
Female Executive Rate (%)	23%	31%	25%	20%
Maternity Leave				
Number of female employees on maternity leave	2	1	2	1
Number of male employees on paternity leave	16	18	26	16
Number of female employees returning from maternity leave	2	1	2	1
Number of male employees returning from paternity leave	16	18	26	15
Number of employees by education level				
Primary education	33	35	38	35
High school	170	167	193	187
University and Above	97	118	133	142
Employee Development				
Trainings				
Employee Training – Number of Participants (person)				
Blue Collar	488	1,111	369	6,424
White collar	322	709	274	2,308
Female	202	358	173	1,744
Male	608	1,462	470	6,988
Total	810	1,820	643	8,732

Appendices

Employee Training - Total Hours (hours)	2020	2021	2022	2023
Blue Collar	1,430	1,587	175	4,166
White collar	790	1,766	542	2,334
Female	448	899	337	2,145
Male	1,760	2,454	380	4,355
Total	2,208	3,353	717	6,500
Training Hours Per Person	2.73	1.84	1.12	0.74
Employee Suggestion Systems				
Number of Suggestions Made	-	-	-	0
Number of Suggestions Implemented	-	-	-	0
Number of Employees Participating in Performance Evaluation				
Blue Collar		-	-	0
White collar		82	79	98
Female		37	38	50
Male		45	41	48
Total		82	79	98
Occupational health and Safety				
Injury Rate				
Direct Employment				43,48
Female	0,00	0,00	9,66	7,34
Male	27,82	29,26	18,33	50,59
Accident Severity Rate				
Direct Employment				0,58
Female	0,00	0,00	0,10	0,13
Male	0,67	0,33	0,11	0,67
Occupational Disease Rate (ODR)				
Direct Employment				0
Female	0	0	0	0
Male	0	0	0	0
Contractor Company Employee				0
Female	0	0	0	0
Male	0	0	0	0

Appendices

Number of Work-Related Deaths	2020	2021	2022	2023
Direct Employment				0
Female	0	0	0	0
Male	0	0	0	0
Contractor's Employees				0
Female	0	0	0	0
Male	0	0	0	0
Occupational Health and Safety Trainings				
	2020	2021	2022	2023
Total number of employees participating in OHS Training activities	335	320	954	1,462
Total number of contractor's employees participating in OHS Training activities	196	291	470	86
Total hours of OHS training provided to employees	2,583	1,685	1,393	6,196
Total hours of OHS training provided to contractor's employees	122.0	153.0	235.0	165
Occupational Health and Safety Management				
	2020	2021	2022	2023
Number of Established OHS Committees	1	1	6	6
Total Number of Members in Established OSH Committees	17	10	11	11
Number of Representatives Working in Established OHS Committees	3	3	4	4
Supply Chain Management				
	2020	2021	2022	2023
Number of Local Suppliers	1,181	1,483	1,674	1,817
Number of Foreign Suppliers	107	169	202	238
Local Supplier Ratio (%)	92%	89.8%	89.2%	88.42%
Foreign Supplier Ratio (%)	8%	10%	11%	11.58%

Appendices

Economic Indicators and Annexes				
	2020	2021	2022	2023
Sales				
Sales Rates (Türkiye, International)	85%	78%	69%	66%
Export Regions Rate	15%	22%	31%	34%
Product Quality and Safety				
Number of Audits Conducted			14	23
Gender Equality and Equal Opportunities				
Number of female employees recruited in 2022			17	24
Rate of female employees recruited in 2022			27%	29%
Employee Development and Talent Management				
Number of Performance Feedback			80	
Rate of Employees Receiving Performance Feedback			%85	
Total Training Hours				
Environmental Training				
Our Future Is Within			4	2
Power Is Within Us Development Program				47
Managerial Development Program				20
Specialist Development Program				20
Leadership Development Program				7
Development Ambassadors				2
Other				
Employee Engagement and Communication				
Employee Satisfaction Score			69%	66%
BizPlus			315 gift certificates were given to 297 employees	
BizFlex				
K-Team			5	9
Kibar Sports Fest				
Sustainability in Supply Chain				
Number of companies that passed the audit			32	

