




# 2025 ESG REPORT



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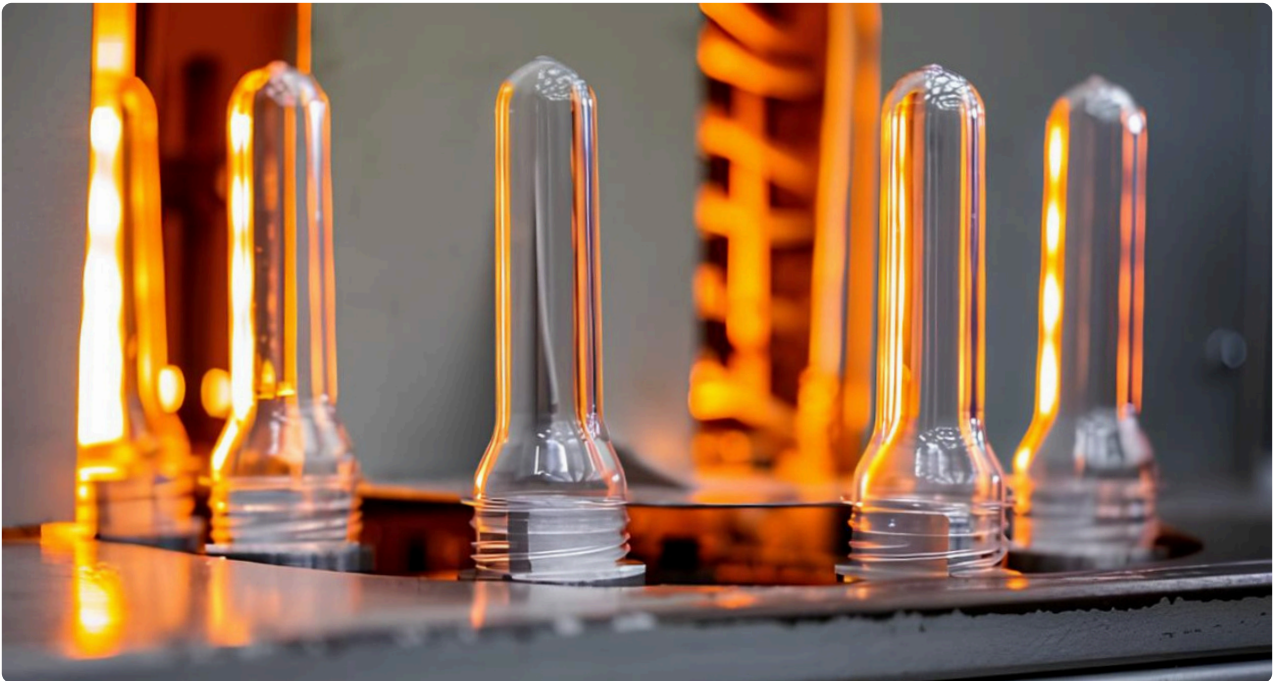


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**Enexion Group A.Ş.**

# ABOUT

## KÖKSAN PET

Köksan Pet Packaging Industry Co., established in 1992 in Gaziantep, Türkiye, has since become one of the country's leading producers of PET and plastic packaging. Operating on a 256,000-square-meter facility, it manufactures a broad range of products, including PET Resin, PET Preforms, PET Bottles and Jars, PE Closures, PET Sheets, and various types of flexible packaging such as Stretch Films, Shrink Films, Bubble Wrap, and PET Flakes. The company also engages in plastic pallet production and runs plastic recycling facilities, ensuring a steady supply of raw materials for both internal use and market demand. These operations are further supported by a 50,000-ton modern liquid storage facility located in the Adana Yumurtalık Free Zone.

As Türkiye's largest PET Resin producer, Köksan has played a crucial role in transforming the country from a PET Resin importer to an exporter. With an annual production capacity of 500,000 tons, it has solidified its market position both domestically and regionally. Furthermore, Köksan houses Europe's largest PET Resin facility under one roof and boasts an annual production capacity of 240,000 tons of PET Preforms, with production spread across Gaziantep and Sakarya/Hendek. These preforms are available in various weights and neck types, suitable for cold, aseptic, and hot filling applications.

Köksan is also an international investor with operations in countries like China, Senegal, Libya, and Iraq, and exports its products to more than 100 countries worldwide. As Türkiye's leading company in the plastic packaging sector, it places a strong emphasis on sustainability and environmental responsibility. By the end of 2024, it plans to begin producing 110,000 tons of 100% food-grade recycled PET (RPET) resin annually, using its patented chemical recycling process that converts PET into monomer (BHET) through glycolysis.

In PET Sheet production, Köksan leads the region with an annual capacity of 22,500 tons. It also produces 18,200 tons of PE closures annually, including plastic handles and demijohn lids. Additionally, its annual production capacity for flexible packaging products such as Stretch Films, Cling Films, Shrink Films, and Bubble Wrap has reached 29,200 tons. Köksan operates one of the most advanced PET Flake facilities, recycling 6,000 tons of PET flakes each month, and produces 43,200 industrial plastic pallets monthly, further highlighting its capabilities in sustainable production.

Köksan has earned numerous national and international certifications in quality assurance and food safety systems, reflecting its commitment to maintaining high standards across all operations. With a strong focus on sustainability and innovative technologies, it continues to strengthen its leadership position in the industry, both in Türkiye and globally.

# ABOUT

# KÖKSAN PET

Köksan remains committed to a more sustainable future, leading with responsible production processes that prioritize environmental and economic sustainability.



## Mission

Our mission as a company; is to produce high quality products in accordance with the demands and needs of customers within the understanding of environmentally friendly production.

In line with this mission;

We aim

Worldwide awareness,

Brand and company image identical to the product,

Brand and company image identical to quality,

Easy accessibility.



## Vision

Our vision as a company; supporting sustainable growth and development; Respect for people, innovation, diversity, productivity and quality to the highest level; To be among the leading companies of the world with a sense of responsibility towards the environment and its stakeholders.



# Köksan Industrial Achievements

## Important Points About Köksan

- Exporting to over 100 countries.
- Leading company in its sector.
- Europe's largest PET Resin and PET Preform production facility under one roof.
- Increasing overseas investments in PET and Plastic Packaging industry Sustainable and environmentally friendly production.
- Superior quality practises and environmentally friendly investments.
- Sustainable Renewable Energy production and consumption.
- Approved supplier certificates.

## Company Production and Capacities

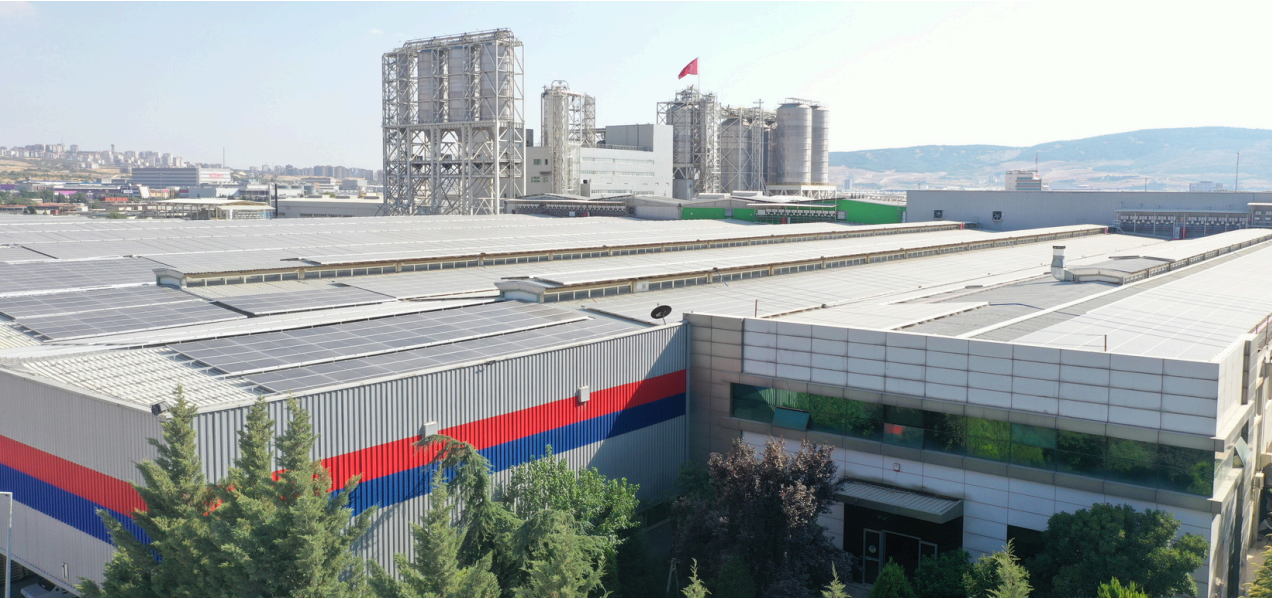
- Annual production of 500 K tons of PET Resin.
- Annual production of 110 K tons of R-PET Resin.
- Annual production of 240 K tons of PET Preforms.
- Annual production of 29,2 K tons of Flexible Packaging.
- Annual production of 22,5 K tons of PET Sheet.
- Annual production of 18,2 K tons of PE (HDPE/LDPE) CAPs.
- Annual production of 72 K tons of PET Flakes.
- Annual production of 518 K pieces of Plastic Pallet.

