

PAŞABAĞÇE CAM SANAYİİ VE TİCARET A.Ş.
2015 SUSTAINABILITY REPORT





SUSTAINABILITY REPORT 2015

ABOUT THE REPORT

Paşabahçe Cam Sanayi ve Ticaret A.Ş. (hereafter referred to as “Paşabahçe” or the “Company”) presents its stakeholders with its sustainability performance for the period between January 1st and December 31st 2015, in this second Sustainability Report prepared in accordance with “core” option of GRI G4 Sustainability Reporting Guidelines.

The economic data included in the report involve all legal operations of Paşabahçe in Turkey and abroad while environmental and social indicators involve Paşabahçe’s operations in Turkey. Paşabahçe aims to expand the scope of its sustainability reporting to also include its overseas operations in the forthcoming reporting periods.

Stakeholder feedbacks are vital for us in terms of improving both our operations and our reporting process. All views and suggestions received from our stakeholders are closely examined and used to improve our operations.

We invite our stakeholders to forward any opinions about the report, suggestions or complaints to:

Dr. Ali Yüksel Soykut
Development Manager
ysoykut@sisecam.com
+90 850 206 31 97

TABLE OF CONTENTS

	ABOUT THE REPORT	02
	MESSAGE FROM THE CHAIRMAN	04
	MESSAGE FROM GLASSWARE GROUP PRESIDENT	06
	ABOUT PAŞABAHÇE CAM SANAYII A.Ş.	08
11	GOVERNANCE AT PAŞABAHÇE	
	CORPORATE GOVERNANCE	12
	RISK MANAGEMENT AND INTERNAL AUDIT	13
	BUSINESS ETHICS	14
	FIGHT AGAINST CORRUPTION	14
	SUSTAINABILITY MANAGEMENT	15
	STAKEHOLDER ENGAGEMENT	18
21	VALUE CHAIN	
	SUPPLY CHAIN MANAGEMENT	22
	PRODUCT SAFETY AND PRODUCT RESPONSIBILITY	24
	PRODUCT INFORMATION	25
	CUSTOMER SATISFACTION	26
	CUSTOMER DATA PRIVACY	27
	INFORMATION SECURITY	27
	RESEARCH AND TECHNOLOGICAL DEVELOPMENT ACTIVITIES	28
31	WORK LIFE	
	EQUALITY AT WORK AND FAIR WORKING CONDITIONS	32
	EMPLOYEE DEVELOPMENT	33
	EMPLOYEE RIGHTS	35
	EMPLOYEE ENGAGEMENT	36
	OCCUPATIONAL HEALTH AND SAFETY	37
39	ENVIRONMENT	
	ENERGY AND EMISSION MANAGEMENT	42
	EFFICIENT USE OF RESOURCES	45
47	CONTRIBUTION TO COMMUNITY DEVELOPMENT	



PROF. DR. AHMET KORMAN

Chairman

As Şişecam Group, values that we embrace are to create value for all our stakeholders with sensitivity towards individuals and environment, to shape future with products and services that makes life easier and to share the wealth we create.

Message from The Chairman

Esteemed Stakeholders,

Sharing with you our second Sustainability Report that we prepared as an important indicator of our understanding of transparency and accountability, I am glad to inform you that we are also publishing the Sustainability Reports of Şişecam Glass Packaging, Şişecam Flat Glass, and Soda Sanayii A.Ş. within the body of Şişecam Chemicals simultaneously with this report, where the consolidated performance of all the companies incorporated within the body of Şişecam Group for the year 2015 is presented, and that all the reports were prepared in accordance with the internationally recognized Sustainability Reporting Guidelines (GRI G4) of the Global Reporting Initiative.

Shaping the responsible growth strategy of our Group, one of the oldest and largest institutions created by the Republic of Turkey, and constituting an important part of our business strategies, "sustainability" is one of the primary elements supporting our resolved progress towards the objective of becoming one of the top three in the global glass industry. Our enhanced performance in the issues of environmental protection, operational efficiency, and constant improvement, which we rigorously emphasize in all the activities we carry out while assertively and consistently advancing towards our objective, alongside our financial success render our power in the competitive environment sustainable.

As a global company, Şişecam continues to consolidate its position in the sectors which it operates in.

