

*50 years*

**rooted in strength,  
always striving for the best**

**lakambalaj**  
Summary  
Sustainability Report  
2023 *50 years*



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As a well-established brand that has witnessed half of our Republic's century-long history, we have always been *driven by innovation, always focused on development* that adds value for our stakeholders, and always dedicated to *maximizing efficiency* with respect for our planet.

Today, with five state-of-the-art facilities spread across 100,000 m<sup>2</sup>, over 700 agile and skilled employees, and a strong export presence in more than 50 countries across four continents, we deliver high-quality, reliable, and sustainable products to our global stakeholders.

**With a steadfast focus on continuous investment and development, we will continue to create value in our country by achieving "the best" in all areas of our operations.**



50 years

# Always driven by innovation

Driven by our commitment to a sustainable future, we continually develop new products and solutions. As the first R&D Center in Türkiye's flexible packaging industry to receive Ministry approval, we have expanded our Reborn product family—created under the “Reduce, Recycle, Refuse” approach—by adding “Refill” packaging. This innovation allows us to introduce reusable products to the market, enhancing the reduce and recycle phases.

**21.2**

**TRY million**

**Total R&D  
investment**



50 years

# Always focused on development

As the first Turkish participant in the CEFLEX initiative, which aims to advance the circular economy for flexible packaging, we are fully committed to this responsibility. Our efforts are focused on enhancing the performance of flexible packaging within the circular economy, increasing resource efficiency, and reducing waste through eco-friendly production and strategic investments. In partnership with our stakeholders, we engage closely at our R&D Center, listening to their needs and expectations, and turning collective insights into market-ready products.

13

Sustainable  
products



50 years

# Always maximizing efficiency

We enhance our environmentally friendly, benefit-driven, and efficiency-focused production approach with industry certifications. Through the ISO 50001 Energy Management System, we ensure energy efficiency across our operations. All the electricity used in our facilities is sourced from renewable energy, validated by our I-REC Certification. Furthermore, since 2010, we have been reporting to the Carbon Disclosure Project, a crucial initiative in our efforts to address carbon emissions and combat climate change.

**1.1**  
**TRY million**  
Total environmental  
investment



## ABOUT THE REPORT

We are pleased to share the social, economic, and environmental dimensions of our activities with all our stakeholders through the publication of our Sustainability Report for 2023, the third edition we have published.

At Bak Ambalaj, we continue our sustainability journey with the goal of always striving to do better. We are pleased to share the social, economic, and environmental dimensions of our activities with all our stakeholders through the publication of our Sustainability Report for 2023, the third edition we have published, reflecting our deep responsibility to pass on a livable world to future generations. In this report, we present our management approach, the performance results we have achieved, our future goals, and our sustainability practices, all in line with the principles of transparency and accountability.

This report has been prepared by Bak Ambalaj San. ve Tic. AŞ in accordance with GRI Standards, covering the period from January 1, 2023 to December 31, 2023. The reporting process was centrally coordinated by our Occupational Health and Safety and Environment Department, together with our Sustainability Committee at Bakiöğlü Holding.

We greatly value the feedback from our stakeholders, as it plays a crucial role in refining both our sustainability initiatives and reporting processes. We welcome your thoughts and suggestions regarding our sustainability activities and reporting at [sustainability@bakioglu.com.tr](mailto:sustainability@bakioglu.com.tr).

Bak Ambalaj is a Bakiöğlü Holding Packaging Group Company. You can access Bakiöğlü Holding's consolidated 2023 Sustainability Report [here](#).



## MESSAGE FROM THE CHAIR OF THE BOARD OF DIRECTORS

# At Bak Ambalaj, since our founding, we have shaped all our activities with a focus on sustainability.

Dear Stakeholders,

2023 was a truly special year for Bak Ambalaj as we remained steadfast on our sustainability journey without straying from our goals. It was a year marked by the celebration of our company's 50<sup>th</sup> anniversary, coinciding with the centennial of our Republic—a moment of great pride as we continue to move forward with confidence toward the future.

We successfully navigated 2023, thanks to the dedication of our employees, through the implementation of sustainability-focused actions and projects. At the beginning of the year, we were deeply saddened by the devastating earthquake in Kahramanmaraş, which affected 11 provinces in our country. In response, we played an active role in addressing the urgent and priority needs of the region, guided by our sense of responsibility to the society, nation, and

world we live in. Alongside these efforts to heal the wounds of our community, Bak Ambalaj steadfastly continued its operations. Additionally, we began to feel the impacts of the global climate crisis more acutely, compounding the economic turbulence caused by the earthquake. In a world where the risk of encountering unpredictable events increases daily, our determined stance and progress toward our goals have been the key factors that have enabled us to navigate through uncertainty.

