

bakioğlu
HOLDING

Summary Sustainability Report 2023

On the course toward a sustainable future





Since our founding, we have consistently steered our course toward achieving “the best” and adding value to every area we operate in, with a particular focus on our country.

We continue our journey in the flexible packaging sector with the aim of raising the flags of both our country and our Group in every corner of the world. We align ourselves with the welfare of our planet, sustainability, and the progress and innovation demanded by today’s world. We were born, grew, developed, and succeeded with the mission stemming from our name: “Belief...Passion... Teamwork...Commitment...” These core values, instilled across generations, have illuminated our path toward sustainability and enabled our global reach. Our robust Group Companies and significant production capabilities, coupled with our highly skilled workforce, dedicated R&D Center and strategic investments are instrumental in driving our sector leadership. A steadfast commitment to renewable energy initiatives, combined with a service philosophy centered on quality, customer satisfaction, and stakeholder confidence, further solidifies our strong position. Moreover, the invaluable experience we have gained over the course of five decades continues to be a driving force behind our ongoing success.

***Our Responsibility Toward the Future Is Baki
(Everlasting)...***

Bakioğlu
DİNGÖLÜ

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bakambalaj

Bak Ambalaj at a Glance

At Bak Ambalaj, Türkiye's leading flexible packaging manufacturer, we are steering our course toward sustainable development, production, agility, and dynamism.

Since 1973, at Bak Ambalaj, home to Türkiye's first Ministry-approved R&D Center, we have been providing our stakeholders around the world with high-quality, efficient, and environmentally friendly sustainable products.



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polibak

Polibak at a Glance

At Polibak, one of Türkiye's leading plastic film manufacturers, we are steering our course toward operational excellence, value-added services, and sustainable energy investments.

As the first and only recipient of the "TPM Excellence Award" within its industry, Polibak differentiates from the competition with its expert team and quality-focused service approach. Moreover, our solar energy initiatives, encompassing both land and rooftop installations, contribute positively to the environment while solidifying our industry leadership.

[Introduction](#)[Bakıođlu Holding
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People](#)[Value for
Our World](#)The logo for Bak Gravür, featuring the company name in a white, lowercase, sans-serif font on a dark red background.

Bak Gravür at a Glance

At Bak Gravür, Türkiye's leading rotogravure cylinder and flexo printing plate manufacturer, we are steering our course toward smart investments, cutting-edge technology, and sustainable energy efficiency.

By executing a large-scale investment plan, Bak Gravür aims to become the industry leader, delivering exceptional quality, customer satisfaction and sustained growth.





bareks

Bareks at a Glance

At Bareks, one of Türkiye's top polyethylene film producers, we are steering our course toward production strength, eco-friendly investments, and a sustainable green portfolio.

Ranked among ISO Second 500 | Türkiye's Top 500 Industrial Enterprises, Bareks boasts a robust annual production capacity of 45,000 tons, facilitating a global reach across more than 30 countries. Through environmental certifications such as I-REC and RecyClass, we exemplify industry best practices in sustainability.





bakcycle

Bakcycle at a Glance

At Bakcycle, our fifth company completing our vertical integration structure, we are steering our course toward a circular economy, recycling, and consumption savings.

Established in 2021, Bakcycle has recorded major progress in recycling packaging waste, propelling our sustainability journey forward. Equipped with world class state-of-the-art technology unrivalled in Türkiye, Bakcycle generates significant value for both society and the economy while prioritizing future generations and the greater good.



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About the Report

We are sharing the social, economic, and environmental dimensions of our activities carried out in 2023 through our sustainability report.

As Bakioğlu Holding and our Packaging Group Companies, we continue our activities with determination, always striving to do better. Each day, we strive to become the best and most efficient versions of ourselves. The ultimate goal of this journey is to create economic, social, and environmental value for all our stakeholders through a sustainable working model. Accordingly, in 2023, we have undertaken comprehensive activities and initiatives with contributions from our internal and external stakeholders, addressing social, economic, and environmental dimensions and making progress in line with the United Nations (UN) Sustainable Development Goals. We are sharing these

efforts through our sustainability report, which adheres to the reporting principles outlined in the GRI Standards. This report has been prepared by Bakioğlu Holding AŞ in compliance with GRI Standards, covering the period from January 1 to December 31, 2023. It includes the activities carried out in Türkiye by Bak Ambalaj San. ve Tic. AŞ, Polibak Plastik Film San. ve Tic. AŞ, Bak Gravür Teknolojisi San. Tic. AŞ, Bareks Plastik Film San. Tic. AŞ, Bareks Polietilen Film Ekstrüzyon San. ve Tic. AŞ, and Bakcycle Geri Dönüşüm Sanayi ve Ticaret AŞ.* Our newly included Packaging Group company, Bakcycle Recycling, is still in the investment phase and has not yet commenced operations, hence it is not included in the reporting scope.

We welcome your feedback and suggestions on our sustainability activities and reporting efforts at sustainability@bakioglu.com.tr



*The data relating to Bareks Plastik Film Tic. San. Tic. AŞ, referred to as Bareks in this report, includes data for its subsidiary Bareks Polietilen Film Tic. AŞ.



Message from the Chair of the Board of Directors

We are moving forward under the guiding principles that illuminate our course toward sustainability.

I am proud to say that we have completed a year in which we increasingly focused on the sustainability of our planet, as much as on the sustainability of our business.



Cem BAKIOĞLU
Chair of the Board of Directors of Bakioğlu Holding



Message from the Chair of the Board of Directors

Dear Stakeholders,

We embarked on 2023 with the strength derived from our motto: "In the turbulent seas brought on by rapid change, we move forward with the confidence of our values, under the guiding principles that illuminate our course toward sustainability, and with the determination instilled by 50 years of experience." The year 2023, like those before it, passed by swiftly, marked by an accelerating pace of global change. Unfortunately, we entered the year with the devastating Kahramanmaraş earthquake, the largest earthquake disaster in Türkiye's history, which brought profound sorrow to us all. The following months were shaped by the uncertainties and tensions of the pre-election period, the struggle against high inflation, and the impact of tight monetary policies. As we navigate a world where the likelihood of encountering unforeseen events, both nationally and internationally, continues to grow, we have once again witnessed that when we remain steadfast in our values and move forward with determination, the fog of uncertainty begins to lift.