Despite the atmosphere of business life and markets which are dominated by uncertainty and inconsistency in 2015, Şişecam Group, one of the leading global players of the market, was minimally affected by all the negativities thanks to strategic foresights, precautions, and flexible management structure.

In 2015, 4.2 million tons of glass was produced in our Group, our consolidated net sales income was TRY 7.4 billion, when 51% of our turnover consisted of international sales. 2.2 million tons of soda and 3.6 million tons of industrial raw material was produced; a 16% increase was achieved in soda sales revenues in TRY as against the previous year. The increase in our profitability levels, accompanying our rising capacity usage rates in line with TRY 1.1 billion of investment expenditure realized in 2015, was also maintained in 2015 and our consolidated EBITDA margin was at the level of 24%, increasing by 4 points as against the previous year.

Energy saving projects have an important place among our efforts to manage costs effectively.

The efficient use of energy, which is one of the most significant inputs in our field of operation, is one of the prioritized issues of our Group within the scope of our objective regarding the effective management of our costs in order to ensure the sustainability of our operations. The achievements we have gained in result of the importance we attribute to energy efficiency activities also contribute to the issue of combating climate change, which is the common responsibility of the business world. Our operations are carried out with the awareness of the responsibility we bear in this issue. In this regard, our total energy consumption was reduced by 4.7% as against the previous reporting period, a total of 7.7 million kWh of electricity and 3.3 million Sm³ of natural gas savings was achieved and the emission of 10,000 tCO₂ was prevented through energy saving projects.

One of the most significant elements of our global competitiveness is the advancements we achieve regarding Research and Technological Development.

In order to meet increasing and changing customer expectations, while actualizing environmentally friendly, highly competitive, innovative products, our research and technological development activities were maintained without slowing down, in 2015. Conducted in every stage of production processes from raw material to final product, our R&TD activities aim production of new products with advanced technology, besides developing investment plans regarding cost-reducing innovations and efficiency increasing products and enhancing our competitive power. One of the significant rewards for all our investments and the projects conducted was the designation of our Science and Technology Center as the “Best R&D Center” in the fields of “Glass and Glass Products” and “Cooperation and Interaction” from amongst 201 centers by the Turkish Ministry of Science, Industry and Technology.

The importance we attribute to contributing to community development is reflected by the projects we actualize in the areas of environment, education, culture, and sports.

Started in 2011 with reference to glass being the most sustainable packaging material, the “Glass and Glass Again” project, one of the most comprehensive sustainability and social responsibility projects of Turkey, is being continued. As part of the project, to this day 203 thousand primary school students were provided with training about glass recycling, around 13 thousand glass banks were donated within the context of collaborations with district municipalities, preventing dumping of over 2 billion glass bottles to trash. Great progress was achieved in relation to our objective of

using cullet as raw material, which provides major saving in energy consumption, the rate of cullet use, which was 8% in 2011, was increased to 19% in 2015.

Within the scope of the “Kazanlı Sea Turtles Project” maintained since 2007, the nesting areas of endangered “Caretta Caretta” and “Chelonia Mydas” turtles are being protected. It is intended to inform the local community regarding the issue through awareness raising activities and to benefit the sociocultural and socioeconomic life in the region through ecotourism that may be generated by the presence of endangered sea turtles.

Bearing the responsibility of keeping our cultural heritage in the area of glass alive, alongside its responsibilities in relation to the industrial race we are part of, Şişecam realizes significant activities in this field with Serçe Harbor Glass Wreck Documentary, Antique Glass Works Collection and its History-Culture-Glass themed product portfolio.

Serving young athletes and aspiring athletes in the branches of sailing, rowing, and canoeing and raising national athletes, Şişecam Çayırova Sports Club continues to be our source of pride with the successes achieved by its athletes.

Our productive and talented workforce is one of the most significant determinants of our outstanding achievements and global competitive power.

Şişecam Group pursues its businesses with the objective of incorporating and retaining the innovative manpower who learns together and creates value on a global scale, for sustainable success. Ensuring the continuity of a workplace where our employees can work safely and comfortably is among our priorities. In this regard, besides improving our human resources management,

various practices that we actualized for generalizing and consolidating Occupational Health and Safety awareness are still continued.

Our sustainability approach perpetuates the value we generate.

The activities we conduct with a corporate approach and within a strategic plan as Şişecam Group will continue in full course with the objectives of achieving operational excellence by using our knowledge accumulation and resources most efficiently, and consolidating our position in the sector.