The year 2023 also saw significant challenges in Türkiye, including the presidential elections, the fight against high inflation, and the implementation of tight monetary policies, which dominated the national agenda. Following the presidential elections, a new chapter was opened in the management of the economy. In this context, interest rates and tightening measures were increased, with necessary steps taken to ensure medium-term economic stability.

**3.4**

**TRY billion**

Our net sales amounted to TRY 3.4 billion.





## MESSAGE FROM THE CHAIR OF THE BOARD OF DIRECTORS

# Through the solutions we develop and our sustainability approach, rooted in collective intelligence with a focus on people and the environment, we continue to champion sustainable living.

Although short-term success in combating inflation has not yet been fully achieved, the reduction of our country's risk premium is seen as an important step toward reaching long-term inflation targets. This year's key priorities include continuing monetary policies with determination to stabilize the economy, avoiding market interventions, and fostering investor confidence to attract foreign capital. Additionally, bringing budget and current account deficits under control throughout 2024 will be crucial for implementing a sustainable development model.

Despite the challenges and uncertainties we faced in 2023, we remained focused on our business, guided by a sustainable business model aligned with our values. We continued our efforts to reduce costs, minimize losses, and enhance the efficiency, quality, and sustainability of our production activities, with a strong emphasis on occupational safety. In light of the constraints in domestic credit availability resulting from monetary policies, we turned to international credit sources and resolutely pursued our investments. We also took additional measures to protect our employees from the economic impacts of high inflation.

At Bak Ambalaj, since our founding, we have shaped all our activities with a focus on sustainability. Each year, we contribute new forests to nature through the Aegean Forest Foundation. We meet all our facilities' electricity needs from renewable energy sources, without consuming fossil fuels. Our R&D efforts, aligned with the principles of a circular economy—an essential aspect of our

lives—integrate global sustainability goals into our operations. As a direct solution for waste reduction, we are proud to present our 100% recyclable product portfolio, including our new "Refill" packaging designed for reuse. Through the solutions we develop and our sustainability approach, rooted in collective intelligence with a focus on people and the environment, we continue to champion sustainable living.

In 2024, we will continue to advance with determination, further strengthening our strong position in the industry through digital initiatives and operational excellence. Despite the challenges we face, we will continue to draw strength from one another and remain committed to our work. Embracing the words of Mustafa Kemal Atatürk, "There are no hopeless situations, only hopeless people," we will move forward with hope and faith into the second century of our Republic.

I extend my deepest gratitude to our valued colleagues and all our stakeholders, whose support renews our belief in achieving even greater success together.

Respectfully,

**Ali Enver Bakiöğlü**  
Chair of the Board of Directors

# 74%

export rate

In 2023, 74% of our sales were exports, making a meaningful impact on our country's economy.



## MESSAGE FROM THE GENERAL MANAGER

In 2023, guided by our sustainability principles, we made significant strides in combating climate change, product lifecycle management, and renewable energy investments.

Dear Stakeholders,

Since our founding, Bak Ambalaj has achieved numerous milestones and delivered outstanding service alongside our dedicated employees and valued stakeholders. The year 2023 marked our 50<sup>th</sup> anniversary—a significant milestone that further solidified our strong position in the industry. However, it began on a somber note with the devastating earthquake in Türkiye, which deeply affected our nation and all of us. In the months that followed, we all experienced firsthand the political uncertainties, tensions, the fight against high inflation, and the impact of tight monetary policies on our daily lives. Yet, despite these obstacles, we continued to build on our legacy of sustainable success, driven by our unwavering commitment to our vision and mission of continuous investment and progress.

As we embarked on our 50<sup>th</sup> year in 2023 with the motto that has driven our Group: “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.” As we move forward, preserving our values and continually setting

new goals, Bak Ambalaj remains committed to taking sustainable and promising actions amidst the global threats of the climate crisis, resource scarcity, and the resulting economic, social, and environmental constraints.

In line with the requirements of the 2015 Paris Climate Agreement, which seeks to limit global temperature increases to 2°C and ideally to 1.5°C, we continue our activities in collaboration with our production network and all our stakeholders. The European Green Deal Action Plan has 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. To contribute directly to these goals, we have laid out our sustainability roadmap and continue to invest in sustainability with the responsibility of leaving a livable world for future generations.

In 2023, guided by our sustainability principles, we made significant strides in combating climate change, product lifecycle management, and renewable energy investments. Our R&D investments focused on expanding our portfolio of recyclable products, and we continued to support



## MESSAGE FROM THE GENERAL MANAGER

We will continue to push the boundaries in the flexible packaging industry, driven by the dedication of our employees. We are committed to making significant contributions to a sustainable world, achieving many more successes along the way.

the development of a circular economy and sustainable product portfolio through innovative projects. This commitment extends to the development of new biodegradable and compostable products, and investments in green technology.