# Memberships

Köksan is committed to sustainable business practices and actively participates in key national and international organizations that promote ESG standards. Our memberships allow us to stay updated on the latest developments, collaborate on industry-wide initiatives, and enhance our corporate responsibility efforts, ensuring we meet the expectations of our stakeholders.



Köksan is a proud member of PAGEV, a leading organization representing Türkiye's plastics industry. Through this membership, we collaborate with industry leaders to promote sustainable practices, enhance innovation, and contribute to the growth of the plastics sector both locally and globally.



# Sustainable Development Goals and Plastic Packaging Sector

Köksan is dedicated to advancing the United Nations Sustainable Development Goals (SDGs) through responsible practices and innovative solutions. We actively contribute to SDG 3 (Good Health and Well-Being), we prioritize the safety and well-being of our employees and consumers.

Our focus on SDG 6 (Clean Water and Sanitation) ensures efficient water usage and wastewater management in our operations. We invest in SDG 7 (Affordable and Clean Energy) through renewable energy initiatives to minimize our environmental impact.

By promoting decent work environments and inclusive economic growth, we support SDG 8 (Decent Work and Economic Growth), while our commitment to SDG 9 (Industry, Innovation, and Infrastructure) drives innovation and sustainable industrial practices.

Our environmental efforts extend to climate action under SDG 13 (Climate Action), while we work to protect marine ecosystems, supporting SDG 14 (Life Below Water) through sustainable materials and waste reduction strategies.



# Sustainable Development Goals and Köksan Contributions

## 3 GOOD HEALTH AND WELL-BEING



The company pays the utmost attention to the health and safety of both its employees and those working on-site. In accordance with occupational health and safety laws and regulations, the company ensures that regular health screenings are conducted for its employees and that work is carried out with consideration for their health status.

### Goal

Reducing work-related accidents to a minimum and ensuring a safe working environment is Köksan's top priority and goal.

The company is continuously dependent on water usage due to its operations. To ensure both employee health and process safety, the water drawn and discharged is constantly monitored. Additionally, regular inspections and tests are conducted to ensure employees have access to clean water.

### Goal

Köksan's goal regarding water management is to maintain data in accordance with the ISO 14046 calculation methodology and to obtain the certification.

## 6 CLEAN WATER AND SANITATION



## 7 AFFORDABLE AND CLEAN ENERGY



Köksan has implemented its initiatives in clean energy. In this context, the company has launched clean energy production through solar energy investment systems.

### Goal

Köksan plans to complete its corporate carbon footprint studies in compliance with ISO 14064 by the end of 2024. In the following years, it will work on emission reduction strategies and reduction plans related to its emissions.

# Sustainable Development Goals and Köksan Contributions

Köksan places great importance on economic growth and is the second-largest company in its region. The company is committed to promoting inclusive and sustainable economic growth by providing all its employees with safe and fair working conditions.

## Goal

Köksan does not discriminate among its employees and aims to continuously monitor its fair work system through the established ethics hotline.



Köksan uses plastic and petroleum-based products due to the nature of its production. Through innovation and R&D efforts, the company is able to produce 100% recyclable and biodegradable products. Additionally, Köksan has its own PET recycling facility. In 2020, Köksan commissioned its PET Flake washing/recycling facility, equipped with a quality approach that is open to development and continuous improvement. The state-of-the-art machinery began producing 3,000 tons of PET Flake per month.

## Goal

The company aims to increase the trade of biodegradable products in line with customer demands. Köksan also targets achieving the country's zero-waste goal by producing 100% food-contact safe, 100% recycled rPET granules for bottle-to-bottle production, contributing to the circular economy.



Köksan employs more than 1,000 people in its region and operates with the utmost respect for the local community and environment.

## Goal

Köksan aims to minimize the negative impact on the urban environment by developing production processes that enhance energy efficiency and reduce its carbon footprint. In doing so, the company seeks to improve the quality of life in local communities while contributing to a more sustainable future.



# Sustainable Development Goals and Köksan Contributions



Köksan is one of Türkiye's leading companies in the ISO 500, both in terms of workforce and production capacity. The company is aware of the impacts of climate change and recognizes its responsibilities.

## Goal

Köksan plans to develop emission reduction efforts and a climate strategy aligned with the 1.5-degree scenario based on its corporate carbon footprint.

Due to its location, Köksan does not discharge wastewater directly into the receiving environment. Instead, the wastewater is collected through the organized industrial zone.

## Goal

Köksan aims to conduct reporting in accordance with ISO 14046 studies and international requirements.



# SUSTAINABILITY TARGETS

Subjects	Existing Targets	SMART Targets	Base Year	Related SDGs	Relevant Köksan Material Topics
<b>Science-Based Targets (SBTi)</b>	Köksan plans to develop emissions reduction initiatives and a climate strategy aligned with a 1.5°C pathway based on its corporate carbon footprint.	To be determined under the SBTi project.	2023		
<b>Sustainable Development Goals</b>	Plans and targets have been incorporated throughout the report in line with the SDG principles.	We have mapped the proposed SMART targets to the relevant SDGs in the next column.	2023		
<b>Labor and Human Rights Targets</b>	Reducing occupational accidents to a minimum and ensuring a safe working environment is one of Köksan's top priorities.	Reduce employee turnover to 15% by 2030	2023	SDG 8	Employee Development and Well-being
		Increase the employee satisfaction rate to 95% by 2030	2023	SDG 8	Employee Development and Well-being
		Increase total training hours per employee to 950 hours by 2030	2023	SDG 4	Employee Development and Well-being
		Increase the budget for social responsibility projects supporting education, community and sustainability programmes to TRY 75,000,000 by 2030	2023	SDG 4,11,17	Contribution to Society / Community Relations
		Reduce energy consumption per unit of production by 6% by 2030	2023	SDG 7,13	Energy Consumption, Efficiency and Renewable Energy
<b>Energy Consumption Targets</b>	In the long term, our environmental target is to reduce energy consumption by approximately 1% annually.	Increase the share of renewable energy use to 20% by 2030 (if this target has already been achieved, we can set a higher rate)	2023	SDG 7,13	Energy Consumption, Efficiency and Renewable Energy
<b>GHG Emissions Reduction Targets</b>	Köksan plans to complete its corporate carbon footprint study in compliance with ISO 14064 by the end of 2024. In the following years, it will work on emissions reduction strategies and action plans related to its emissions.	Reduce the carbon footprint by 3% by 2030	2023	SDG 7,13	Emissions Management and Air Quality Climate Change Adaptation
<b>Scope 1 Emissions Reduction Targets</b>		It is not necessary to set separate targets for all three scopes directly; however, the scope of the target above needs to be defined. Among peer companies, targets are typically set either as a combined Scope 1 and Scope 2 target, or as a combined Scope 1 and 2 target plus a separate Scope 3 target.	2023		
<b>Scope 2 Emissions Reduction Targets</b>			2023		
<b>Scope 3 Emissions Reduction Targets</b>			2023		
<b>Water Consumption Targets</b>	Köksan aims to reduce water, chemical consumption, and waste by 3% annually. Köksan's goal regarding water management is to maintain data in accordance with the ISO 14046 calculation methodology and obtain certification. We aim to minimize our environmental impacts through wastewater recovery, reuse, and treatment efforts. To reduce our water footprint and minimize impacts on ecosystems, we implement circular water use and effective water management systems.	Reduce water consumption per unit of production by 21% by 2030	2023	SDG 6,12	Water and Wastewater Management
<b>Biodiversity Targets</b>		Fully integrate biodiversity considerations into all investments and operations by 2030	2023	SDG 13,15	Biodiversity and Ecosystems
<b>Materials, Chemicals and Waste Targets</b>	Köksan aims to reduce water, chemical consumption, and waste by 3% annually. Köksan also aims to support the country's zero-waste goal by producing 100% food-contact-safe, 100% recycled rPET granules for bottle-to-bottle production, thereby contributing to the circular economy. (SDG: 9)	Increase the share of recycled waste within total waste generated to 100% by 2030	2023	SDG 11,12	Zero Waste and Effective Waste Management Recycling Infrastructure and Capacity
		Increase the share of recycled materials within total material use by 50% by 2030	2023	SDG 9,12	Resource Efficiency Zero Waste and Effective Waste Management
<b>Product Life Cycle Targets</b>	The company aims to increase sales of biodegradable products in line with customer demand. (SDG: 9)				
<b>Sustainable Supply Chain Targets</b>		Increase the on-time delivery rate to 95% by 2030 and ensure on-time shipments to customers	2023	SDG 9,12	Responsible and Sustainable Supply Chain
		Expand social and environmental supplier assessment criteria and apply them in all supplier evaluations by 2030	2023	SDG 8,12,17	Responsible and Sustainable Supply Chain
<b>Business Ethics Targets</b>	Köksan does not discriminate among its employees and aims to continuously monitor its fair working system through the established ethics hotline.	Achieve 98% compliance with the "Internal Audit Plan" by 2030	2023	SDG 16	Ethics and Legal Compliance Risk Management
<b>Digitalization</b>		Increase the number of completed digital projects by 85% by 2030	2023	SDG 9	Digitalization and Information Security
<b>Production Efficiency</b>		Increase production efficiency to 87% by 2030	2023	SDG 9,12	Product Safety and Quality Resource Efficiency Water and Wastewater Management Zero Waste and Effective Waste Management Emissions Management and Air Quality

# ENVIRONMENTAL SUSTAINABILITY

## Environmental Management

Köksan considers an effective environmental management system essential to the continuity of its operations. The basis of this approach is the Company's environmental policy framework, which sets out its commitments in relation to climate and energy management, water stewardship, air emissions, waste and chemicals management, biodiversity protection, circular economy practices, and customer health and safety.