I extend my gratitude and regards to all our stakeholders who have a share in carrying the value we generate as a global company to its current level and reaching the levels we aim for in global competition.

Sincerely,

Prof. Dr. Ahmet Kirman
Chairman



CEMİL TOKEL
Glassware Group President

Message from Glassware Group President

Esteemed Stakeholders,

I am glad to present you our second Sustainability Report, containing an overview of our performance in 2015 and prepared in accordance with Global Reporting Initiative GRI G4 Sustainability Reporting Guidelines.

2015 was a year when economic stagnation was prevalent around the world, international trade and growth figures exhibited a negative progress. In this global environment, whereby growth was limited and regional problems weakened consumer demand, the regression observed in glassware demand for the last few years persisted. In Turkey, the impact of political uncertainties was reflected on the market and consumers were observed to behave cautiously. In 2015, when the intense competitive environment continued and the market tended to shrink, the primary objective of glassware producers was to preserve their share in their main market. While big players continued optimizing their business processes, they carried on to develop strategies aimed at growth in emerging markets.

Şişecam, parent company of the glassware group, preserved its leading position in the market by balancing the tough and competitive conditions in the global markets in 2015 with advanced technological investments providing cost reduction and efficiency increase; we continued to create value added for Turkey with a sustainable business model. During the year, we made investments aimed at ensuring technological developments in production lines and increasing the

share of high value added decorated products and increased our net sales.

As all Şişecam Group companies, we strive to become a responsible corporate entity and act with the responsibility towards today and future, which is brought by our heritage and reputation. We constantly improve our business processes and performance in order to achieve sustainable growth; in all its economic, social, and environmental perspective.

As we operate in an energy intensive industry, we focus on reducing our energy consumption by specifically emphasizing on productivity activities that are important for our group. We develop systematic policies and processes to measure, monitor, and improve our energy management performance.

Several projects are implemented in waste and water management areas in order to reduce our environmental impact. We follow global trends for effective water management, and conduct recovery and optimization studies. Within the scope of waste management, we produce effective solutions with regard to the recycling of glass.

Safety and welfare of our employees are among our top priorities. Accordingly, we comply with the Occupational Health and Safety Policy of Şişecam Group, and adopt a systematic approach in relation to occupational health and safety in all our facilities. We conduct improvement studies aimed at achieving our “No

Accident” commitment and target. We believe in raising awareness regarding occupational health and safety to reduce occupational accident rate and constitute a safer working environment. With this understanding, we organized occupational health and safety trainings for our employees and business partners during the period.

Various practices are conducted to support the development of the competencies of our employees, who are the cornerstones of our success. We equip our employees with the necessary professional and personal competencies through the Sales and Marketing, Supply Chain Management, Glass and Leadership training programs carried out within the body of Şişecam Academy.

Paşabahçe continues investing in technology in order to diversify its innovative, high quality, and wide range of glassware products. We work to offer new and unique products to the market at the highest quality with the studies we carry out and the support of Şişecam Research Center. Besides all development projects carried out in 2015, we produced snow effect and colored products for borosilicate glass and we provide gas saving on glass melting process with the energy obtained from waste heat in our factory in Bulgaria.

Contributing to the development of the society in which we operate is an important component of our sustainability understanding. We continued to carry out projects in the areas of education, health, and environment and activities to advance glass mastership in 2015.

We maintain our marketing communication studies to create a more sustainable brand image. Paşabahçe, as the third biggest glassware production company in the world, created Nude as the answer to Şişecam Group’s question “Why not a Turkish design brand?”. Nude made its world premiere at the Maison & Objet in Paris in 2014 followed by a number of international trade shows. Then it showed up at international fairs in Frankfurt and Milan and got all the credits. The winner of “Les Découvertes” award in September 2015 which is given to the admirable innovation at Maison & Objet Fair in Paris, then DESIGN PLUS with Mist Collection, iF Design Award with Roots Collection and Red Dot Award with Malt Collection, Nude designs all its collections with “Simple is Beautiful” philosophy.

We will continue to create sustainable value for our stakeholders and our country, and work to further improve our sustainability management. I thank our stakeholders for their support on the path to success and their major contribution in achieving our goals.