Appendices

Environmental Performance Indicators				
Natural Resource Use	2020	2021	2022	2023
Production output (tons)	10,265	21,825	25,677	24,536
Consumed raw materials (tons)	25,939	28,363	33,240	30,880
The amount of recycled/recovered raw materials used as inputs (tons)				
The rate of recycled/recovered raw materials used as inputs (%)				
Use of raw materials with low environmental impact compared to their counterparts				
Use of raw materials with green (i.e., eco-friendly) product certificates				
Use of raw materials in compliance with circular economy principles				
Water Management (m³)				
Well water consumption (m³)	0	0	0	0
Municipal water consumption (m³)	35,668	44,826	40,974	55,886
Total Water Consumption (m³)	35,668	44,826	40,974	55,886
Water Density (m³/ton)	1.93	2.04	1.60	2.28
Water Density (m³/Person)	117.72	140.52	113.19	141.48
Waste Management				
Total amount of hazardous waste (tons)	683	632	713	797
Energy Recovery	22.00	145.86	97.17	113.66
Recovery (tons)	661.00	486.14	616.21	683.37
Landfill (tons)	0.03	0.05	0.00	0.02
Waste Incineration	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00
Total amount of non-hazardous waste (tons)	3,454,00	4,005,00	4,083,00	4,116,13
Energy Recovery	744.48	537.87	669.17	880.49
Recovery (tons)	2,529,64	3,276,84	3,231,83	3,038,14
Landfill (tons)	180.00	190.01	182.00	197.50
Waste Incineration	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00
Total Amount of Waste (tons)	4,137,41	4,636,77	4,796,42	4,913,19
Total amount of recycled/recovered waste (tons)	3,957	4,447	4,614	4,715,66
Recycled/recovered waste rate (%)	96%	96%	96%	96%
Waste Intensity (ton/ton)	0.22	0.21	0.19	0.20

Appendices

Fighting Climate Change				
Direct Energy Consumption (GJ)	2020	2021	2022	2023
Natural gas	120,394	141,413	155,271	150,118
Diesel	386	476	418	369
Gasoline	1,442	1,755	2,729	3,103
Other	-	-	-	-
Total Direct Energy Consumption	122,222	143,644	158,418	153,590
Indirect Energy Consumption (GJ)				
Electric	57,607	64,243	66,331	67,897
Total Indirect Energy Consumption	57,607	64,243	66,331	67,897
Total Energy Consumption				
Total Energy Consumption (GJ)	179,829	207,887	224,749	221,487
Energy Intensity (GJ/ton)	9.74	9.48	8.75	9.03
Renewable Energy Production				
Renewable Energy Production (GJ)	-	-	-	-
Emissions				
Scope 1 Emissions (tons, CO ₂ e)	6,883,00	8,090,00	8,931,00	8,703,71
Scope 2 Emissions (tons, CO ₂ e)	7,265,00	8,461,00	8,457,00	8,281,20
Scope 3 Emissions (tons, CO ₂ e)	256	336	384	-
Greenhouse gas (GHG) emission density (tons, CO ₂ e/ton)	0.77	0.75	0.68	0.69
Number of trees planted	0	0	0	0
Environmental Training (hours)				
Environmental training given to group employees				
Environmental training given to contractor personnel				

GRI MARK

For the Content Index – Essentials Service, GRI Services has reviewed that the GRI content index is presented in a manner consistent with reporting requirements in accordance with GRI Standards and that the information in the index is clearly presented and accessible to stakeholders. The service was carried out through the Turkish version of the report.