In line with these policies, Köksan's main objective is to maintain its commercial and industrial presence in harmony with the environment. Within this scope, the Company conducts environmental reviews of its production processes and products, supports continuous environmental improvement, and manages the activities required for environmental compliance at its facilities through designated environmental management responsibilities. Köksan also follows applicable environmental legislation and administrative requirements on an ongoing basis in order to ensure compliance across its operations.

### Goals

- In the short term, Köksan aims to strengthen the monitoring and management of its key environmental parameters, including energy, water and chemical consumption, waste generation, air emissions, climate-related impacts and environmental compliance obligations, while also integrating biodiversity, circularity and product responsibility considerations into its environmental approach.
- In the long term, Köksan aims to improve environmental performance through resource efficiency, pollution prevention, increased circularity, support for recyclable and recycled-content product structures, protection of biodiversity and ecosystems, promotion of customer health and safety, and the wider integration of sustainable and climate-conscious practices into its operations and products.

Köksan implements its environmental management approach through its ISO 14001 Environmental Management System and ISO 50001 Energy Management System. Within this framework, environmental aspects, risks and opportunities are regularly evaluated, and the Company's action plans, strategies and objectives are shaped accordingly.

All facilities where operational activities are conducted are certified under the ISO 14001 and 50001 systems.

# Biodiversity Policy and Management

Köksan is committed to integrating biodiversity conservation and sustainability principles into its investments and operations. In line with its Biodiversity Policy, the Company takes biodiversity areas, specially protected natural sites, and historical or cultural areas into consideration when determining facility locations and work areas, and aims not to establish operations in such areas. Köksan also incorporates biodiversity-related considerations into its business strategies, conducts preliminary biodiversity assessments before the commencement of activities, contributes to the protection of biodiversity in the regions where it operates, and complies with applicable national legislation while supporting relevant national strategies and action plans.

Köksan also manages biodiversity as part of its broader environmental responsibility approach, covering natural resources, water, ecosystems and the potential effects of its operations, products and supply chain on natural habitats. In this context, the Company supports circular economy practices, resource efficiency, pollution prevention and the sustainable use of natural resources as part of its biodiversity management approach.

Köksan does not have any facilities or operations located in or near biodiversity-sensitive areas or protected natural habitats. The Company states that its operations are carried out outside biologically sensitive areas, protected natural habitats and special environmental protection zones, and that its facility activities do not have a direct or indirect adverse impact on biodiversity.



## Goal

- Köksan aims to protect and enhance biodiversity by considering ecosystem sensitivities in investment and operational decisions, assessing potential biodiversity impacts before activities begin, supporting the sustainable use of natural resources, and reducing environmental pressure through circular economy and pollution prevention practices.

# Climate and Energy Management

At Köksan, climate and energy management is addressed through a sustainability-oriented approach focused on improving energy efficiency, increasing the use of renewable energy, and reducing climate-related environmental impacts. In line with its Climate Change Adaptation Policy, the Company prioritizes projects that support the reduction of energy consumption, carbon footprint and water footprint, while also promoting the integration of sustainable practices into its production processes.



Köksan continues to advance its climate and energy performance by prioritizing solar energy investments and energy efficiency practices. Demonstrating its long-term commitment to renewable energy transition, the Company has invested a total of USD 33,250,000 in solar power plant projects. As a result of these investments, Köksan generated 143,506 MWh of electricity from solar energy in 2025, enabling 51% of its total energy consumption to be sourced from renewable energy.

## Goal

- To advance climate and energy management practices through the monitoring and reduction of energy-related impacts, alignment of greenhouse gas accounting with recognized standards, expansion of renewable energy use, and implementation of projects that improve energy efficiency and support climate change mitigation and adaptation.

## Our Commitment to Climate and Energy Management

As Köksan Pet ve Plastik Ambalaj, we focus on reducing our energy consumption, carbon footprint and water footprint in line with sustainability principles. We prioritize projects that mitigate the adverse impacts of climate change and follow national and international developments, targets and commitments related to climate and sustainability. In this context, we are committed to protecting water resources, improving energy efficiency, increasing the use of renewable energy, and integrating climate-conscious and resource-efficient technologies into our operations. We also continue to support circular economy practices through the recycling and reuse of plastic waste, with the aim of reducing environmental pressure on ecosystems.

To fulfill its commitments, the company:

- aligns its greenhouse gas accounting efforts with recognized standards and supports the development of reduction plans,
- carries out energy efficiency studies and evaluates improvement opportunities,
- provides awareness-raising activities and trainings for employees,
- increases renewable energy use through ongoing investments and projects.

# Water and Wastewater Management

At Köksan Pet ve Plastik Ambalaj, the protection and responsible use of water resources form an integral part of our environmental management approach. We work to improve our operational processes through efficient water use practices, continuous monitoring and improvement efforts, and technologies that support the reduction of water consumption and the effective management of wastewater.

We seek to minimize water-related environmental impacts by supporting wastewater control, recovery and reuse practices where applicable, and by strengthening water management systems across our operations. In line with our broader environmental commitments, we also promote measures aimed at reducing resource consumption, preventing pollution and protecting ecosystems. Our water and wastewater management approach is regularly reviewed in line with applicable legal requirements and environmental management practices.



## Water Risk Management

Köksan monitors water-related risks at the operational level as part of its environmental and climate-related management approach. Regional water assessments are carried out using internationally recognized tools, while water-related aspects, risks and opportunities are also evaluated within the scope of the ISO 14001 Environmental Management System.

Efficient water use in operations remains a key priority. In this context, Köksan supports water efficiency through:

- efficiency improvement projects,
- regular equipment maintenance,
- calibration practices,
- ongoing monitoring activities.

# Waste and Hazardous Waste Management

At Köksan, waste management is carried out in line with sustainability principles and with a focus on minimizing environmental impacts throughout operations. The Company adopts a structured approach aimed at reducing waste generation at source, increasing opportunities for reuse, recovery and recycling, and supporting circular economy practices across its production processes. In this context, continuous improvement efforts are maintained to enhance both environmental performance and operational efficiency.

Hazardous waste is managed with due regard to applicable legal requirements and operational control measures. Köksan applies practices for the safe storage, handling, transportation and disposal of hazardous waste in order to reduce environmental risks and support responsible waste management. Waste management practices are also reviewed on a regular basis, and improvement opportunities are assessed in line with evolving operational needs and technological developments.

Köksan also implements a zero-waste management approach as part of its broader environmental management system. Within this scope, waste is segregated at source, collected separately, and monitored regularly for both hazardous and non-hazardous streams. Waste management processes are carried out in cooperation with licensed service providers to ensure compliant and effective handling.

Total weight of hazardous waste	8,450 kg
Total weight of non-hazardous waste	9,094,898 kg
Total weight of recycled waste	9,103,348 kg

## Goal

- To minimize waste generation at source, strengthen reuse, recovery and recycling practices, ensure the safe and compliant management of hazardous waste, and support continuous improvement in waste management processes in line with circular economy principles.

# Hazardous Waste Management

Hazardous waste at Köksan is managed in accordance with applicable legal requirements and relevant hazardous materials safety regulations. The Company applies a controlled approach to the handling, transportation and disposal of hazardous waste in order to minimize environmental and operational risks.

All chemicals used in operations are recorded in the Company's inventory system. Information on these substances is communicated to employees through Material Safety Data Sheets (MSDS), as well as through Occupational Health and Safety units and hazardous materials safety advisory mechanisms.

As part of its emergency preparedness and response approach, Köksan also conducts scenario-based evaluations concerning chemicals and hazardous waste. Emergency response teams are designated in advance to ensure timely and effective action in case of potential incidents.