Driven by our responsibility to preserve the world for future generations, we focus on conserving energy. By sourcing our energy from renewable sources verified by the I-REC (International Renewable Energy Certificate), we reduce emissions and increase energy efficiency. In the coming years, we aim to further reduce CO<sub>2</sub> emissions from electricity consumption through certified renewable energy choices. As the first company within Bakioglu Holding Group Companies to receive the Zero Waste Certificate, we continue to prioritize renewable energy sources, increasing our investments in wind and solar energy.

Aligned with our goals, we continue to produce sustainable solutions with a focus on R&D. As a result of our efforts, we are proud and delighted to have developed the "Reborn" product family, which includes 100% recyclable packaging with high barrier properties for extended shelf life. In addition, we have introduced our refillable "Refill" packaging, embodying the principles of

Reduce, Recycle, and now Reuse, as part of our commitment to sustainable packaging design. This refillable packaging, successfully passing burst resistance tests, offers consumers the ability to reuse the same packaging multiple times. With this addition, Bak Ambalaj strengthens its position in the industry and continues to offer long-term value-creating solutions.

During the year, we invested a total of TRY 21.2 million in R&D, including the acquisition of a Slitting Transfer Machine capable of slitting coils up to 1,000 mm in width and transferring at speeds of up to 450 m/min. As a company listed in the "R&D 250: Türkiye's Highest R&D Spending Companies," we will continue our R&D investments and efforts with unwavering commitment to achieve our future goals.

In the face of high global interest rates, liquidity constraints, ongoing military and political tensions, and the challenges to the stability of the Turkish economy, Bak Ambalaj remains focused on operationalizing the increased production capacity we have achieved through our investments over the past two years. We continue to follow our Strategic Plan Roadmap, which we have developed with a long-term perspective. With our increased capacity, we are guided by the principle, "Not just to increase sales at all

costs, but only if it is profitable and creates added value." Following this approach, we take pride in achieving a 74% export rate in 2023.

We continue to enhance efficiency with digital tools through the projects and initiatives we have developed to create a sustainable corporate culture where all employees and stakeholders unite around shared ethical values, leadership development, and high-quality education. Additionally, we carefully nurture our stakeholder relationships while reducing the environmental impact of our supply chain. By doing our work with excellence, we create value for our stakeholders, society, and the future, and we are committed to collaborating with civil society organizations, public institutions, and agencies in the areas where we operate. Alongside our environmentally focused activities with the Aegean Forest Foundation, we are delighted to contribute to qualified employment and the local economy through our social and economic benefit-oriented initiatives.

We are determined to advance toward our 2025 vision, where we have integrated sustainability consciousness into our business strategies. We will continue to push the boundaries in the flexible packaging industry, driven by the dedication of our employees.

We are committed to making significant contributions to a sustainable world, achieving many more successes along the way. I extend my deepest thanks to all our employees, business partners, and stakeholders for their support and trust. Let us continue to walk together toward endless successes with belief, passion, teamwork, and commitment.

Respectfully,

**Mehmet Emin BOZDAĞ**  
General Manager

**700+**  
Employees

With over 700 employees, Bak Ambalaj continues to move toward its goals as of the end of 2023.

## OUR 2023 PERFORMANCE IN FIGURES

With a team of more than 700 employees and an export rate surpassing 70%, we are committed to contributing to both the national economy and the future.

**99.99%**  
Waste Recycled

**100%**  
Renewable Energy

**50+**  
Countries  
Exported to

**7.94**  
GJ/ton  
Specific Energy  
Consumption

**4.60**  
ton CO<sub>2</sub>/ton  
Specific Emission  
Rate

**3.99**  
m<sup>3</sup>/ton  
Specific Water  
Consumption

**19,662**  
person\*hours  
Employee  
Development Training

**21.2**  
TRY million  
R&D Investments

**6,420**  
person\*hours  
OHS Training

**74%**  
Export Rate

**700+**  
Employees



## **ABOUT BAK AMBALAJ**

Our vertically integrated business model, serving the circular economy of flexible packaging, allows us to contribute to the competitiveness of the Turkish packaging industry on a global scale.

### **Bak Ambalaj: History and Operations**

Bak Ambalaj San. ve Tic. AŞ, the first company of Bakioğlu Holding, was established in 1973 in Izmir to produce printed and unprinted bags. We currently operate in the Izmir Atatürk Organized Industrial Zone on a 100,390 m<sup>2</sup> area with five separate facilities and a workforce of over 700 employees. As a company ranked among the top 500 industrial enterprises in Türkiye, we manage our projects and activities under one roof at the Bak Ambalaj R&D Center (BAK AGM), which was certified by the Ministry of Industry and Technology of the Republic of Türkiye in August 2017, the first of its kind in the printed flexible packaging industry.