GRI CONTENT INDEX

Declaration of Use	İspak Ambalaj reported in accordance with GRI Standards for the period between January 1, 2023 - December 31, 2023.
GRI 1 Usage	GRI 1: Baseline 2021
Applicable GRI Sector Standard(s)	/

GRI STANDARD / OTHER SOURCE	INDICATOR	DESCRIPTIONS AND PAGE NUMBERS	EXCLUSIONS		
			Excluded Requirements	Reason	Explanation

General Remarks

GRI 2: General Disclosures 2021	2-1 Details of the organization	About us, page 9			
	2-2 Organizations included in sustainability reporting	About the Presentation and Report, page 3			
	2-3 Reporting period, frequency and contact information	About the Presentation and Report, page 3			
	2-4 Restating information	GRI Content Index: There is no restated information in the report.			
	2-5 External Audit	GRI Content Index: No external audit was received.			
	2-6 Activities, value chain and other business relationships	About Kibar Holding, page 8 About Us, page 9 https://www.ispak.com/en/company/about-us			
	2-7 Employees	Performance Indicators, Employee Demographics, pages 64-65			
	2-8 Contractor employees	GRI Content Index: Security, cleaning, dining hall and service services are outsourced as subcontractors. In this context, the number of employees is 41 people.			
	2-9 Management structure and composition	Corporate Governance, page 59			
	2-10 Nomination and election of the highest governance body	Corporate Governance, page 59			
	2-11 Head of the highest governance body	Corporate Governance, page 59			
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability Management, page 19			

GRI Content Index

GRI STANDARD / OTHER SOURCE	INDICATOR	DESCRIPTIONS AND PAGE NUMBERS	EXCLUSIONS		
			Excluded Requirements	Reason	Explanation
General Remarks					
GRI 2: General Disclosures 2021	2-13 Delegation of responsibility for managing impacts	Sustainability Management, page 19			
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Management, page 19			
	2-15 Conflict of interest	Business Ethics, page 60			
	2-16 Escalating critical concerns	About Presentation and Report, page 3 Employee Development and Satisfaction, page 52-56 Communication with Our Stakeholders, page 62-63			
	2-17 Collective information of the highest governance body	Sustainability Management, page 19			
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance, page 59			
	2-19 Pricing policies	Gender and Equality of Opportunity, page 57 https://www.ispak.com/en/human-resources/compensation-and-benefits			
	2-20 Wage determination process	https://www.ispak.com/en/human-resources/compensation-and-benefits			
	2-21 Total annual wage rate	GRI Content Index: Since İspak is not a public company, wage information is not disclosed.	2-21 a; 2-21b; 2-21c	Confidentiality constraints	İspak does not disclose this information due to confidentiality reasons.
	2-22 Statement on sustainable development strategy	Sustainability in Spain, pages 15-16			
	2-23 Policy commitments	Sustainability in Spain, pages 15-16 Initiatives We Support page 22			
	2-24 Establishing policy commitments	Sustainability in Spain, pages 15-16			
	2-25 Adverse effects remediation processes	Sustainability in Spain, pages 15-16			
	2-26 Mechanisms for seeking advice and raising concerns	About Presentation and Report, page 3 Employee Development and Satisfaction, page 52-56 Communication with Our Stakeholders, page 62-63			
	2-27 Compliance with laws and regulations	Internal Audit and Control, page 59 Business Ethics, page 60 Anti-Bribery and Corruption, page 61			
	2-28 Memberships	Organizations We Are Members of, page 22			
	2-29 Stakeholder engagement approach	Communication with Our Stakeholders, page 62			
	2-30 Collective Labor Agreements	GRI Content Index: There is no collective labor agreement in İspak.			