## Air Pollution Management

At Köksan, air emissions are managed through a responsible approach focused on controlling process-related impacts, improving operational efficiency and supporting environmentally sound production practices. The Company seeks to minimize emissions arising from its operations by using appropriate technologies, implementing control measures and continuously improving relevant processes in line with its environmental management approach. Consistent with this approach, Köksan also supports energy efficiency and renewable energy practices that contribute to the reduction of broader atmospheric impacts.

Air emission performance is monitored in accordance with applicable legal requirements. Non-greenhouse gas emission measurements are carried out periodically and verified by accredited laboratories, with the relevant results reported to the Ministry of Environment, Urbanization and Climate Change. In addition, indoor measurements relating to factors such as noise and odor are conducted as required by legislation in order to support employee health, operational safety and workplace conditions. Köksan is exempt from certain environmental noise control requirements due to the nature of its operations, and a formal exemption letter has been issued by the competent authority.

As part of its efforts to reduce air emissions, Köksan has also implemented an Off-Gas System designed to manage process vent gases more effectively. Within this system, process water collected in the D-51 jet hotwell is transferred to the T-61 stripping column, while vent gases collected from process vessels are directed to the lower section of the same column through the B-61 blower. These gases are then routed to the HTM boilers for combustion, while the treated water is recirculated back into the process through the T-11 process column. This closed-loop configuration supports the reduction of volatile gas releases and strengthens process-based emission control.

### Goal

- To minimize air emissions through process control, periodic monitoring, regulatory compliance and continuous improvement practices, while supporting emission reduction through appropriate technologies and operational improvement projects.

# Materials and Chemicals Management

At Köksan, materials and chemicals management is regarded as an important part of environmental performance, resource efficiency and responsible production. The Company aims to minimize the environmental impacts of materials and chemicals used in its operations, improve the efficient use of process inputs and support practices that protect both human health and the environment. In this context, raw materials, auxiliary materials and process chemicals are managed through a control-oriented approach throughout production processes.

Köksan evaluates improvement opportunities to reduce material consumption, prevent unnecessary use and enhance process efficiency. The review of operational parameters, the use of appropriate technologies and the assessment of lower-impact alternatives, where feasible, are considered part of the Company's materials management approach.

Chemicals are managed in line with applicable legal requirements as well as occupational health, safety and environmental criteria. The labeling, storage, transportation and use of hazardous substances are carried out in accordance with relevant safety documentation, site instructions and operational control practices. Particular importance is given to appropriate storage conditions, spill and leakage prevention, and the use of safety information and signage in working areas.

Emergency preparedness is also treated as a complementary part of this approach. Response procedures for chemical spills, leakages and similar incidents are defined in advance, and the necessary equipment and practices are reviewed periodically in order to minimize possible impacts on soil, water and air. In parallel, Köksan supports employee awareness on the safe handling, storage and transportation of chemicals as well as response requirements in case of emergencies.

In addition, Köksan supports the reduction of hazardous substance use where possible and the evaluation of less harmful alternatives. Hazardous waste generated from production processes is temporarily stored, recorded, transferred through licensed service providers and disposed of through appropriate methods within a traceable and compliant system. Through this integrated approach, the Company addresses materials and chemicals management not only as a matter of legal compliance, but also as a key element of environmental risk reduction and sustainable production.

## Goal

- To improve material and chemical efficiency, reduce unnecessary consumption and hazardous substance-related risks, strengthen safe handling and storage practices, and support environmentally responsible production through continuous improvement and compliance.

# Sustainable Product Design and Use

Köksan approaches product design and use through a sustainability perspective that seeks to combine product performance with resource efficiency. The Company develops PET-based product solutions for a wide range of applications, while also promoting product features that support efficient processing, reduce unnecessary material use and contribute to lower environmental impacts during the customer use phase. Its product portfolio includes food-grade PET resin and packaging solutions designed for diverse end uses.

This approach is also supported by product and process characteristics that contribute to operational efficiency. Köksan's PET resin is produced with spherical pellet shape and low dust generation, and its technical documentation indicates lower drying and injection temperature recommendations compared with conventional SSP-based resins, supporting more efficient downstream processing.

## Goal

- To develop and continuously improve lightweight, high-performance, process-efficient and recyclable product designs that contribute to reducing raw material consumption, product losses and environmental impacts during the customer use phase.

# Circularity and End-of-Life Management

Köksan adopts a life cycle-oriented approach to strengthen circularity and support the responsible end-of-life management of its PET- and PE-based products. The Company's environmental policy supports product structures that are reusable, recyclable and designed to minimize waste after use, while its broader production model includes recycling and recovery activities for non-hazardous plastic waste.

This approach is reinforced by certified recycling capabilities. Köksan holds Global Recycled Standard certification covering post-consumer and pre-consumer recycled materials, including mechanically recycled products and a range of recycled-content PET and PE applications. In addition, the company presents biodegradable additive-based product solutions designed to integrate with standard recycling streams and support end-of-life alternatives in suitable applications.

## Goal

- To develop PET- and PE-based product structures that are compatible with recycling processes, suitable for recycled-content applications and supportive of circular economy principles, thereby contributing to the recovery of non-hazardous plastic waste.

# Customer Safety and Product Integrity

Köksan considers product safety, traceability and customer assurance as central elements of responsible production. The Company's product portfolio includes food-grade PET resin and food-packaging-related production certified under FSSC 22000, while its customer satisfaction management system is certified to TS ISO 10002:2018.

Its product responsibility approach is further supported by traceability and response mechanisms. The recall drill documentation demonstrates that products can be traced back and managed through a documented withdrawal process, while product and chemical stewardship is also supported by certifications such as OEKO-TEX ECO PASSPORT for specific polymer products.

## Goal

- To ensure the suitability of PET- and PE-based packaging and plastic products from a customer health and safety perspective through risk-based quality assurance systems, regulatory compliance and the complete fulfillment of customer requirements.

# Environmental Services and Advocacy

Köksan extends its environmental approach beyond its own operations by supporting circular economy solutions and more sustainable product alternatives across the value chain. The Company's product and recycling capabilities include recycled-content materials, non-hazardous plastic waste recovery activities and technical product solutions that can help customers evaluate lower-impact packaging alternatives.

This value-creation perspective is also reflected in solutions related to recycled content, recyclability and, in selected cases, biodegradation-oriented product options. Through these practices, Köksan aims to support customers in reducing packaging-related environmental impacts while strengthening resource efficiency and sustainable production approaches.

## Goal

- To contribute to the circular economy through non-hazardous plastic waste recovery activities, support customers in reducing packaging-related environmental impacts, and provide technical guidance on recyclable products, recycled raw materials, resource efficiency and sustainable production practices.

## Environmental Sustainability

Metric	2025 Value
Total energy consumption (MWh)	281,860
Total renewable energy consumption (MWh)	143,506
Total Scope 1 Emissions (ton CO2e)	49,665
Total Scope 2 Emissions (ton CO2e)	61,650
Total Scope 3 Emissions (ton CO2e)	5,223,284
Upstream Scope 3 Emissions (ton CO2e)	5,167,489
Downstream Scope 3 Emissions (ton CO2e)	55,794
Total water consumption (m3)	968,386
Total amount of water recycled and reused (m3)	34,560
SOx (kg/hour)	60
NOx (kg/hour)	40
Total weight of hazardous waste (kg)	8,450
Total weight of non-hazardous waste (kg)	9,094,898
Total weight of recovered waste (kg)	9,103,348

# SOCIAL SUSTAINABILITY

## Occupational Health & Safety

Köksan places occupational health and safety (OHS) at the core of its operations and production activities, fostering a shared safety culture through close collaboration with employees and stakeholders. Its facilities in Gaziantep and Sakarya uphold rigorous OHS standards under a zero-tolerance approach. The company's OHS procedures clearly define safety practices across the organization and communicate its OHS commitment effectively to internal stakeholders.

Köksan gives equal importance to the physical and psychological well-being of its employees, setting out clear goals and commitments in this area. Recognizing that mental well-being is essential to employee productivity, the company carries out various initiatives aimed at strengthening workplace communication and enhancing overall well-being.



As part of its occupational health and safety practices, Köksan prioritizes preparedness for emergencies and the proactive management of workplace risks. In this context, emergency action plans are developed for scenarios such as fire, explosion, chemical spills, and natural disasters, with roles and responsibilities clearly defined and supported through regular drills to ensure effectiveness. In addition, risk analyses conducted across work areas help identify potential hazards systematically, assess their likelihood and impact, and enable the implementation of necessary preventive and corrective measures.

At its production sites, Köksan operates in line with the ISO 45001 Occupational Health and Safety Management System and applies stringent safety practices. Raising employee awareness remains a central priority, supported by training programs and safety awareness materials that promote a shared understanding of OHS. The provision of personal protective equipment (PPE) also forms an essential part of this approach, with equipment such as ear protection, safety footwear, gas masks, helmets, and protective goggles supplied regularly and monitored through PPE tracking forms.