In this context, despite the challenges and uncertainties of 2023, we have strived to preserve our business practices and maintain our standing among all stakeholders, thanks to our core values. Throughout all our activities, we focused on ensuring workplace safety, reducing costs, minimizing losses, and enhancing our outputs in a more efficient, high-quality, and sustainable manner. Confronted with one of the main obstacles to our goals, the limited availability of domestic credit, we proactively

pursued international credit opportunities to fund our investments. Additionally, we implemented measures during the year to safeguard our employees from the effects of high inflation.

I am proud to say that we have completed a year in which we increasingly focused on the sustainability of our planet, as much as on the sustainability of our business. In this context, we continue our activities in cooperation with our entire production network and stakeholders to limit global temperature increase to 2°C, and if possible, to 1.5°C, in accordance with the Paris Climate Agreement signed globally by 197 countries in 2015, to address the escalating impact and risks of the climate crisis. The European Green Deal Action Plan outlines ambitious goals such as reducing emissions by 55% by 2030 compared to 1990 levels, increasing the share of renewable energy consumption to at least 32%, and achieving at least a 30% improvement in energy efficiency. Achieving these goals requires a profound shift in how we think and act, both as individuals and organizations. The responsibility to hand over a livable world to future generations must be a priority for every organization and individual.

Driven by this responsibility, Bakioğlu Holding and our Group Companies have demonstrated our commitment to "responsible behavior" through numerous significant activities detailed in this report. These include the new forests we have added to nature via the Aegean Forest Foundation, our contribution to the circular economy by recovering solvent from our Solvent Recovery Facility, and the millions of kWh of electricity produced by our Solar Energy System panels. We meet all our electrical energy needs

from renewable energy sources at our facilities in İzmir Atatürk Organized Industrial Zone without consuming fossil fuels. Our R&D efforts aligned with the indispensable concept of a circular economy, and the investments triggered by these needs such as MDO PE, CPP, and Bakcycle, all reflect our dedication. Additionally, we are also proud to have advanced our Solar Energy Plant Project, which enables us to meet our Group's annual electricity consumption of 170 thousand MWh from renewable sources.

In 2023, by adapting to rapidly changing technological conditions, minimizing our environmental impacts, and focusing on efficiency in our production activities, we made strategic initiatives in the field of R&D. Guided by our vision of becoming a "solution partner for the circular economy," we designed product groups containing PCR (post-consumer recycled material) aimed at reducing emissions. As a result, we earned the "RecyClass Recycled Content Traceability" Certificate at our Bareks Company, based on a system for tracking and calculating the content percentage, making us one of only two organizations in Türkiye to achieve this certification. Additionally, we developed film products using plastic granules entirely recycled from post-consumer waste, certified with the EUCertPlast Certificate, ensuring end-to-end control of the supply chain.

Through continuous investment and development, we have successfully progressed in our production and investment processes with our mission to remain "everlasting," as a globally respected group of companies that adds value to our country by achieving the "best" in all our fields of activity. On July 2, 2023, we brought another significant investment to life for the flexible packaging circular economy by developing 100% recyclable film structures at our Polibak CPP Line, which has been operational since that date. Our state-of-the-art CPP Line, equipped with a capacity of 18,000

tons per year and a width of 7.2 meters with five layers, makes us the company with the largest production line in Europe, marking another point of pride for our Group.

At Bakioğlu Group, we place great importance on providing development and career support to our employees, our most valuable asset in all our processes and on our journey of growth, under the umbrella of Bak Academy. Through our inclusive and diverse working groups and committees, we continue to deliver sustainable digitalized training supports. Additionally, we collaborate with the younger generations, engaging in technological studies and corporate social responsibility activities with university communities and institutions. While maintaining our human-centered approach, we seamlessly integrate our digital transformation into our business processes and culture, aligning with our digital roadmap.