We produce printed, unprinted, and laminated flexible packaging for various industries, continuously expanding our production portfolio through strategic investments. Our vision is to secure a lasting position among the leading companies in the European market. As a dynamic company that can instantly respond to global developments and changes, we export to over 50 countries across four continents, primarily in Western Europe and America. By leveraging Türkiye's logistics advantages, we are able to bring our products closer to our customers through warehouses located in Europe and America.

At Bak Ambalaj, we are committed to operational efficiency and customer satisfaction, ensuring that our production maintains the highest quality standards. With our belief, passion, teamwork,

and commitment, we continue to strengthen our corporate structure, expand our portfolio with strategic investments, and move toward becoming a global brand.

With 50 years of experience, we transform plastic and aluminum materials into high-quality final products, producing flexible packaging in printed, unprinted, and laminated forms for various industries. Our focus on sustainability drives us to create value for healthy products, a healthy environment, and a healthy society.

We collaborate with over 200 companies in more than 50 countries, and each year, we strengthen our team through strategic investments. With a workforce of over 700 employees, we export more than 70% of our production, contributing to both the national economy and a sustainable future.

Through continuous investment and development, we align with Bakioğlu Holding's mission to remain "baki" as a respectable group of companies worldwide, adding value to its country by being the "best" in all its fields of activity. Our vertically integrated business model, serving the circular economy of flexible packaging, allows us to contribute to the competitiveness of the Turkish packaging industry on a global scale.

### **Our Commitment to Sustainability: "Responsible and Healthy Packaging" Approach**

As a pioneering company in the flexible packaging industry, we are committed to

responsible packaging throughout our entire integrated value chain. From design services and material preprocessing to the transformation of various printing techniques and the production of value-added products, we maintain the highest standards of quality and environmental protection.

We deliver high-quality, end-to-end packaging solutions to the food, beverage, chemical, and hygiene sectors, offering products that can replace imported goods. At Bak Ambalaj, we ensure consumers receive products where food safety is a top priority. Our packaging solutions also play a critical role in maintaining the sterility of chemical and hygiene products. By providing manufacturers with optimal packaging compositions and designs, we guarantee the safe access of consumers to their products.

We aim to produce and deliver plastic—an essential material in both the economy and daily life—in the healthiest, safest, and most sustainable way. Guided by our mission of responsible packaging, we rigorously adhere to national and international standards across all production processes, continually striving for improvement.

Driven by a commitment to climate and environmental stewardship, we support the circular economy through our recycling and renewable energy initiatives, thereby mitigating our impact on climate change. Through these practices, we prioritize creating long-term value for all our stakeholders.



**50+**  
Countries  
Exported to

## CAPITAL AND SHAREHOLDING STRUCTURE

We move confidently into the future, empowered by our strong capital structure.

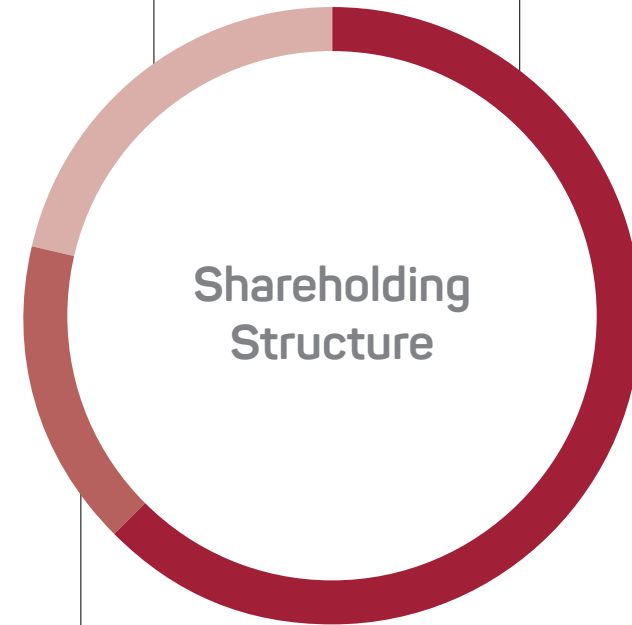
Shareholder	Share Value (TRY)	Number of Shares	Share Percentage (%)
Bakioğlu Holding <sup>(1)</sup>	22,557,145	2,255,714,500	62.66
Cem Bakioğlu	5,762,733	576,273,250	16.01
Other	7,680,122	768,012,250	21.33
Total	36,000,000	3,600,000,000	100.00

<sup>(1)</sup> Each Company share has a nominal value of TRY 0.01. The capital is divided into 3,600,000,000 shares, each with a nominal value of TRY 0.01.