GRI Content Index

GRI STANDARD / OTHER SOURCE	INDICATOR	DESCRIPTIONS AND PAGE NUMBERS	EXCLUSIONS		
			Excluded Requirements	Reason	Explanation
Priority Issues					
GRI 3: Material Topics 2021	3-1 Process of identifying priority issues	Sustainability in Spain, pages 15-16			
	3-2 Priority topic list	Our Sustainability Strategy: Vision 2030, pages 17-18			
Occupational health and Safety					
GRI 3: Material Topics 2021	3-3 Management of the priority issue	Occupational Health and Safety, page 51			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational Health and Safety Management System	Occupational Health and Safety, page 51			
	403-2 Hazard identification, risk assessment and incident investigation	Occupational Health and Safety, page 51			
	403-3 Occupational health services	Occupational Health and Safety, page 51			
	403-4 Worker participation, consultation and communication on occupational health and safety	Occupational Health and Safety, page 51			
	403-5 OHS Trainings	Performance Indicators, Occupational Health and Safety Training, page 66			
	403-6 Protection of employee health	Occupational Health and Safety, page 51			
	403-7 Management, prevention and mitigation of OSH impacts	Occupational Health and Safety, page 51			
	Scope of 403-8 OSH management system	Occupational Health and Safety, page 51			
	403-9 Work-related injuries	Performance Indicators-Occupational Health and Safety, pages 65-66			
	403-10 Work-related diseases	Performance Indicators-Occupational Health and Safety, pages 65-66			

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GRI STANDARD / OTHER SOURCE	INDICATOR	DESCRIPTIONS AND PAGE NUMBERS	EXCLUSIONS		
			Excluded Requirements	Reason	Explanation
Employee Development and Satisfaction					
GRI 3: Material Topics 2021	3-3 Management of the priority issue	Employee Development and Satisfaction, pages 52-56			
GRI 404: Education and Training 2016	404-1 Training Hours per Annual Employee	Employee Development and Satisfaction, pages 52-56			
	404-2 Talent management and lifelong learning programs	Employee Development and Satisfaction, pages 52-56			
	404-3 Percentage of employees receiving regular performance and career development reviews	Employee Development and Satisfaction, pages 52-56			
Gender and Equality of Opportunity					
GRI 3: Material Topics 2021	3-3 Management of the priority issue	Gender and Equality of Opportunity, page 57 https://www.ispak.com/en/human-resources/compensation-and-benefits			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Performance Indicators, Employee Demographics, pages 64-65			
GRI 406: Anti-Discrimination 2016	406-1 Discrimination incidents and corrective measures taken	Gender and Equality of Opportunity, page 57 https://www.ispak.com/en/human-resources/compensation-and-benefits			
Social Responsibility					
GRI 3: Material Topics 2021	3-3 Management of the priority issue	Social Responsibility, page 58			
Customer happiness					
GRI 3: Material Topics 2021	3-3 Management of the priority issue	Customer Satisfaction, page 24			
Product and Solution Quality and Safety					
GRI 3: Material Topics 2021	3-3 Management of the priority issue	Product and Solution Quality and Safety, page 26			
GRI 417: Marketing and Labeling 2016	417-1 Product and service information and labeling requirements	Product and Solution Quality and Safety, page 26			
	417-2 Incidents of non-compliance with product and service information and labeling	Product and Solution Quality and Safety, page 26			
	417-3 Cases of non-compliance with marketing communications	Product and Solution Quality and Safety, page 26			
R&D and Innovation					
GRI 3: Material Topics 2021	3-3 Management of the priority issue	R&D and Innovation, pages 27-28			
Digitalization and Data Security					
GRI 3: Material Topics 2021	3-3 Management of the priority issue	Digitalization and Data Security, pages 29-30			