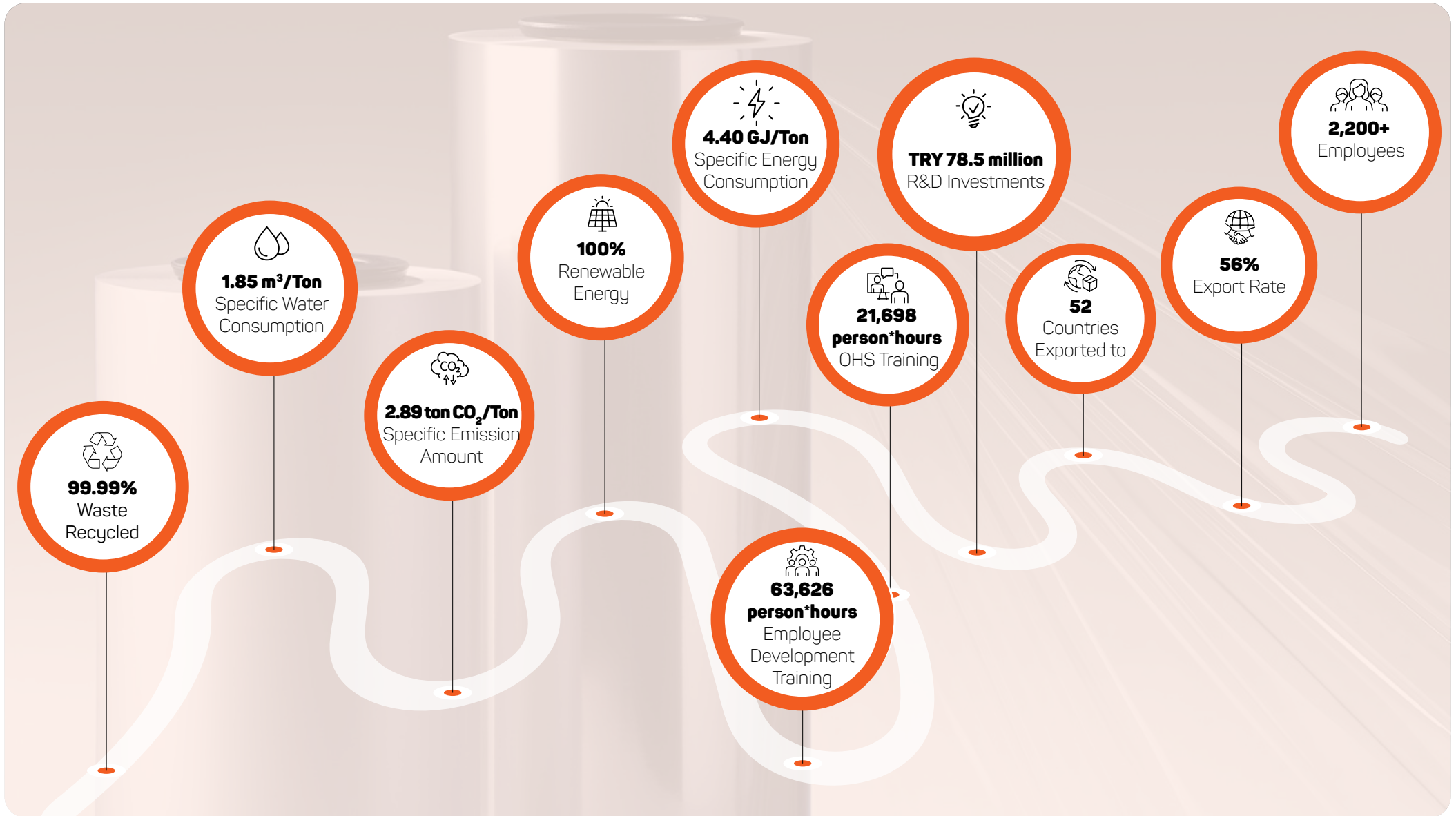
Dear Stakeholders,

By integrating our human and planet-focused approaches into our corporate culture, we are striving to do better every day. We aim to meet today's needs with a focus on the future and sustainability, while maintaining the highest standards in our business models and service quality, mindful of the risks and opportunities that lie ahead. On behalf of the Boards of Directors, Executive Committees, and General Managers of Bakioğlu Holding and its Subsidiaries, I express sincere gratitude to all our colleagues at Bakioğlu Holding, our business partners, suppliers, and customers, as well as all our stakeholders who have been with us on this journey and share the same vision for the future.

Respectfully,

Cem BAKIOĞLU
*Chair of the Board of Directors of
Bakioğlu Holding*

Our 2023 Performance in Figures





About Bakioğlu Holding

At Bakioğlu Holding, together with our Packaging Group Companies, we serve 52 different countries with over 2,200 valued employees and approximately 318,442 m² of production space. By generating 56% of our revenue from exports, we make significant contributions to our country's economy.

As Bakioğlu Holding, we took our first steps into the flexible packaging sector with the establishment of Bak Ambalaj, the first of our Packaging Group Companies, in 1973. Today, we operate with a vertically integrated business model in the flexible packaging sector. In addition to our core activity in the flexible packaging sector, we also operate in the construction, logistics, insurance, and food sectors.

Our company portfolio, formed through 50 years of experience, includes leading companies in Türkiye's flexible packaging sector such as Bak Ambalaj, Polibak, Bak Gravür, and Bareks. Additionally, we operate in the construction sector with Bakiş, provide insurance and brokerage services through Baksaş, offer IT and transportation services via Baknet, and are active in the food sector with Freshbak and Meyv. Our Packaging Group continues to enhance its vertically integrated business model and strengthen its sustainable business structure every day with Bakcycle Recycling, a company established in 2021 to operate in the recycling sector.

At Bakioğlu Holding, together with our Packaging Group Companies, we serve 52 different countries with over 2,200 valued employees operating across our 6 companies and approximately 318,442 m² of production space as of the reporting period. By generating 56% of our revenue from exports, we make significant contributions to our country's economy.

Through continuous investment and development, we guide our activities with the mission to remain "everlasting," as a globally respected group of companies that adds value to its country by striving for excellence in all its fields of activity. We take pride in elevating our 'integrated packaging industry' business model—built from the ground up—to international standards, bringing success to the Turkish packaging sector in global competition.





About Bakiođlu Holding

Through continuous investment and development, we guide our activities with the mission to remain “everlasting,” as a globally respected group of companies that adds value to its country by striving for excellence in all its fields of activity.

BAKİ Olmak (To Be EVERLASTING)



Yesterday, today, tomorrow... We strive to remain “everlasting” with absolute determination.

Always striving for better, we grow together with teamwork, believing in our work with passion, and with steadfast commitment.



About Bakioğlu Holding

We provide end-to-end packaging solutions with our high-quality, reliable, and high value-added products to various segments with different structural characteristics, primarily food, beverages, chemicals and hygienic products, pharmaceuticals, textiles, stationery, and tobacco products.

“Responsible Packaging” First

Our value chain, based on a vertically integrated model in the flexible packaging sector, includes packaging design, material pre-processing, various printing techniques, and the production of value-added packaging products. In all stages of this value chain, considering social, environmental, and economic sustainability, superior product quality, and innovation are indispensable elements of our business model. Our new investment, Bakcycle, not only expands our value chain but also strengthens our commitment to responsible packaging by supporting the circular economy approach.

We offer end-to-end packaging solutions with our high-quality, reliable, and high value-added products to various segments with different structural characteristics, particularly in the food, beverage, chemical, hygiene, pharmaceuticals, textile, stationery, and tobacco industries. With the quality of our products and services, we not only ensure that Türkiye’s flexible packaging needs are met with domestic capital and resources, but also support our local economy through our exports to foreign markets, especially the European Union.