<sup>(2)</sup> The Company's shares representing the capital are divided into three categories: (A), (B), and (C). The (A) group shares have privileges including the right to elect the majority of the Board of Directors and all of the auditors, as well as 15 (fifteen) votes per share at general meetings. The (A) group shares amount to TRY 100,000 and are registered shares. The (B) group shares amount to TRY 290,000 and are also registered shares. The (C) group shares amount to TRY 35,610,000 and are bearer shares.

Other  
21.33%

Bakioğlu Holding AŞ  
62.66%



Cem Bakioğlu  
16.01%





## OUR MISSION, VISION AND CORPORATE VALUES

As Bak Ambalaj, we always strive to achieve “the best” and to carry the name of our country and our group further. To achieve this, we invest in knowledge, innovation, technology, our human values and our future. Our developmental journey is guided by our “Baki Constitution” and we strive to “stay” with our brand and the values we add. We in the Bakioğlu Holding Group Companies move forward with our values to achieve our vision and we intend to carry out our mission with determination.

### OUR MISSION

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

To remain “baki” 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 MISSION, VISION 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 HALF-CENTURY JOURNEY OF SUCCESS

The year 2023 was one of success, as we celebrated our 50<sup>th</sup> anniversary, guided by the principles of “belief, passion, teamwork, and commitment.”

**1973**

- Bak Ambalaj, the first Group Company of Bakioğlu Holding, was established in Izmir.

**1988**

- Construction of new production facilities began on an area of 22,000 m<sup>2</sup> in the Izmir Atatürk Organized Industrial Zone.

**1996**

- Studies on the Quality Assurance System was completed and the ISO 9001 Certificate was granted by the BVQI (Bureau Veritas Quality International).

**1997**

- AIB (American Institute of Banking) granted Hygiene and Food Safety Certificates.

**1998**

- 25% of Bak Ambalaj's shares went public on the “Istanbul Stock Exchange,” currently named “Borsa Istanbul.”

**2000**

- Bak Ambalaj achieved USD 13.6 million in exports by exporting 45% of its production.

**2009**

- The TPM Excellence Award was presented at a ceremony in Japan.

**2013**

- The European Logistics Center was established in the Netherlands to centralize logistics activities in Europe.

**2017**

- Authorized Economic Operator certification was received with the Bak Ambalaj R&D Center.

**2020**

- TSI COVID-19 Safe Production Certificate was received.

**2021**

- Membership of the Sustainable Packaging Coalition (SPC) began.
- I-REC Zero Carbon Green Electricity Certificate was awarded.
- The first and only G7 Master Facility Colorspace Certificate in Türkiye was received.

**2022**

- The “Corporate Carbon Footprint Calculation Project” initiated by Bak Ambalaj on a voluntary basis, focusing on its responsibility to combat climate change, was completed successfully and the “Carbon Footprint Calculations for 2021” for all plants were verified according to the ISO 14064-1: 2018 Standard.
- Bak Ambalaj was the first Bakioğlu Holding Group Company to receive the Zero Waste Certificate.
- The Sustainability Report 2021, prepared in accordance with GRI Standards, has been shared with the public.

**2023**

- Since stepping into the flexible packaging industry in 1973, Bak Ambalaj has spent 50 years pursuing excellence, driven by its principles of belief, passion, teamwork, and commitment.
- At Bak Ambalaj R&D Center, another significant step was taken in sustainable, recyclable, and waste-reducing flexible packaging designs with the development of the reusable “Refill” packaging, following the concepts of Reduce and Recycle.
- An investment was made in a Slitting Rewinding Machine capable of slitting rolls up to 1,000 mm in width and operating at a speed of up to 450 m/min.
- The “Reborn” product family, featuring 100% recyclable packaging with high barrier properties for extended shelf life, was developed as a result of R&D efforts.
- Bak Ambalaj was among the sponsors of the 2<sup>nd</sup> International Packaging Industry Congress, hosted by the Packaging Manufacturers Association.



## OUR SUSTAINABILITY STRATEGY AND ORGANIZATION

In developing our sustainability strategy, we created a structure that seamlessly integrates this strategy into all our operations.

### Our Sustainability Approach

At Bak Ambalaj, we view sustainability as a fundamental component of our business model. In developing our sustainability strategy, we created a structure that seamlessly integrates this strategy into all our operations.

We define sustainability with a “Win-Win” mindset, focusing on creating long-term value for all our stakeholders through a sustainable business model.

Our business model, centered on the concept of the circular economy, is what we believe to be the “production model of the future.” We consider a circular economy essential for sustainable living.

One of our key stakeholders is our planet. We view it as our corporate responsibility to leave a livable world for future generations, ensuring the continuity of humanity and all living beings. In this regard, we leverage the power of sustainability to minimize our environmental footprint.

### Our Sustainability Strategy

Considering all these aspects, our sustainability strategy is centered on “Sustainable Living,” which stands as the core motto and primary commitment of our parent company, Bakioglu Holding. We strengthen and uphold this focus by addressing the three dimensions of sustainability.