A key element of Köksan's OHS approach is the regular maintenance and safety inspection of equipment. A specialized team of engineers carries out routine maintenance and testing of machinery, while outcomes are documented through maintenance records. In this way, Köksan helps ensure that employees work with safe and dependable equipment, keeping their health and safety as a top operational priority.

# OHS Trainings and Mentality

Köksan places strong importance on fostering a robust occupational health and safety (OHS) culture by providing regular training to relevant personnel. In addition to the mandatory OHS training delivered to all employees during onboarding in line with regulatory requirements, the company continues to strengthen employee competence through specialized training programs conducted by its expert OHS team.

Over the past year, Köksan has delivered training on fire safety, near-miss awareness, and hazard reporting, assessing employees' knowledge from both practical and theoretical perspectives. By embedding OHS into its workforce and operational practices, the company continues to expand and strengthen its efforts in this area year by year.

In addition to planned training programs, Köksan provides timely toolbox talks to its employees. These sessions are monitored and guided by the OHS team and help employees better understand the occupational health and safety importance of the specific tasks and operations they perform.

Köksan places importance on regularly monitoring the health status of its employees; in this context, periodic health checks are carried out to assess employees' suitability for their roles and to support the early identification of potential health risks. Through this practice, the company aims to protect employee health and support continuity in business processes. In addition, Köksan attaches importance to ensuring that employees work under ergonomic conditions and that their mental well-being is supported. Alongside practices aimed at improving the ergonomic quality of working environments, various awareness and support initiatives are implemented to strengthen employees' mental health and workplace communication.



# Human Rights Approach

Köksan regards social sustainability as a fundamental element of its business approach. The company treats human rights and the basic freedoms of its employees as essential principles and, through its Human Rights Policy, sets out both qualitative and quantitative commitments to employees and stakeholders. The policy presents these commitments under several main themes:

## Full Respect for Human Rights

Köksan expects all employees, suppliers, customers, and business partners to uphold human rights in every interaction. The company maintains zero tolerance for discrimination, ill-treatment, or any form of torture, and is committed to ensuring that everyone is treated with fairness and equality.

## Occupational Health and Safety

Köksan complies with all legal requirements related to occupational health and safety and works to ensure that employees operate in safe working environments. To support continuous improvement, the company regularly reviews and updates its policies and procedures.

## Working Conditions

Ensuring fair and appropriate working conditions is one of Köksan's core commitments. The company safeguards employee rights, aligns working hours with legal requirements, and sets wages above the statutory minimum wage.

## Supply Chain and Partners

Köksan fosters respect for human rights throughout its relationships with suppliers and business partners and expects the same level of commitment from all parties it works with.

## Social Responsibility

Köksan seeks to generate a positive impact on society and considers respect for human rights to be a fundamental part of its social responsibility approach. The company treats any reports of human rights violations with the highest level of seriousness.

## Training and Awareness

Köksan provides training to increase awareness of human rights among its employees and encourages the understanding and implementation of this policy.

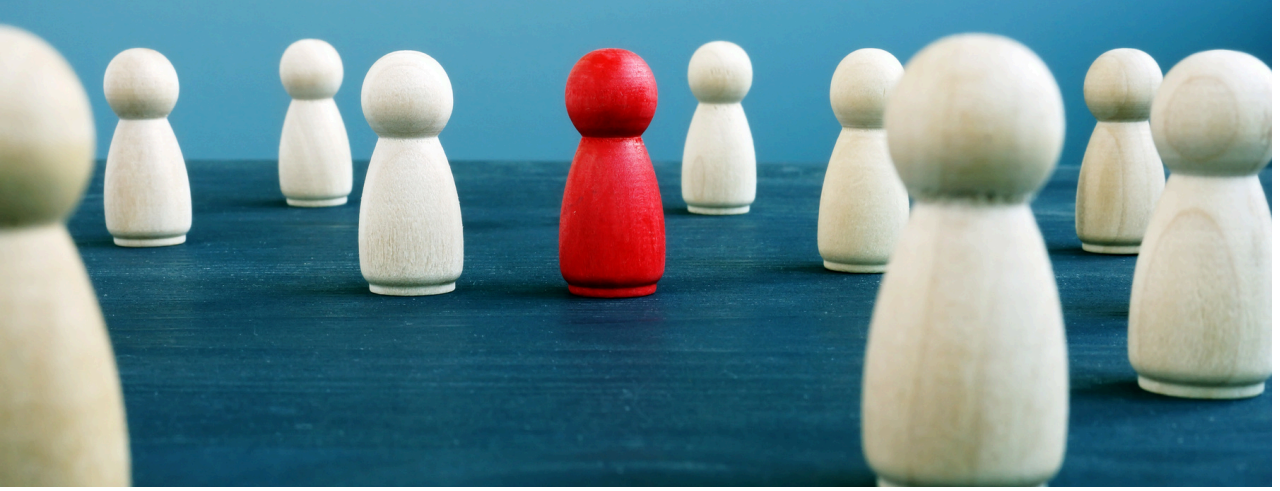
This policy reflects Köksan's unwavering commitment to human rights, with an expectation that all stakeholders adhere to its requirements.

# Employee Engagement

Köksan strengthens its social sustainability approach by aiming to provide favorable working conditions for its employees. In support of this objective, the company offers wages above a fair living standard to help safeguard employee well-being. Köksan is committed to maintaining a workplace free from discrimination, harassment, violence, and forced labor, while also supporting employee satisfaction through benefits such as shopping vouchers and holiday bonuses. Valuing its employees as a key asset, the company has established long-term goals to further reinforce and develop its workforce.

Köksan regards each employee as a valuable talent and places importance on career development and advancement opportunities. Employee performance is evaluated through annual performance reviews, and promotion processes are initiated when deemed appropriate based on managerial assessments.

The company also provides mentoring and coaching programs that allow employees to consult with experts on a regular basis regarding career development and future opportunities. Applied across the organization, this system is regarded as a valuable tool for supporting employee growth.



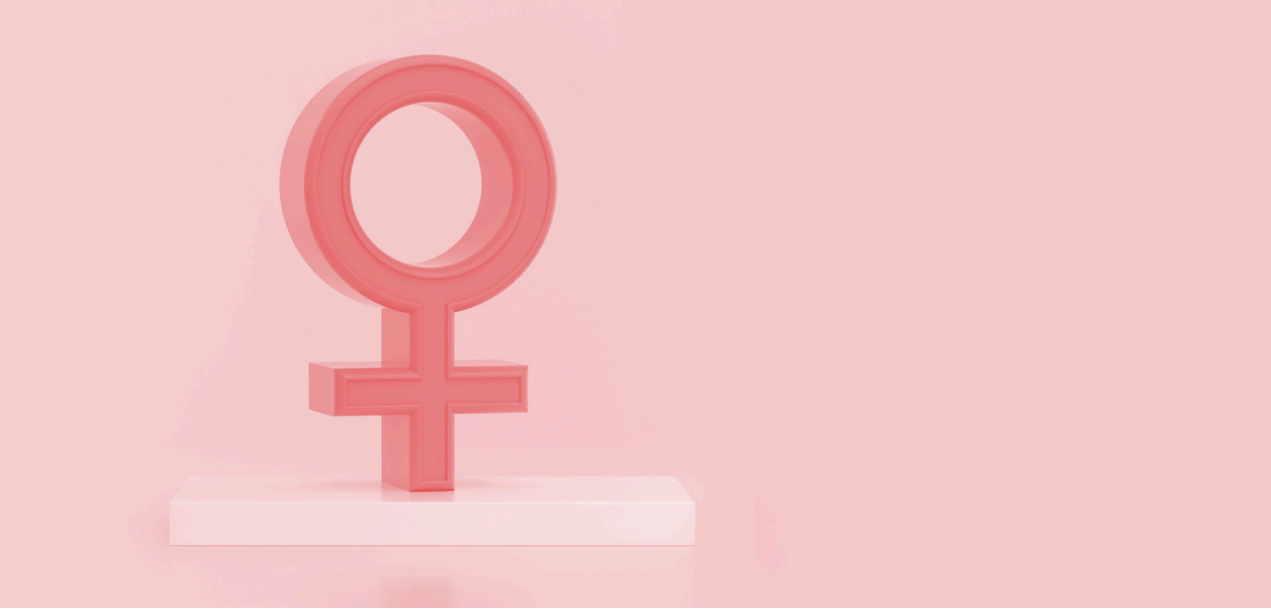
In addition, Köksan operates rotation and cross-mobility systems to enhance employee engagement and satisfaction. Employee input is highly valued, and these systems are implemented when conditions are favorable.

Köksan's recruitment process, conducted under its Recruitment Procedure, is rooted in fairness, equality, and inclusivity. All candidates are treated equally, with no discrimination based on gender, religion, or race. The recruitment process includes transparent communication about compensation and benefits, reflecting Köksan's commitment to equal pay for equal work, regardless of gender.