Plastic packaging is a product group that has a wide range of applications and plays an important role in improving our quality of life. As one of the leading players in the industry, we believe it is our fundamental duty to ensure that plastic packaging, which is practically indispensable to today’s societies, is produced and presented using healthy, sustainable, and safe methods, considering its post-consumer effects.

Although our food packaging solutions occupy a prominent place in our product portfolio, we also offer solutions that add value to a variety of industries. Our products play a critical role in ensuring food safety, keeping chemical and hygiene products sterile, and protecting the integrity of stationery and textile products. By providing our client manufacturing companies with the most appropriate packaging compositions and designs, we enable consumers to access products in a safe, environmentally friendly, and economical manner.



We adhere to international standards in both our operations and our products, carefully managing our environmental impact, and acting with the awareness of being an ethical and responsible company. We support the circular economy through recycling, renewable energy, and innovative raw materials. We minimize our impact on the climate. In doing so, we pledge to create long-term value for all our stakeholders, especially our customers, shareholders, and employees.

We support sustainable packaging production.



We share the Sustainable Packaging Coalition’s (SPC) passion for creating “good” packaging designs for people and the environment. As Bakioğlu Holding and the Packaging Group Companies, we are fulfilling our responsibility for sustainable packaging production and a sustainable future through our membership in the SPC!



Shareholding Structure



Our Vision, Mission and Corporate Values



Our goal at Bakioğlu Holding is to be “the best” in all our activities. We strive to create value for our country, to be among the most respected international companies, and to fly the flag of our country and our Group in every corner of the world. We invest in knowledge, innovation, technology, our human values, and our future. Our “Baki Constitution” guides our developmental journey. We strive to remain “everlasting” with our brand and the values we add. We stride confidently toward our goals with the mission and vision we have adopted, as well as our commitment to our corporate values.



Our Mission

Yesterday, today, tomorrow. We strive to remain “everlasting” with absolute determination.

To remain “everlasting” as a respectable group of companies worldwide, adding value to its country by being the “best” in all its fields of activity through continuous investment and development.



Our Vision

Our goal is 2025. We are progressing with endless faith.

To rank among the “top 5 flexible packaging manufacturers of Europe” in 2025 while preserving our structure as a family business with national capital.



Our Vision, Mission and Corporate Values

Our Corporate Values

Among our corporate values, which we have established with all our colleagues who work with us toward the same goals with determination and faith in the work we are passionate about, are human value, trust, justice, a focus on quality and solutions, development and improvement, and social responsibility.

We value people.

Our focus is on "people." We regard people as a "value" rather than a "resource." We prioritize people in all our activities.



We establish trust.

We develop relationships based on trust. We do as we say and remain committed to our business, our responsibilities, our values, and each other. We place importance on the integrity of words and actions and build trust.



Justice is fundamental to us.

We act within an accountable, transparent, and fair corporate culture. We care about equal opportunities and adopt "fair approaches" in our business and human relations.



We act with a focus on quality and solution.

We take constructive steps in all that we do. We care about quality and adopt solution-oriented approaches for the satisfaction and trust of our customers and our employees. With this approach, we create "value" in all our initiatives, both nationally and internationally, with our goal of becoming a global company.



It is our job to develop and improve.

We are aware that sustainability is achieved through development, change, and innovation. We invest not only in technology, production, and facilities but also in people, and we strengthen corporate memory by sharing knowledge: "We improve as we develop."



We possess an awareness of social responsibility.

We are mindful of the developments in our country and the environment, and we play our part. We are mindful of our nation, our cultural values, family, and the environment.





Our Journey of Sustainable Success

As Bakioğlu Holding, we have been steadily making steady strides toward the future since our founding, achieving new and sustainable successes each year.

1973

- The first Group company, Bak Ambalaj, was established.

1993

- Polibak Plastik Film AŞ was established.

1994

- Baksaş Sigorta ve Aracılık Hizmetleri AŞ was established.

1995

- Bakış Yapı İnşaat Sanayi Ticaret AŞ and Baktrans Taşımacılık Ticaret AŞ were established.

1996

- Bakioğlu Holding was established.

1998

- Bak Gravür Teknolojisi Sanayi Ticaret AŞ commenced its operations under the name Wetzel AŞ.

2000

- Baknet İletişim ve Bilgisayar Ürünleri Pazarlama Sanayi AŞ has commenced its operations in the IT sector.

2001

- Bak Gravür became a wholly owned subsidiary of Bakioğlu Holding and was renamed Enternasyonel Gravür AŞ.

2002

- Bareks Plastik AŞ kurularak çok katlı teknolojik polietilen film üretimi devreye alınmıştır.

2012

- The first automatic line investment in Türkiye was made at Bak Gravür AŞ.

2013

- With the laser line investment, Bak Gravür AŞ began offering a wide range of products to its customers, utilizing "Acid Etching" and "3D Laser" production technologies.

2015

- To support the Group's expanding export operations, Bak Ambalaj Dış Ticaret AŞ (Bak International) was established, and to support Bak Ambalaj's operations in Europe, Amsterdam-based Bak Flexibles BV was founded.

- In addition to the automatic line investment made in 2012, additional machinery investments were made, increasing the capacity of Bak Gravür AŞ.

2016

- Bak Global Trade BV (now known as P&B Flexibles) began operations toward the end of 2016 to leverage cost-effective financing opportunities in Europe for the procurement of raw materials abroad.

- An investment was made in Freeze Dry technology, leading to the establishment of Freshbak, the first food company.

- Baknet and Baktrans merged under the umbrella of Baknet Bilgi İşlem ve Taşımacılık AŞ.

2017

- Bareks 6th Blown Film Extrusion line was commissioned, increasing the capacity of Bareks AŞ.
- Enternasyonel Gravür Teknolojisi Sanayi Ticaret AŞ changed its name to Bak Gravür Teknolojisi San. Tic. AŞ.