At Bak Ambalaj, we view sustainability as a fundamental component of our business model.

## OUR SUSTAINABILITY STRATEGY AND ORGANIZATION

### Sustainable Living

**We add value to the economy through an innovative and sustainable production model.**

We adopt a sustainable production model based on the circular economy. By conducting our production processes within the framework of circularity, we create economic value.

**We add value to the future of our planet by minimizing our environmental footprint.**

regularly measure our environmental impacts, develop action plans to reduce our environmental footprint, and create climate strategies to contribute to our country's 2053 Net Zero Carbon Target.

**We add value to social life with sustainable solutions.**

We prioritize societal benefit in all our activities and facilitate social life through our sustainable packaging solutions. With the consciousness of corporate citizenship, we work tirelessly to contribute to social welfare by valuing "people."





## OUR SUSTAINABILITY STRATEGY AND ORGANIZATION

### **Our Sustainability Mission, Vision, and Commitments**

In support of the vision of our parent company, Bakioğlu Holding, 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 **“Bak Ambalaj’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 Bak Ambalaj, we amplify our environmental sustainability efforts by partnering with international organizations, expanding our impact through collaborations that span from climate change to circular economy initiatives.



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, allowing them to set emission reduction targets and improve their performance.

Bak Ambalaj has been conducting CDP reporting for supply chain research since 2010. In 2023, Bak Ambalaj was evaluated under the CDP Climate Change Program and earned a "C" rating.



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 flexible packaging production processes to improve performance, increase resource efficiency, and reduce waste.

Bak Ambalaj plays a significant role as the first stakeholder from Türkiye within CEFLEX, contributing to the circular economy.



Packaging Manufacturers Association (ASD) is an association that brings together packaging manufacturers in Türkiye. Established in 1992 by 39 packaging producers, ASD now has over 200 member companies.

Bak Ambalaj is a member of ASD, and our Chair of the Board, Ali Enver Bakioglu, serves as the Vice Chair of the ASD Board of Directors.



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.

Bak Ambalaj serves as a stakeholder in the SPC, providing sustainable packaging solutions.



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 engages in information sharing with our customers via Sedex.



FASD (Flexible Packaging Manufacturers Association) is a leading representative of the Turkish flexible packaging industry. It 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 is a member of FASD and one of its prominent supporters.



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.



ÇEVKO Foundation was established to create a sustainable recovery system for the economic and orderly recovery of packaging waste in Türkiye, operating 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.



## MATERIAL ISSUES AND MATERIALITY MATRIX

### Our Sustainability Priorities





## SUSTAINABLE DEVELOPMENT GOALS WE CONTRIBUTE TO

### Bak Ambalaj 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	

### Bak Ambalaj 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	

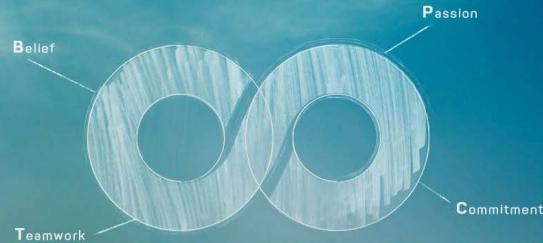
SDGs We Contribute to



## GOVERNANCE

For 50 years, we have advanced with a commitment to responsible and transparent governance, fully aligning with the Capital Markets Board's Corporate Governance Principles.

### Everlasting Legacy...



The past, present and the future. We are fully committed and determined to achieve permanence

#### Corporate Governance

Our commitment to the Capital Markets Board's Corporate Governance Principles is unwavering, and we seamlessly integrate these principles into our operations through the Baki Constitution, which encapsulates focus areas of our company.

#### Proactive Risk Management

Risk management at Bak Ambalaj is handled with a holistic approach. The Early Detection of Risk Committee aims to identify risks that could jeopardize the Company's existence and growth at an early stage.

#### Business Ethics, Legal Compliance, and Transparency

At Bak Ambalaj, we adhere to superior business ethics, comply with laws and regulations, and embrace transparent communication with our stakeholders. The Bakioğlu Group Corporate Culture Guide and Ethical Principles serve as our guiding framework.

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

#### Ethics Line

Since its launch in April 2022, all reports received through the Ethics Line have been reviewed by KPMG, our independent audit firm, in accordance with the Ethics Line and Ethics Committee Regulations.

#### We Continued Our Ethics Training

At Bak Ambalaj, every new employee receives training on ethical principles, antibribery, and anti-corruption as part of their Corporate Culture training. In 2023, we provided in-person training on Corporate Culture, Mission, Vision, Values, and Ethical Principles to our managers. We also offer Corporate Culture training, which includes Ethical Principles, online via our LMS platform to all new field employees.