Furthermore, Köksan is committed to fostering the inclusion of employees with disabilities and acts in line with legal requirements mandating that at least 3% of the workforce consist of individuals with disabilities. In cooperation with relevant institutions, the company seeks to place disabled employees in suitable positions and provides necessary accommodations to help eliminate barriers and support a more inclusive working environment.

# Gender Equality

Köksan actively supports gender equality in line with SDGs 5 and 10 and works to foster an inclusive and supportive working environment for women. Through its Social Compliance training, the company highlights the importance of gender equality and encourages employees to act with gender awareness and sensitivity. Köksan also promotes women's leadership and is committed to increasing female representation in management positions. By continuing its training and awareness-raising efforts, the company aims to make steady progress in this area each year.



## Trainings

Köksan embraces an integrated approach to social sustainability together with its employees, with training serving as a key pillar of this vision. To support employee development, the company offers learning opportunities through both onboarding orientation programs and regular training sessions.

A key element of Köksan's Human Resources procedures is its focus on training, with the company preparing an annual training plan that prioritizes key topics. Employees take part in regular training sessions delivered by expert teams.

In line with labor law requirements, Köksan provides mandatory orientation and occupational health and safety training to its employees. Beyond these programs, the company also enables employees to request additional training in line with their individual development needs. Employees who identify areas for improvement may discuss these needs with their department managers, complete a training request form, and submit it for senior management approval. Köksan adopts a supportive approach toward any training opportunity that contributes to the development of its employees.

# Working Conditions

Through its Social Compliance Procedure, Köksan clearly communicates working conditions, leave rights, and employee benefits to its workforce. This procedure helps ensure that the working environment remains aligned with legal requirements while also defining the responsibilities and expectations of employees.

## Employee Rights and Working Conditions

- Köksan is committed to protecting the legal rights of its employees and ensuring full compliance with applicable national and international labor legislation in matters such as working hours, wages, rest periods, and overtime.
- The company adopts a strict non-discrimination approach and does not tolerate any unequal treatment based on gender, age, race, ethnicity, religion, disability, sexual orientation, or any other personal characteristic.
- Employee health and safety are among Köksan's highest priorities, and the company takes all necessary precautions to maintain a safe and secure working environment.

## Maternity and Parental Leave

- Female employees are entitled to a minimum of 16 weeks of paid maternity leave, covering both pre- and post-birth periods. Additional unpaid maternity leave is also available, in accordance with legal entitlements.
- Male employees are granted 5 days of paid paternity leave to be taken within the first 5 days following the birth of their child.
- Upon returning from maternity leave, female employees are provided with breastfeeding breaks for the legally mandated periods, and flexible working arrangements can be accommodated during this time.
- In cases of adoption, either adoptive parent—mother or father—is entitled to parental leave as stipulated by law.



# Employee Benefits

## Health Insurance

All employees are covered under the general health insurance system, which covers healthcare costs for both the employee and their family members.

## Meals and Transportation

Employees are provided with daily meal allowances. Additionally, transportation support is offered, with shuttle services available on designated routes.

## Training and Development

To support both professional and personal growth, the company regularly organizes training sessions and workshops. Köksan also encourages participation in external training programs, offering financial support for such initiatives.

## Social Activities

To foster teamwork and boost employee morale, the company organizes social events, trips, and team-building activities.

## Flexible Work Arrangements

In an effort to maintain a healthy work-life balance, flexible working hours and remote work options are offered to employees.

This structured approach reflects Köksan's commitment to creating a fair, supportive, and legally compliant work environment.



# Living Wage

Köksan systematically manages the determination, assessment, and improvement of living wages as part of its social sustainability approach, with the aim of supporting employees in meeting their basic needs at a dignified standard of living. The practice covers all full-time employees and, where applicable, contracted or subcontracted personnel working within the employer's area of control. In this framework, living wage is defined not merely in relation to the statutory minimum wage, but as an income level that enables employees and their families to meet basic living standards. The process is supported by a clear division of responsibilities among Human Resources, senior management, and finance functions.

The living wage methodology is structured around the principles of a decent standard of living and a household-based needs approach. It is managed through an inflation-sensitive system that takes into account the 12-month CPI changes published by the Turkish Statistical Institute, household size data, district-based rental data, and a basket of living cost items including rent, utilities, food, transportation, education, healthcare, clothing, social life, and an allowance for unexpected expenses. In this way, the living wage is assessed against a monthly net reference value that reflects current economic conditions.

Köksan does not limit this practice to calculation alone, but reinforces it through annual revisions, wage comparisons, and improvement plans. At the beginning of each year, Human Resources compares employees' total monthly income with the living wage reference and assesses whether any gap exists. Where positions remain below the living wage threshold, actions such as wage increases, strengthened social benefits, or additional bonus mechanisms may be planned. This approach supports the integration of employee well-being into wage management processes while also strengthening traceability through the regular retention of calculation files, comparison reports, management-approved wage scales, and supporting evidence records.

# Personal Development

Köksan approaches employee development as a systematic human resources practice through a career planning framework that covers all employees. The career planning process is structured to support employees in developing their competencies, clarifying their short- and long-term goals, and preparing for different roles within the company. In this context, both specialist and managerial career paths are defined, individual career roadmaps are created for each employee, and these roadmaps are regularly updated through performance evaluations and development discussions. In addition, individual development plans are prepared based on annual performance reviews, while employees' professional growth is supported through internal and external training programs, as well as mentoring and coaching practices.

Köksan's career management approach also includes succession planning to support organizational continuity. Critical positions are identified by Human Resources and senior management, primary and secondary successor candidates are designated for these roles, and tailored development programs are created in line with the candidates' development needs. Job rotation, cross-functional experience, leadership development, and regular feedback mechanisms are among the core components of this process. Career plans and the succession structure are reviewed regularly, reported to managers, and documented by Human Resources. This framework supports the long-term development of employees while also strengthening corporate resilience in terms of talent management and business continuity.

# Key Performance Indicators

Through its Social Compliance Procedure, Köksan formally communicates working conditions, leave entitlements, and employee benefits to its workforce. This procedure ensures that Köksan's working environment complies with legal standards and outlines the expectations placed upon its employees.

Social Sustainability KPI			
Metric	2023 Value	2024 Value	2025 Value
Total working hours (h)	3,510,000*		
Lost days due to work related injuries (day)	385		310
Number of work related accidents	18		59
The ratio of the annual total wage of the highest-paid person to the median annual total wage of all employees.	4.3		
Average training hours per employee	26		0.5
Percentage of women employed (%)	8%		8.7%
Percentage of women in senior management positions (excluding boards of directors) (%)	1%		13.20%
Percentages of women individuals within the organization's board of directors	40%		0%
Salary gap by gender (%)	0%		0%
Percentage of employees from minority and/or vulnerable groups in the entire organization	3% **		1.9%
Percentage of employees from minority and/or vulnerable groups in senior management	0%		0%
Percentage of total workforce receiving career or skill-related training across all locations (%)	45%		80%

## Social Sustainability KPI

Metric	2023 Value	2024 Value	2025 Value
Percentage of total workforce receiving OHS trainings across all locations (%)	100%		100%
Percentage of total workforce receiving diversity, discrimination and harrasment trainings across all locations (%)	45%		100%
Percentage of total workforce receiving performance reviews (%)	100%		80%
Percentage of total workforce receiving environmental (environmental awerness, hazardious and non-hazardious materials and wastes, energy efficency, etc) trainings across all locations (%)	%100		100%
Percentage of all business facilities that have undergone human rights reviews or human rights impact assessments (%)	-		100%
Percentage of the total workforce across all locations covered by officially elected employee representatives (%)			76%
Percentage of all operational facilities that have conducted an employee health and safety risk assessment (%)	-		100%

# KÖKSAN'S CORPORATE RESPONSIBILITY AND ETHICS

Köksan adheres to a strict framework of ethical principles, emphasizing integrity, transparency, accountability, and compliance across all aspects of its operations. Ethical conduct is embedded into the company's organizational structure, decision-making processes, and day to day business practices, supporting responsible growth and long-term stakeholder trust. This approach is designed to ensure alignment with applicable legal requirements and internationally recognized ethical standards.

Key areas of focus include business ethics, anti-corruption and anti-bribery, fair competition, whistleblower protection, data privacy and information security, and corporate risk management.

## Business Ethics

Köksan has established a clear business ethics framework to guide the conduct of employees, managers, suppliers, customers, and other business partners. This framework sets out the principles and expected behaviors required to promote integrity, transparency, accountability, confidentiality, and compliance with applicable laws and internal standards across all operations.

The Business Ethics framework applies to all relevant stakeholders, including employees, customers, suppliers, and subcontractors. Its implementation is overseen by the Ethics Committee, with support from Human Resources and relevant business functions, to ensure consistent application, effective reporting mechanisms, and appropriate corrective action where needed.