2020

- Bak Ambalaj, Polibak, and Bareks have been awarded the TSE Covid-19 Safe Production Certificate.

2021

- A state-of-the-art flexo printing plate production facility was commissioned at Bak Gravür AŞ.

- Bakioğlu Holding and its Packaging Group Companies became members of the Sustainable Packaging Coalition (SPC) and started using I-REC Certified renewable electricity in production.

- Polibak and Bareks received the International Sustainability Carbon Certification (ISCC Plus Certificate).

- Renewable energy production began with the solar energy system installed at the Bareks Polietilen Facility.

- Bakcycle Geri Dönüşüm AŞ was established.

2022

- The first consolidated sustainability report covering Bakioğlu Holding and its Packaging Group Companies was published.

- Bakioğlu Group's "Everlasting with You" Employee Value Proposition, shaped by employee opinions, surveys, and senior management workshops as part of the Employer Branding Project, was launched.

- Investment in Bakcycle Geri Dönüşüm San. ve Tic. AŞ began.

- Bak Ambalaj, Polibak, Bak Gravür, and Bareks received the "Basic Level Zero Waste Certificate."

- Bakioğlu Holding's Digital Transformation Master Plan was published.

- In the Globe Awards, the gold award was received in the "People-Focused Workplace of the Year" category.

- In addition to the Stevie Awards, known as the Oscars of the business world, Bakioğlu Holding received awards from the Brandon Hall Award Program for practices that highlight its "Value for People" approach.

- The "Corporate Carbon Footprint Calculation Project," voluntarily initiated to address climate change at Bakioğlu Holding Packaging Group Companies, was successfully completed. The 2021 carbon footprint calculations for all facilities were verified according to the ISO 14064-1: 2018 Standard.

2023

- At Polibak, a CPP line producing 100% recyclable film structures ranging from 15 microns to 100 microns in thickness and providing uninterrupted service to customers with an annual capacity of 18,000 tons has been commissioned.

- At Polibak, efforts toward the Solar Power Plant Project have been continued, focusing on SPP investments to meet the Group's annual electricity consumption of 170,000 megawatt-hours from renewable sources.

- In the "Stevie Awards for Women in Business" program, which recognizes women entrepreneurs, managers, and employees worldwide, we were awarded the bronze prize in the "Achievement in Human Resources" category following a 360-degree evaluation process.

- We were among the theme sponsors of the Economic Congress of the Second Century held in İzmir from March 15-21, 2023, with the slogan "Building the Türkiye of the Future."

- We became a member of the Ethics & Reputation Society.

- TV commercials, digital, and outdoor advertisements were aired in celebration of the 100th anniversary of our Republic.

- Following Freshbak, the first food company established with 100% Bakioğlu Holding ownership, Meyv was established as the second food company.

- Bakcycle commenced its operations.



Our Sustainability Strategy and Organization

The focal point of our sustainability strategy is “Sustainable Living” which is Bakioğlu Holding’s sustainability motto and primary commitment. We shape this journey with a focus on “Sustainable Living” supported and nourished by the three dimensions of sustainability.

Our Sustainability Approach

At Bakioğlu Holding, we position sustainability as a fundamental component of our business model. In developing our sustainability strategy, we created a structure that directly integrates this strategy into all our operations. By applying sustainability principles at every stage of our business processes, we fulfill our environmental and social responsibilities.

We approach sustainability with a “Win-Win” mindset. Through our sustainable business model, we aim to create long-term value for all our stakeholders.

Regardless of the sector in which we operate with our Group Companies, we integrate the perspective of sustainability into our corporate culture and view “sustainability as the guarantee of our future existence.”

Our Sustainability Strategy

The focal point of our sustainability strategy is “Sustainable Living,” our company’s sustainability motto and primary commitment. We adopt this focus across all our Group Companies, expecting each one to reflect our consolidated perspective through their unique ESG methodologies, tailored to their sectoral priorities.

We shape this journey with a focus on “Sustainable Living,” supported and nourished by the three dimensions of sustainability.

Our Sustainability Strategy and Organization

Sustainable Living

We add value to the sustainable economic development of our country.

As a holding company operating in various sectors, especially flexible packaging, we support Türkiye's sustainable development by earning significant foreign exchange through our export activities and creating employment opportunities.

We add value to the future of our planet.

Our goal is Net Zero. In line with this, we regularly measure our environmental footprint and develop action plans to reduce our environmental impact, implementing them end-to-end across our entire value chain to contribute to our country's 2053 Net Zero Carbon Target.

We add value to social life with sustainable solutions.

We work tirelessly to improve the social life and well-being of our people. In all our activities, we prioritize the benefit of society and facilitate social life with our sustainable packaging solutions. We shape all our activities with the awareness that the most important value is "human."



Our Sustainability Strategy and Organization

Our Sustainability Mission, Vision, and Commitments

To support our company's vision, we declare our sustainability mission, vision, and commitments that will guide our strategy and roadmap in our sustainability efforts.

Our Sustainability Mission:

"Sustainability is at the heart of our business. We work to make the future of our planet 'Baki' (everlasting)."

Our Sustainability Vision:

"Our goal is 2053. We are making steady progress to contribute to our country's Net Zero Carbon Target."

Our sustainability commitments, which support our Sustainability Roadmap and Goals created under the name "**Bakioğlu Holding's Journey to the Future,**" directly reflect our responsibility toward the environment and society.



SDGs We Contribute to



Corporate Memberships and Initiatives We Support

At Bakioğlu Holding, we enhance and expand the impact of our environmental sustainability efforts by forming partnerships with internationally recognized organizations and institutions. Through our Packaging Group Companies, we engage in various collaborations that bolster our efforts, spanning from climate change mitigation to advancing the circular economy.



CDP (Carbon Disclosure Project) is recognized as the sole independent international organization that globally reports on how companies manage climate change risks. Through CDP, companies and governments disclose their greenhouse gas emissions and climate change strategies to the public and investors, which allows them to set emission reduction targets and improve their performance. Bak Ambalaj and Polibak have been conducting CDP reporting for supply chain research since 2010. In 2023, Bak Ambalaj and Polibak were evaluated under the CDP Climate Change Program and earned a "C" rating.