#### Anti-Bribery and Anti-Corruption

At Bak Ambalaj, we strictly adhere to the ethical principles of Bakioğlu Holding and its Group Companies. We maintain a zero-tolerance policy against bribery, corruption, and abuse of power, with a commitment to all relevant laws and regulations.

## VALUE FOR OUR BUSINESS

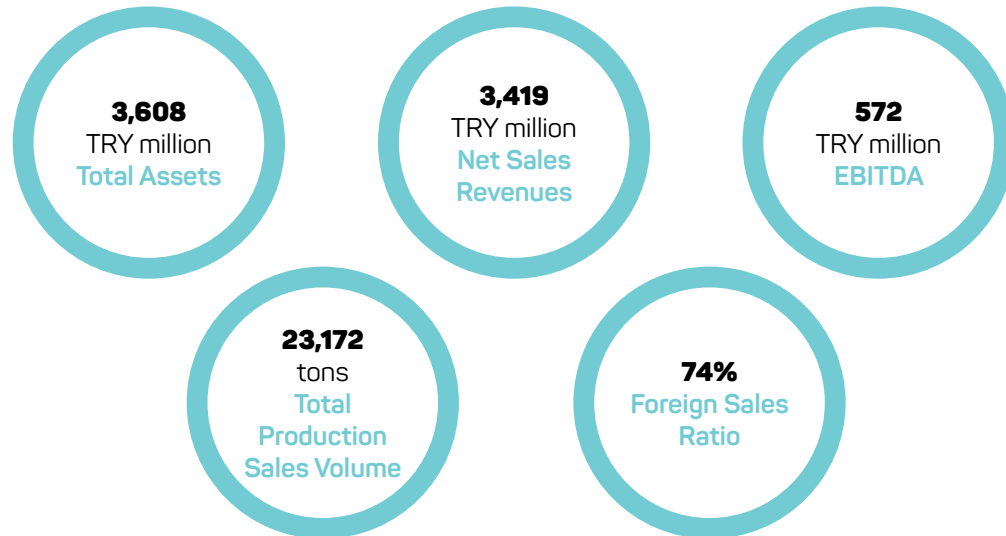
SDGs We Contribute to



For 50 years, we have been evolving with a focus on excellence, maintaining our strong position in the industry.



### Financial Highlights



### R&D Investments

We are honored that our R&D activities have earned us a spot in the "R&D 250: Türkiye's Highest R&D Spending Companies" list.

### R&D in Numbers

In 2023, we invested a total of TRY 21.2 million in R&D, completing 10 R&D projects with our 31 R&D employees, who make up 4.3% of our total workforce.

### Sustainable Solutions

As a result of Bak Ambalaj R&D Center's 100% paper packaging research, we introduced our third product line, the "PapBorn" family, to our portfolio. Additionally, we expanded our sustainable flexible packaging solutions by developing the reusable "Refill" packaging design.

### Operational Excellence and Digitalization

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

### Sustainability Compliance

We prepare CDP reports for supply chain research. In this context, we were awarded a "C" rating in 2023.

### Support for the Local Economy

By selecting 90.85% of our suppliers from local suppliers, we have minimized risks arising from the supply source and provided significant support to the local economy.

### 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.

For detailed information on the Value for Our Business section, please refer to the Bak Ambalaj Sustainability Report 2023, accessible [here](#).



## VALUE FOR PEOPLE

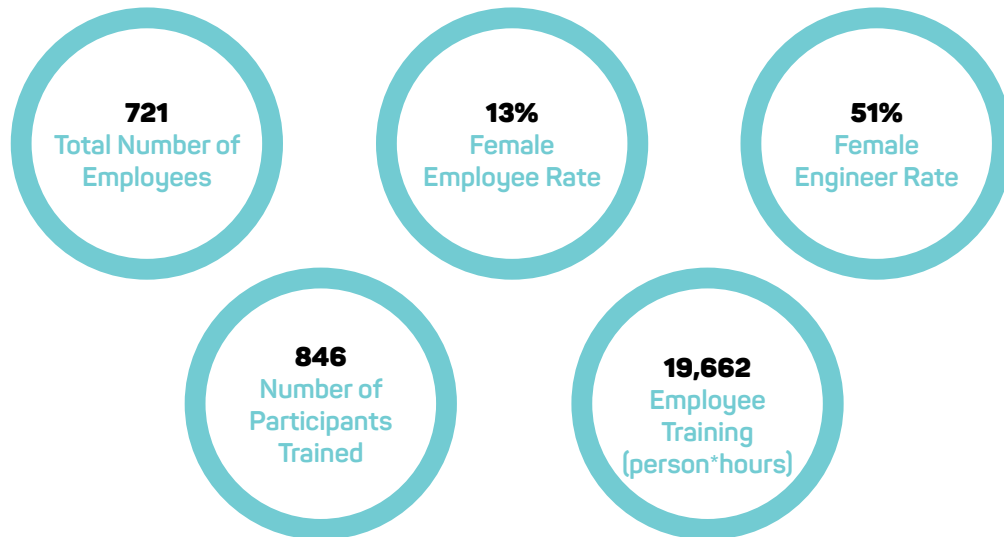
SDGs We Contribute to



For 50 years, with a focus on valuing people, we have centered our efforts on the satisfaction of our stakeholders, especially our employees.



