**KARTONSAN SUSTAINABILITY POLICY**

Sustainability is the foundation of Kartonsan’s Corporate Strategy.

In addition to responsibilities shouldered by its pioneering and precedent role, in consideration of operations and features of product range, Kartonsan places emphasis on sustainability, regarded in the core of its business strategy.

Thanks to its activities circling around in the focus of recycling, Kartonsan contributes, continuously and significantly, to building more sustainable and liveable world.

Kartonsan undertakes to develop and enhance such contribution.

Kartonsan accepts, not only to carry its sustainability performance, by development, into the future, but also to act on enterprises that will be inspiring for and precede economic operators, as its corporate responsibility.

**Objective**

The objective of the Sustainability Policy is to designate the main framework, fundamental principles and priorities of sustainability management in Kartonsan.

In scope of this Policy, Kartonsan undertakes to comply with all sustainability-based legal requirements in force. This Policy is compatible with all policies adopted and announced by the Company, notably Kartonsan Ethical Principles, United Nations Declaration of Human Rights, International Labour Organization (ILO) principles, United Nations Global Compact (UNGC) and Sustainable Development Objectives (SDO).

**Scope**

All studies carried out by Kartonsan in the field of sustainability regard and support the balance between pre-determined social, environmental and corporate governance, and economic aims.

To render the balance continuous, Kartonsan

* envisages its works by taking into consideration the life cycle of products and services,
* focuses on ongoing enhancement and development in the face of its operations.

**Principles**

**Economic Aims**

*In terms of economic centre line, Kartonsan;*

* Its stocks with the symbol KRTN being traded in Istanbul Stock Exchange, Kartonsan pursues strong financial position thanks to reliance on indispensability of economic sustainability.
* Contributes to Turkish economy by means of providing employment, taxes paid, volume of domestic trade and export operations.
* Expenses incurred throughout supply chain, financial opportunities provided on behalf of employees, dividend payments to investors, donations and aids made for the sake of social responsibility, they all define the economic values that Kartonsan generates and shares.

**Social Aims**

*In terms social centre line, Kartonsan;*

* Disacknowledges any behaviours that may lead to breach of human rights. The prior aim of Kartonsan is to promote a culture that pays meticulous regard to human rights, encourages and creating respectful behaviours; and to maintain it.
* Supports the improvement for perception of sustainability throughout value and supply chain, and expects, in this respect, its suppliers to legal requirements in force setting out business life.
* Provides human resources with opportunities for career development and trainings for purposes of contribution to career path and keep their competence up-to-date.
* Values employee engagement, diversity, comprehensiveness and equality of opportunity.
* Aims to attain zero incident level ensuring the Occupational Health and Safety standards at the highest level.
* Cares for product innovation. In proactive cooperation with its customers, aims to development eco-friendly products and satisfy consumers’ expectations.

**Environmental Aims**

*In terms environmental centre line, Kartonsan;*

* By virtue of responsibility burdened by having recycling company role, focuses on continuously ameliorating environmental performance of its raw material supply, production and business activities; and on lessening ecological footprint. Supports the improvement for perception of sustainability throughout value and supply chain, as well as enhancement of waste management, recycling, resources and energy efficiency.
* Shows respect to borders naturally drawn by our planet, carries out activities as an accountable producer. In this regard, Kartonsan is aware of issues relating to climate crisis, exhaustion of scarce natural sources, deforestation, drought and pollution. In cooperation with shareholders, NGOs and regulatory authorities, Kartonsan aims to develop and enhance its contributions made to overcome such global issues.

**Governance Aims**

*In terms corporate governance centre line, Kartonsan;*

* Complies with all legal requirements, regulations and international commitments in force.
* Pays regard to rights owned by shareholders and interested parties, gives importance to public disclosure and transparency.
* Carries out efficient risk management studies in all centre lines concerning sustainability.
* Considers ensuring and developing high product quality and safety as continuous aim.
* For the sake of sustainability, accepts data security as fundamental responsibility and keeps all necessary bases up-to-date.

**Organization and responsibilities**

The Sustainability Committee is responsible for designation of sustainability objectives and aims, and ensuring their compliance with the Company’s commitments throughout value and supply chains.

Annual sustainability objectives and aims, and investments concerning long-term sustainability aims which are of key importance are planned and implemented by Kartonsan Senior Management.

Activities in line with sustainability principles are carried out and followed up by business units.

All employees of the Company are expected to internalize the framework delineated above and contribute to its sound progress.

Kartonsan provides employees with the opportunity to disclose their opinions in respect of realizing such commitments, via defined channels.

Kartonsan expects all cooperated stakeholders to adopt the same principles and converge their activities to sustainability.

**Reporting**

Sustainability key performance indicators and aims are reported periodically to Kartonsan Senior Management. In scope of the framework summarized above, recorded sustainability performance and developments are published in yearly reports and Kartonsan web site, and submitted for stakeholders’ information.

**Review, update and approval of the Policy**

The Sustainability Committee is responsible for updating the Policy.

Kartonsan Senior Management reviews and approves any prospective updates in the policy.