The Sustainable Packaging Coalition (SPC) is a US-based organization that has been working since 2004 with businesses, government agencies, and educational institutions in the packaging industry to make packaging more sustainable. Our Packaging Group Companies serve as stakeholders in the SPC, providing sustainable packaging solutions.



CEFLEX is a collaborative initiative formed by a consortium of European companies and associations representing the entire value chain of flexible packaging to enhance its performance in a circular economy. This initiative brings together organizations with different expertise involved in the flexible packaging production processes to improve performance, increase resource efficiency, and reduce waste. Bak Ambalaj has played a significant role as the first stakeholder from Türkiye within CEFLEX. As members of CEFLEX, Bak Ambalaj, Polibak, and Bareks are making significant contributions to the circular economy.



Sedex (Supplier Ethical Data Exchange) is one of the world's leading ethical trade membership organizations, working with businesses to improve working conditions in global supply chains. It provides an online platform, tools, and services to help businesses operate responsibly and sustainably, protect workers, and ethically source materials. Bak Ambalaj, Polibak, and Bareks share information with their customers via Sedex.



FASD (Flexible Packaging Manufacturers Association), a leading representative of the Turkish flexible packaging industry, aims to develop the sector as a whole in Türkiye and to create the appropriate environment and conditions for the manufacturing companies in the sector to become leading suppliers in the global market. Bak Ambalaj, Polibak, and Bareks are members of FASD.



ÇEVKO Foundation, established to create a sustainable recovery system for the economic and orderly recovery of packaging waste in Türkiye, operates with an integrated waste management approach. It works to establish the necessary systems for the healthy and clean recovery of glass, metal, plastic, composite, and paper/cardboard packaging waste. As a member of ÇEVKO, Bak Ambalaj contributes to integrated waste management.



Bakioğlu Holding and all Group Companies are members of the TEİD Ethics and Reputation Society. Through this membership, we aim to enhance stakeholders' awareness of ethics and compliance risk management while providing its members with access to the latest knowledge and best practices in this field.



Flexible Packaging Europe (FPE) represents over 85 flexible packaging manufacturers operating in plastic, aluminum, and paper. It aims to promote the flexible packaging industry and represent the sector's interests at the highest level in Europe. Bak Ambalaj, as a member, also actively participates in the executive committee.



EcoVadis is a global platform that provides holistic sustainability assessments of companies. Each company is evaluated on key topics specific to its size, location, and industry, covering a broad range of non-financial management systems, including impacts on the environment, labor and human rights, ethics, and sustainable procurement. Polibak is registered with EcoVadis and holds a Bronze Medal.