### Bakioğlu Human Values in Numbers



### Human Values

We see our employees not just as a “workforce” but as “valuable assets” central to our organization. We are committed to creating work environments that are diverse, inclusive, and conducive to growth, fostering a culture of harmony and respect.

### Digitalization in Education

In line with our sustainability goals, we have digitized the training programs conducted under the Bak Academy to support the continuous development of our employees, making them accessible at any time.

### Our Approach to Occupational Health and Safety

At Bak Ambalaj, as with all Bakioğlu Holding Group Companies, occupational health and safety (OHS) are of critical importance. Protecting the health of our employees, minimizing workplace risks, and ensuring a safe working environment are among our top priorities. In the reporting period, we provided a total of 6,420 person\*hours of OHS training to 713 participants at Bak Ambalaj.

### Emergency Preparedness

Being prepared for various natural disasters, particularly earthquakes, and other emergencies is a critical aspect of our business continuity practices. Therefore, we develop and maintain up-to-date emergency plans and procedures at Bak Ambalaj.

### Corporate Social Responsibility

At Bak Ambalaj, we aim to play an active role not only in our business operations but also in contributing to societal development. Through our corporate social responsibility (CSR) initiatives, we strive to add value to society. We allocated TRY 864,656 for donation and aid activities in 2023.

### From Sapling to Forest: Aegean Forest Foundation

At Bak Ambalaj, recognizing that trees are among the most crucial carbon sinks, we invest in our forests with a holistic approach to balance global emission values, combating the escalating threat of deforestation worldwide. In 2023, Bak Ambalaj planted 643 trees and donated a total of TRY 14,131.50. Through these efforts, we prevented the emission of 264.27 tons of CO<sub>2</sub>.

For detailed information on the Value for Our Business section, please refer to the Bak Ambalaj Sustainability Report 2023, accessible [here](#).



## VALUE FOR OUR WORLD

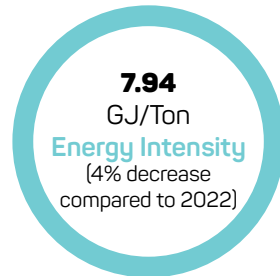
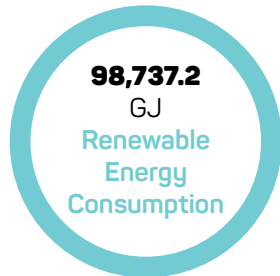
SDGs We Contribute to



For 50 years, with a focus on adding value to our world, we have considered our environment and the future in all our strategic decisions, fulfilling our responsibilities in combating the growing risks of the climate crisis.



### Energy Efficiency in Numbers



### Transition to a Low Carbon Economy

We adopt policies aimed at transitioning to a low-carbon economy, implementing measures that enhance energy conservation and efficiency. Innovation is central to our approach, and we emphasize the use of eco-friendly technologies at every stage of the product lifecycle.

### Environmental Trainings

In 2023, 1,024 of our employees participated in our Climate and Environmental Management training sessions conducted through Bak Academy.

### Recyclable Packaging

In 2023, we produced packaging suitable for food contact using Post-Consumer Recycled (PCR) materials for the first time.

### Sustainable Steps Toward Zero Waste

In 2023, we continued our efforts to minimize waste generation and reduce waste-producing factors in our processes. Over the past five years, we have successfully recovered nearly all waste resulting from our operations. We aim to minimize the amount of waste sent for disposal.

### Circular Economy Initiatives

In 2023, we increased our use of materials with lower environmental impact by 2.38% and our use of environmentally certified raw materials by 20.4% compared to their alternatives. We used 300.84 tons of biodegradable and 18.71 tons of raw materials compatible with circular economy principles in our production processes.

### 100% Renewable Electricity

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

### Green Innovation

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

### Sustainable Solutions

With the Reborn product family, we develop multiple sustainability options and offer more sustainable packaging solutions.

### Efficient Water Use

The future of water is crucial for the planet and all living beings. Reducing water usage intensity within Bak Ambalaj year by year remains one of our most critical sustainability goals.

For detailed information on the Value for Our World section, please refer to the Bak Ambalaj Sustainability Report 2023, accessible [here](#).



## CONTACT

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

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### *Social Media*



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