## Core Principles

### Integrity

Köksan operates based on honesty, ensuring that relationships with all stakeholders are founded on trust and transparency. Misleading or deceptive practices are strictly prohibited.

### Transparency

The company commits to providing accurate and clear information in all interactions, while safeguarding confidentiality where necessary.

### Fairness and Non-Discrimination

Köksan ensures equal opportunities and fair treatment for all employees and stakeholders, regardless of race, gender, religion, or other protected characteristics. Discrimination in any form is not tolerated.

## Confidentiality

Sensitive information obtained during business activities is protected, with access restricted to authorized personnel only. Any unauthorized disclosure of such information is strictly prohibited.

## Respect for Employees

The company is dedicated to providing a safe, respectful, and productive working environment, ensuring compliance with human rights and labor standards.

## Sustainability

Köksan strives to minimize its environmental impact by adhering to sustainability practices and improving its performance in reducing ecological risks.

## Implementation

Köksan has implemented procedures for reporting violations of its business ethics standards through an independent and confidential Ethics Hotline available to employees and stakeholders. The mechanism enables the reporting of concerns related to corruption, discrimination, anti-competitive practices, information security breaches, conflicts of interest, regulatory violations, and other breaches of the company's ethical principles. Reports may be submitted through phone (0 850 502 07 38), e-mail (isetigi@koksan.com), and web-based channels, including without the obligation to disclose personal identity where permitted.

All reports are processed and stored in accordance with the Personal Data Protection Law (KVKK) and applicable legal requirements. Reports are reviewed only by authorized persons on a need to know basis and, unless explicitly required, are not shared with third parties outside the company. All notifications are assessed through an independent and impartial process, and retaliation against whistleblowers is strictly prohibited.

The Ethics Committee is responsible for evaluating reported cases and determining appropriate corrective actions. Depending on the nature of the case, relevant functions such as Human Resources, Legal, and responsible business units may be involved in the review process. Confirmed violations are subject to disciplinary measures, and corrective and preventive actions are implemented and monitored to prevent recurrence.

## Compliance with Laws and Regulations

All Köksan activities are conducted in full compliance with applicable laws and regulations, including requirements related to business ethics, anti-corruption, competition law, personal data protection, and information security. The company expects all employees and partners to adhere to these standards, ensuring lawful and ethical business practices.

# Anti-Corruption, Anti-Bribery

Köksan applies a zero-tolerance approach to bribery, corruption, and money laundering across all its operations and business relationships. This approach applies to employees, managers, suppliers, contractors, and other business partners, and is implemented in line with applicable legal requirements and the company's ethics and compliance framework.

All forms of bribery, corruption, facilitation payments, and money laundering are strictly prohibited. Köksan promotes the identification, prevention, and reporting of corruption risks, including suspicious transactions, unusual payments, improper gifts or hospitality, and high-risk third-party involvement.



## Gifts and Hospitality

Employees and partners are expected to avoid offering, giving, receiving, or accepting any gifts, hospitality, or other benefits that could improperly influence, or appear to influence, business decisions. Any such practices must comply with the company's internal rules, approval requirements, and ethical standards.

Gifts and hospitality must be reasonable, transparent, infrequent, and aligned with legitimate business purposes. Benefits that may create undue influence, conflicts of interest, or reputational risk are not permitted.

## Whistleblower Protection and Reporting

Köksan provides a confidential whistleblowing system for reporting unethical behavior, including concerns related to bribery, corruption, suspicious payments, improper gifts or hospitality, and other violations of laws or ethical standards. The company ensures that no employee, supplier, or stakeholder faces retaliation for raising concerns and encourages the use of secure reporting channels to help maintain the integrity of Köksan's operations.

## Stakeholder and Supplier Responsibilities

Köksan expects suppliers, contractors, intermediaries, and other business partners to conduct their activities in line with the company's ethical principles and anti-corruption expectations. Third parties are expected to avoid any form of bribery, corruption, facilitation payments, or other improper benefits in their dealings with or on behalf of the company.

Where relevant, Köksan's approach includes integrity focused controls in third-party relationships, including compliance expectations, reporting obligations, and appropriate review mechanisms to support ethical business conduct across the value chain.

## Training and Monitoring

Köksan provides regular training and awareness activities to promote understanding of anti-corruption and anti-bribery principles among relevant employees and business partners. These activities support awareness of prohibited practices, reporting responsibilities, and ethical decision-making in business relationships.

Compliance with the company's anti-corruption expectations is supported through internal controls, reporting mechanisms, and review processes designed to help identify and address potential risks in a timely manner.

# Prevention of Anti-Competitive Practices

Köksan is committed to ensuring fair competition in all markets where it operates. The company strictly prohibits any activities that could distort competition, and conducts its business activities in compliance with relevant competition laws and regulations.

Köksan does not tolerate practices such as price-fixing, market allocation, bid-rigging, or the improper exchange of competitively sensitive information. Employees, suppliers, and business partners are expected to act in accordance with these principles and to support fair, lawful, and responsible competition in all business activities.



## Risk Identification

Potential anti-competitive risks may arise in business activities involving competitors, customers, suppliers, pricing, bidding, and market conduct. Potential anti-competitive behaviors include:

### **Collusion with competitors**

Entering into secret or improper arrangements with competitors to influence prices, allocate customers or markets, restrict output, or otherwise distort competition.

### **Abuse of market dominance**

Using a dominant market position in a way that unfairly restricts competition, limits market access, or disadvantages customers, suppliers, or competitors.

### **Misleading advertising**

Providing false, misleading, or deceptive information that may distort customer decisions or create an unfair competitive advantage.

# Whistleblower Protection

Köksan encourages the reporting of suspected anti-competitive conduct through its confidential reporting channels. Employees and business partners may raise concerns related to competition law violations in line with the company's established whistleblowing and non-retaliation principles.

## Training and Monitoring

Köksan provides regular training and awareness activities to employees and business partners on recognizing and preventing anti-competitive practices. This includes identifying risk areas where practices such as price-fixing, market allocation, bid-rigging, misleading advertising, or other competition law violations may arise, and promoting compliance with applicable competition laws and internal standards.

The company also supports compliance through internal controls, reporting mechanisms, and monitoring activities designed to help identify and address potential competition-related risks in a timely manner.



# Data Privacy and Cybersecurity

Köksan is committed to safeguarding personal and business data through a comprehensive approach that prioritizes both data privacy and cybersecurity. The company ensures full compliance with the Personal Data Protection Law and international data protection standards, maintaining strict security measures to prevent unauthorized access and data breaches.

## Data Privacy and Personal Data Protection Law Compliance

In accordance with Personal Data Protection Law, Köksan processes personal data responsibly, ensuring that all information is collected, stored, and destroyed in line with legal obligations. Personal data, including sensitive information, is handled with the highest level of confidentiality. Access is restricted to authorized personnel, and all stakeholders are bound by confidentiality agreements. Köksan's data protection practices ensure that individuals' rights are respected, and personal data is only used for legitimate business purposes.

## Cybersecurity Measures

Köksan continuously assesses and strengthens its cybersecurity measures based on regular risk evaluations. Key actions include:

### System Monitoring and Incident Response

Continuous monitoring of systems to detect and address vulnerabilities promptly.

### Data Encryption and Secure Access

Encryption and secure access controls are in place to protect sensitive data and prevent unauthorized use.

### Risk-Based Approach

Köksan performs regular cybersecurity risk assessments, identifying potential threats related to mobile devices, networks, and email security. Mitigation strategies, such as implementing access controls and security software, are used to minimize these risks.

# Whistleblower Protection on Information Security

Köksan encourages employees and stakeholders to report any concerns related to data privacy or cybersecurity through its established reporting channels. A whistleblowing system is in place to allow for confidential reporting without fear of retaliation. Any violations or suspicious activities are promptly investigated, and appropriate corrective actions are taken.

## Training and Compliance

Köksan provides regular training on data privacy under Personal Data Protection Law and cybersecurity best practices. Employees, suppliers, and business partners are required to comply with the company's strict standards for handling personal data and securing digital infrastructure. Compliance audits are conducted regularly to ensure adherence to these standards.

## Supplier and Stakeholder Responsibilities

Köksan extends its data privacy and cybersecurity requirements to all external partners, including suppliers. These parties are expected to comply with Köksan's data protection standards and report any security breaches or risks. Regular audits are conducted to ensure that suppliers adhere to Köksan's cybersecurity policies and Personal Data Protection Law compliance.