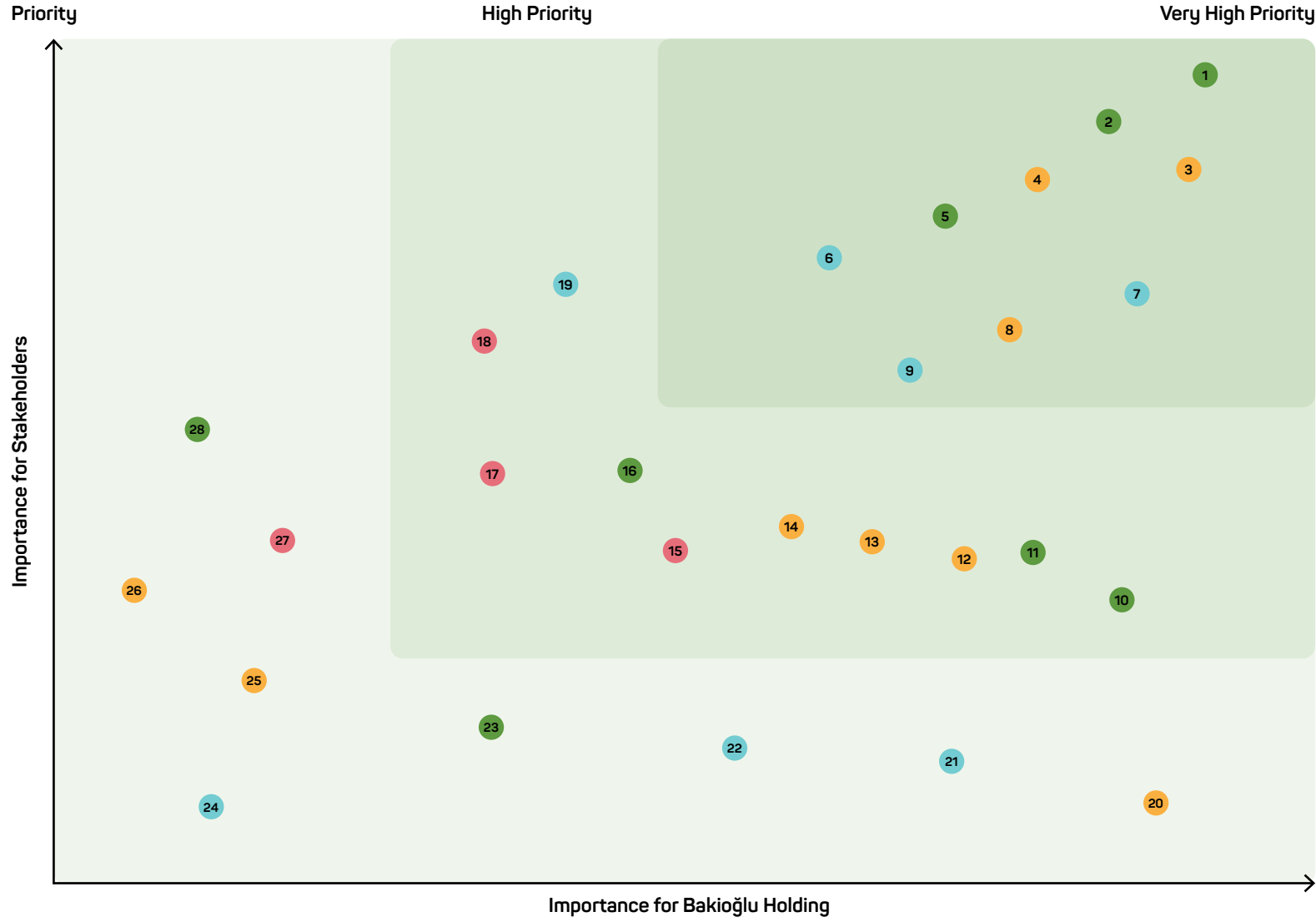




Material Issues and Materiality Matrix

Our Sustainability Priorities

● Environmental ● Social ● Governance ● Economic



Very High Priority

- 1 Packaging Optimization and Sustainable Products
- 2 Circular Economy
- 3 Operational Excellence and Quality
- 4 R&D and Innovation
- 5 Waste Management
- 6 Occupational Health and Safety
- 7 Equal Opportunity, Diversity, and Inclusion
- 8 Business Continuity
- 9 Being a Preferred Employer

High Priority

- 10 Combating Climate Change and Environmental Compliance
- 11 Chemical Management
- 12 Digital Transformation
- 13 Sustainable Supply Chain
- 14 Industry 4.0
- 15 Corporate Governance
- 16 Emission Management
- 17 Business Ethics, Legal Compliance, and Transparency
- 18 Effective Risk and Crisis Management
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Sustainable Development Goals We Contribute to

Bakioğlu Holding 2023 Material Issues

SDGs

Environmental

Packaging Optimization and Sustainable Products



Circular Economy



Waste Management



Combating Climate Change and Environmental Compliance



Chemical Management



Emission Management



Energy Efficiency and Management



Water Management



Social

Occupational Health and Safety



Equal Opportunity, Diversity, and Inclusion



Being a Preferred Employer



Employee Training and Development



Corporate Social Responsibility



Emergency Preparedness



Stakeholder Communication



Bakioğlu Holding 2023 Material Issues

SDGs

Economic

Operational Excellence and Quality



R&D and Innovation



Business Continuity



Digital Transformation



Sustainable Supply Chain



Industry 4.0



Logistics Impacts



Support for Qualified Employment



Data Security and Privacy



Governance

Corporate Governance



Business Ethics, Legal Compliance, and Transparency



Effective Risk and Crisis Management



Anti-Bribery and Corruption



Governance

We are rising on our course of sustainable management through strategic moves.

SDGs We Contribute to



Bakioğlu Holding Management Structure

Board of Directors of Bakioğlu Holding

Cem Bakioğlu	Chair of the Board of Directors
Enver Bakioğlu	Deputy Chair of the Board of Directors
Meriç Bakioğlu	Member of the Board of Directors
Sertaç Bakioğlu	Member of the Board of Directors

Executive Board of Bakioğlu Holding

Enver Bakioğlu	Cochair of the Executive Board
Sertaç Bakioğlu	Cochair of the Executive Board
Özge Engin	Head of the Financial Affairs and Reporting Group
Özgür Güneri	Head of the Human Values and Corporate Development Group
Mustafa Kocakoç	Head of the Operations Group
Ufuk Tezer	Head of the Finance and Treasury Group

Risk Management and Internal Audit

Risks in all processes are managed by the relevant departments at Bakioğlu Group. Risks are controlled and managed through the internal control activities carried out regularly and continuously by the relevant departments.

Business Ethics, Legal Compliance, and Transparency

At Bakioğlu Group, we follow the principles of superior business ethics in all our activities and transactions, act in accordance with the laws and regulations, and establish transparent and accountable communication with our stakeholders. We accept the Bakioğlu Group Corporate Culture Guide and Ethical Principles as the compass of our activities. We organize corporate culture training, including business ethics, anti-bribery, and anti-corruption, to raise employee awareness and increase their knowledge.

Click [here](#) to view our Ethical Principles.

Our Policy and Ethics Line Aligned with Our Principles

All reports received by the Ethics Line, which came into effect in April 2022, are reported to the appropriate departments by KPMG, the independent auditor, in accordance with the Ethics Line and Ethics Committee Regulations.



We Continue Our Ethics Training Unabated

In 2023, we provided face-to-face training on Corporate Culture, Mission, Vision, Values, and Ethical Principles to 60 of our managers. Additionally, every new field employee receives Corporate Culture training, including Ethical Principles, online via LMS. In this context, a total of 768 of our employees received 705 person*hours of corporate culture and ethical principles training in 2023.

Anti-Bribery and Anti-Corruption

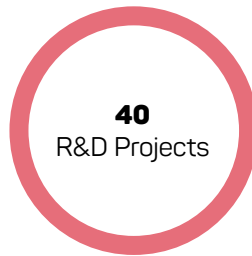
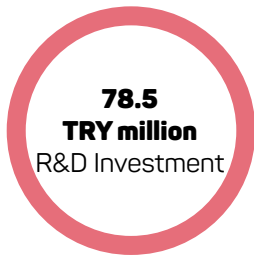
At Bakioğlu Holding and its Group Companies, we maintain a strict zero-tolerance policy against bribery, corruption, and abuse of power, in alignment with our Ethical Principles. We are committed to fully adhering to relevant laws and regulations.



Value for Our Business

On our course of sustainable business, we never compromise on our commitment to quality.

R&D at Bakioğlu Holding in Figures



SDGs We Contribute to



Operational Excellence and Quality

With digitalization efforts such as Mobile PM, Production Integration and Intelligence, and the Operational Excellence Portal, we have combined our excellence activities with digitalization.

Kaizen and Operational Efficiency

Through Kaizen activities conducted at Bakioğlu Holding and our Packaging Group Companies, encouraging employee participation to increase efficiency, reduce waste, and improve quality, we have prevented labor, energy, and material losses.