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GRI STANDARD / OTHER SOURCE	INDICATOR	DESCRIPTIONS AND PAGE NUMBERS	EXCLUSIONS		
			Excluded Requirements	Reason	Explanation
Supply chain management					
GRI 3: Material Topics 2021	3-3 Management of the priority issue	Supply Chain Management, pages 31-32			
GRI 308: Supplier Environmental Assessment 2016	New suppliers screened using 308-1 environmental criteria	Supply Chain Management, pages 31-32 Supplier Audits, page 33			
	308-2 Negative environmental impacts in the supply chain and measures taken	Supply Chain Management, pages 31-32 Supplier Audits, page 33			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers screened using social criteria	Supply Chain Management, pages 31-32 Supplier Audits, page 33			
	414-2 Negative social impacts in the supply chain and measures taken	Supply Chain Management, pages 31-32 Supplier Audits, page 33			
Environmentally Friendly Products					
GRI 3: Material Topics 2021	3-3 Management of the priority issue	Environmental Products, pages 39-44			
GRI 416: Customer Health and Safety 2016	416-1 Assessment of health and safety impacts of product and service categories	Environmental Products, pages 39-44			
	416-2 Cases of non-compliance regarding the health and safety effects of products and services	Environmental Products, pages 39-44			
Energy and Emission Management					
GRI 3: Material Topics 2021	3-3 Management of the priority issue	Energy and Emissions Management, page 45			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Environmental Performance Indicators, page 69			
	302-2 Energy consumption outside the organization	Environmental Performance Indicators, page 69			
	302-3 Energy density	Environmental Performance Indicators, page 69			
	302-4 Reducing Energy Consumption	Energy and Emissions Management, page 45			

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GRI STANDARD / OTHER SOURCE	INDICATOR	DESCRIPTIONS AND PAGE NUMBERS	EXCLUSIONS		
			Excluded Requirements	Reason	Explanation
GRI 305: Emissions 2016	305-1 Direct (Scope 1) greenhouse gas emissions	Environmental Performance Indicators, page 69			
	305-2 Indirect (Scope 2) greenhouse gas emissions	Environmental Performance Indicators, page 69			
	305-3 Other (Scope 3) greenhouse gas emissions	Environmental Performance Indicators, page 69			
	305-4 Greenhouse gas intensity	Environmental Performance Indicators, page 69			
	305-5 Reducing greenhouse gas emissions	Energy and Emissions Management, page 45			
Water Management					
GRI 3: Material Topics 2021	3-3 Management of the priority issue	Water Management, page 48			
GRI 303: Water and Wastewater 2018	303-1 Interactions with water as a shared resource	Water Management, page 48			
	303-2 Management of impacts related to water discharge	Water Management, page 48			
	303-3 Draft	Environmental Performance Indicators, page 68			
	303-4 Water discharge	Environmental Performance Indicators, page 68			
	303-5 Total water consumption	Environmental Performance Indicators, page 68			
Circular Economy					
GRI 3: Material Topics 2021	3-3 Management of the priority issue	Circular Economy, page 47			
Waste Management					
GRI 3: Material Topics 2021	3-3 Management of the priority issue	Waste Management, page 46			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management, page 46			
	306-2 Management of significant waste-related impacts	Waste Management, page 46			
	306-3 Waste produced	Environmental Performance Indicators, page 68			
	306-4 Disposal waste	Environmental Performance Indicators, page 68			
	306-5 Waste directed to disposal	Environmental Performance Indicators, page 68			

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GRI STANDARD / OTHER SOURCE	INDICATOR	DESCRIPTIONS AND PAGE NUMBERS	EXCLUSIONS		
			Excluded Requirements	Reason	Explanation
Biodiversity					
GRI 3: Material Topics 2021	3-3 Management of the priority issue	Biodiversity, page 49			
Business Ethics					
GRI 3: Material Topics 2021	3-3 Management of the priority issue	Business Ethics, page 60			
Corporate Management Practices					
GRI 3: Material Topics 2021	3-3 Management of the priority issue	Corporate Governance, page 59			
Risk management					
GRI 3: Material Topics 2021	3-3 Management of the priority issue	Risk Management, pages 34-35			
Business Continuity					
GRI 3: Material Topics 2021	3-3 Management of the priority issue	Business Continuity, page 36			