## Ethics and Compliance KPI

Metric	2023 Value	2024 Value	2025 Value
Percentage of the total workforce trained on business ethics (e.g., through e-learning)	40%		80%
Number of reports related to the whistleblowing procedure			
Number of confirmed incidents of corruption	0		0
Number of confirmed information security incidents	0		1
Percentage of all facilities assessed or audited internally regarding a specific business ethics concerns	100%		100%
Percentage of facilities covered by ISO 27001, ISO 37001, or equivalent information security and anti-corruption certifications	-		100%

# Corporate Risk Management

Köksan employs a comprehensive risk management approach to support sustainability, compliance, and operational resilience. This approach covers financial, operational, environmental, and regulatory risks across its activities and decision-making processes.

## Risk Identification and Mitigation

Regular risk assessments are conducted to identify and evaluate critical risks, such as financial performance, supply chain disruptions, and environmental impacts. High-priority risks are addressed with tailored mitigation plans.



## Control Measures

### Financial Risk

Market fluctuations and financial exposures are managed through budgeting and forecasting.

### Operational Risk

Robust controls, system maintenance, and regular audits prevent operational failures.

### Environmental Compliance

Köksan adheres to environmental regulations, minimizing impacts related to waste and emissions.

### Monitoring and Reporting

Risks are continuously monitored and reported to senior management, with regular updates to risk assessments to reflect changing conditions.

# KÖKSAN SUSTAINABLE SUPPLY CHAIN STRATEGY

Köksan PET and Plastic Packaging Industry and Trade Inc. recognizes sustainable supply chain management as a fundamental part of its long-term business approach. The Company integrates environmental, social and governance considerations into procurement and supplier management practices in order to strengthen supply continuity, manage sustainability-related risks and support responsible growth across its operations.

Köksan evaluates supplier relationships through a broader perspective that goes beyond conventional procurement criteria. Alongside cost, quality and delivery performance, the Company gives importance to environmental practices, labor and human rights conditions, business ethics and regulatory compliance. This approach supports the development of a supply chain structure that is aligned with Köksan's sustainability commitments and continuous improvement objectives.



Köksan communicates its sustainability expectations to suppliers through its Sustainable Supply Chain Policy, Supplier Code of Conduct and relevant contractual provisions. Within this framework, suppliers are expected to comply with applicable legal requirements and to operate in line with responsible business principles in areas such as environmental management, working conditions, human rights, ethical conduct and compliance.

Köksan's sustainable supply chain strategy is based on the following principles:

- Integration of sustainability into supplier management: Sustainability-related criteria are incorporated into supplier-related processes in order to support more responsible and better-informed procurement decisions.
- Environmental responsibility across the supply chain: Köksan encourages suppliers to improve resource efficiency, reduce emissions, manage waste effectively, use chemicals responsibly and consider water stewardship in their operations. Compliance with relevant frameworks, including requirements related to chemical management, is also expected.

- Respect for labor and human rights: Suppliers are expected to provide fair and safe working conditions, respect human rights, prohibit child labor and forced labor, and avoid discrimination in their operations.
- Ethical and transparent business conduct: Köksan promotes integrity, transparency and accountability throughout its supply chain and expects suppliers to act in line with ethical business conduct principles, including anti-corruption and responsible business practices.
- Monitoring and continuous improvement: Köksan supports the regular evaluation of supplier sustainability performance and the progressive strengthening of supplier practices through monitoring, follow-up and improvement-oriented engagement.



## Sustainable Supply Chain with Environmental Perspective

Köksan integrates environmental considerations into its supply chain management approach in order to reduce environmental risks, improve resource efficiency and support responsible procurement practices across its supplier network. Within this framework, the Company expects its suppliers to align with environmental sustainability principles and to contribute to a more resilient and efficient supply chain.

Köksan encourages suppliers to manage their environmental impacts through responsible use of energy, raw materials and water, together with effective waste and chemical management practices. In supplier-related processes, environmental performance is considered as an important component of long-term business continuity and sustainability alignment.

A key expectation within Köksan's supply chain is compliance with applicable environmental legislation and regulatory requirements. In this context, compliance with REACH requirements is regarded as an important element of responsible chemical management. Köksan expects suppliers to handle chemicals safely, reduce related environmental risks and maintain compliance with relevant obligations.

Köksan also values supply chain practices that can support lower logistics-related environmental impacts. Where feasible, collaboration with local suppliers contributes to shorter transport distances and supports efforts to reduce emissions associated with logistics activities. This approach also supports stronger operational efficiency and closer supplier engagement.

# Social Responsibility and Ethical Conduct in the Supply Chain

Köksan attaches strong importance to social sustainability and ethical conduct throughout its supply chain. In supplier relationships, importance is given to working conditions, human rights, fair treatment and responsible business behavior. This approach reflects the view that a sustainable supply chain depends on business partners that operate in line with clear social and ethical standards.

Suppliers are expected to provide fair, safe and respectful working conditions for their employees. Core expectations include compliance with labor legislation, respect for human rights and the prevention of child labor, forced labor, discrimination, harassment and other practices that may lead to adverse social impacts. Safe working environments and responsible employment practices are regarded as fundamental requirements in supplier relationships. These expectations are communicated through the Supplier Code of Conduct and relevant contractual requirements. In this way, labor and human rights principles, ethical behavior and compliance obligations are embedded into the supplier management framework. Social and ethical criteria are therefore treated as part of the overall way supplier relationships are established, maintained and reviewed.

Köksan also gives importance to inclusion, equal opportunity and fair engagement across its supply chain. A more responsible and resilient supplier structure is supported through relationships based on fairness, social responsibility and long-term alignment with sustainability expectations. This perspective strengthens the quality of supplier engagement and supports a more balanced supply chain approach. Ethical conduct is another key part of this framework. Suppliers are expected to act with integrity, transparency and accountability in their business activities and commercial relationships. Avoiding corruption, misconduct and other non-compliant practices is important for protecting trust, reducing risk and maintaining consistency in supply chain performance.

Supplier performance is followed through monitoring and evaluation processes that take social and ethical expectations into account. Where gaps, non-conformities or areas for improvement are identified, corrective action is expected and supplier performance continues to be reviewed in line with Köksan's sustainability requirements. Through this approach, Köksan aims to support continuous improvement while reinforcing responsible standards across its supply chain.



# Supplier Performance and Audit Processes

Köksan follows supplier performance through monitoring and evaluation processes that support its sustainable supply chain approach. Supplier relationships are reviewed against operational and sustainability-related criteria such as quality, delivery performance, compliance, environmental responsibility and alignment with social expectations. This process helps identify performance gaps, track improvement areas and strengthen supplier alignment with Köksan's sustainability requirements.

Supplier assessments are supported through evaluation tools and review mechanisms used to monitor performance over time. These processes contribute to a more structured understanding of supplier strengths, risks and development needs. Where gaps, non-conformities or areas for improvement are identified, follow-up and corrective action are expected in order to support better supplier performance and closer alignment with sustainability expectations.

Köksan also aims to strengthen supplier capability through more structured engagement on sustainability topics. In this context, training and awareness activities on environmental and social issues are planned to support suppliers in understanding expectations more clearly and improving their practices over time. This direction is intended to strengthen supplier awareness and support a more consistent level of sustainability maturity across the supply chain.

Looking ahead, Köksan aims to deepen the integration of sustainability considerations into procurement and supplier management processes. Greater emphasis on supplier sustainability performance is expected to support more informed business decisions and closer alignment between procurement priorities and sustainability objectives. This approach is intended to reinforce continuous improvement and support the development of a more mature and sustainability-oriented supplier structure.

## Strategic Supplier Collaboration in Climate Action

Köksan aims to strengthen collaboration with its suppliers on climate-related topics as part of its broader sustainability approach. This direction reflects the importance of extending climate action beyond direct operations and improving visibility over emissions that arise across the value chain.

A key focus area in this process is Scope 3 emissions, which include indirect emissions linked to supplier activities, purchased goods and upstream processes. Since these emissions can represent a significant share of total carbon impact, supplier engagement plays an important role in building a more complete understanding of supply chain-related climate risks and opportunities.

In this context, Köksan aims to work more closely with suppliers on the monitoring, reporting and gradual improvement of climate-related performance. Greater supplier engagement on emissions-related data and environmental performance can support better decision-making, improve transparency and help identify areas where reduction efforts may be needed over time.

This approach also supports the longer-term integration of climate considerations into supplier relationships and supply chain management. By encouraging closer cooperation on emissions awareness and environmental data, Köksan aims to support a more informed and sustainability-oriented supply chain structure while contributing to its broader climate objectives.

## Sustainable Supply Chain KPI's

Metric	2023 Value (%)	2024 Value (%)	2025 Value (%)
Target Suppliers Signing Sustainable Supplier Codes of Conduct	100	75	90
Target Suppliers with Contracts Containing Environmental and Human Rights Requirements	100	100	100
Target Suppliers Undergoing CSR Assessments	100	100	100
Target Suppliers Subject to On-Site CSR Audits	20	20	20
Employees in the Procurement Department Trained in Sustainable Procurement Practices	100	100	100

**FOR MORE INFORMATION ABOUT THE REPORT,  
YOUR OPINIONS AND SUGGESTIONS;**



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