Sustainability Compliance

At Bak Ambalaj and Polibak, we prepare CDP reports for supply chain research. In this context, we were awarded a "C" rating in 2023.

Sustainable Supply Chain

By selecting 92.77% of our suppliers from local suppliers, we have minimized risks arising from the supply source and provided significant support to the local economy.

Successful Digital Transformation Journey

At Bakioğlu Holding, we have integrated digital transformation into our corporate structure, embarking on this journey with numerous successful projects and investments.

Our Perspective on Information Security

In 2023, to enhance security and reliability, we continued to modernize our network by replacing active devices with smart management, high security, and energy-efficient devices, and by

enhancing our IoT firewall systems. We also renewed our ISO 27001 Certification, meeting the requirements of the Information Security Management System.

Logistics Management

By implementing the SAP TM (Transportation Management) module aimed at improving our transportation management and planning processes, we are achieving sustainable improvements in our logistics processes for flexible packaging products.

Support for Qualified Employment

In alignment with the Sustainable Development Goals, we believe in the importance of providing quality education and promoting decent work and economic growth. We support the preparation and employment of younger generations, starting with university students.

R&D Activities

At Bakioğlu Holding, we are committed to continuously enhancing and making every link in our value chain more sustainable through our R&D activities. We also resolutely pursue technological and comprehensive research efforts to develop our product portfolio and offer innovative and environmentally friendly solutions.



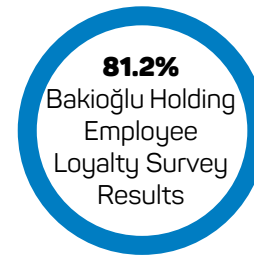
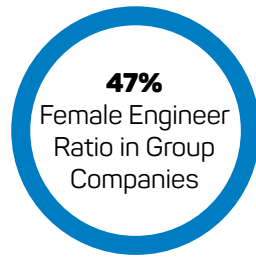
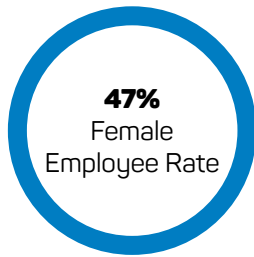
Value for People

Spot: Steering our course toward valuing people, we prioritize the happiness of our most valuable resource, our employees.

SDGs We Contribute to



Bakioğlu Human Values in Numbers



Human Values

We view our esteemed employees as the driving force that will sustain our achievements in the future and consider them not merely as “human resources” but as “human values.”

Our Occupational Health and Safety (OHS) Approach

At Bakioğlu Holding, we view providing a safe and healthy working environment for our employees and subcontractors on-site as a fundamental responsibility.

Disaster and Emergency Management

Being prepared for natural disasters, especially earthquakes, and other emergencies is a crucial aspect of our business continuity practices. Therefore, we develop and maintain up-to-date emergency plans and procedures across all our Group Companies.

Corporate Social Responsibility

We view corporate social responsibility not merely as a business obligation but as a reflection of our commitment to contributing to society. We concentrate our community projects and sponsorship efforts primarily on the environment and education. In 2023, we allocated the necessary resources to support social responsibility initiatives in these areas.

From Sapling to Forest: Aegean Forest Foundation

Founded with contributions from Bakioğlu Holding and our Group Companies under the leadership of Cem Bakioğlu, the Aegean Forest Foundation continues to advance forest development projects with the support of nature enthusiasts. In 2023, we contributed 10,013 saplings to nature through our Group Companies, offsetting 4,115.34 tons of CO₂ equivalent greenhouse gas emissions.



Value for Our World

Since day one, we have been steadily advancing with sensitivity and awareness on our course toward a sustainable world.



SDGs We Contribute to



Green Financing

To minimize our environmental impacts, increase energy efficiency, and achieve our circular economy goals, we are continuing our sustainability investments with EUR 16.4 million in green financing for renewable energy and innovative green infrastructure projects.

Recyclable Packaging

At Bareks Plastik and Bareks Polietilen, we have developed applications using recyclable and recycled raw materials, and have successfully obtained EUCertPlast and RecyClass certifications for our products.

Green Innovation

We are preparing for the future with product development efforts aimed at using biobased renewable raw materials and producing bio-based PE film.

Renewable Energy Investments

At Polibak, we have been continuing our efforts on the Solar Power Plant project. With an investment of EUR 1.4 million, we are focusing on Solar Power Plant investments to meet the Group's annual electricity consumption of 170,000 megawatt-hours from renewable sources.

100% Renewable Electricity

Through the I-REC Certified electricity purchasing program, we meet 100% of our electricity needs from renewable sources.

Efficient Use of Water

Our operational systems are designed with a focus on using water responsibly at the source, aiming to limit water consumption per unit of production.

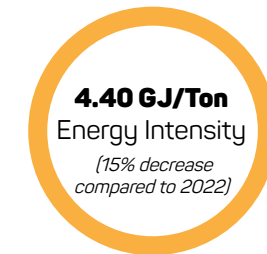
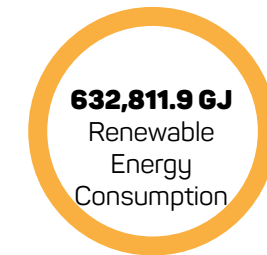
Emission Reduction Activities

At Bareks Polietilen, we generated a total of 1,285,717 GJ of electricity from solar energy, reducing CO₂ emissions by 2,226,342 tons. This achievement is equivalent to reintroducing 40,148.27 trees back into nature.

Sustainable Products

The increasing use of petrochemical-based plastics, which contributes to the proliferation of microplastics and unsolvable waste, poses a significant threat to our planet and all living things. At Bakioğlu Holding, we are intensifying our efforts to address this critical issue, developing green solutions through our R&D activities to maximize environmental benefits.

Energy Efficiency in Numbers





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People

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Contact

You may contact us to obtain more detailed information about Bakiođlu Holding Sustainability Report 2023 and give us your recommendations.

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 <https://x.com/bakiogluholding>

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