Kind Regards,



Cemil Tokel
Glassware Group President

As all Şişecam Group companies, we strive to become a responsible corporate entity and act with the responsibility towards today and future, which is brought by our heritage and reputation. We constantly improve our business processes and performance in order to achieve sustainable growth; in all its economic, social, and environmental perspective.

ABOUT PAŞABAHÇE

Paşabahçe Cam Sanayii ve Ticaret A.Ş. (“Paşabahçe”) represents Şişecam Group in the field of glassware. The first company to be established by Şişecam Group in 1935, Paşabahçe ranks 3rd in the world and 2nd in Europe in its segment, as the largest household glassware producer of Turkey with its strong structure of distribution chain, wide product range, production skills exemplary in its field, and customer oriented strategic approach.



Paşabahçe, the principal company of Glassware Group, continues its glassware production operations at Kırklareli, Mersin, Eskişehir and Denizli plants in Turkey, and in Bulgaria and the Russian Federation abroad. Paşabahçe Mağazaları A.Ş., the leading establishment of our country in the field of tableware and kitchenware chain store retailing with its wide range of product, and Camiş Ambalaj Sanayi A.Ş., one of the prominent companies of Turkey in the field of paper-cardboard packaging, and Denizli Cam Sanayi ve Tic. A.Ş. are other important companies incorporated within the body of the Group.

Paşabahçe, which carries out production, design and marketing operations aimed at three different segments, namely household, catering and industrial, aims to enhance its activity and the brand power of Paşabahçe in new geographies with a high market potential by means of its wide product range and production skill, thereby becoming a globally acknowledged and preferred leading glassware company with its products adding value to life.

Şişecam Group Mission

“To be a company that adds value to life with its high quality products offering comfort and respects people, nature, and the law.”

Paşabahçe Vision

“To be a fast growing global flat glass company with its strong brands and innovative solutions.”

PRODUCTION FACILITIES OF PAŞABAHÇE

Production Facilities in Turkey	Production Facilities Abroad	Brands
Paşabahçe Cam San. ve Tic. A.Ş. Kırklareli Plant-Kırklareli Mersin Plant-Mersin Eskişehir Plant-Eskişehir	Paşabahçe Glass Bulgaria EAD- Bulgaria	Paşabahçe Borcam
Denizli Cam San. Ve Tic. A.Ş.-Denizli	OOO Posuda-Russia	NUDE
Camiş Ambalaj Sanayii A.Ş. Tuzla Plant-İstanbul Eskişehir Plant-Eskişehir		Lara
Paşabahçe Mağazaları A.Ş. (45 retail stores)		Paşabahçe Stores

ŞİŞECAM VALUES



WE DERIVE STRENGTH FROM OUR TRADITIONS AND SUPPORT ONE ANOTHER

- We shall initiate changes that would create a successful future based on strength from our experience and knowledge.
- We shall enhance our reputation through our sustainability commitments and results-oriented approach.
- We shall maintain our legacy and tradition, and it shall be our duty to pass these onto the future generations.



WE THRIVE AND DEVELOP ONE ANOTHER

- We shall encourage each other to constantly develop our skills.
- We shall continuously be open to changes that would bring us closer to our vision; and we shall make efforts to develop and improve each other with the help of our stakeholders.
- We shall consider creativity and innovation as a means of development, and inspiration.



WE EXHIBIT A FAIR AND TRANSPARENT MANAGEMENT APPROACH

- We shall treat all of our stakeholders equally, and we shall pursue win-win strategies that benefit both our stakeholders and our business.
- We shall measure the performance with the same scales, and make the performance evaluations in a fair manner.
- We shall act consistently toward our stakeholders; and we shall not give promises we cannot keep.



WE CARE FOR OUR ENVIRONMENT

- We shall commit to our business to achieve the growth and profitability expectations of our shareholders and business partners.
- We shall be customer-focused; we shall quickly respond to suggestions and complaints of our customers, and improve the quality of products and services.
- We shall closely monitor technologies and make appropriate investments as part of our responsibility to the environment and nature; we shall also promote awareness on these issues.



WE RESPECT DIFFERENCES

- We shall hire employees from different countries and different cultures; we know that this diversity shall add value to our business.
- We shall freely express our different opinions.
- We shall allow different job categories to work as a team, to learn from each other, and to develop each other in order to sustain our shared values.

GENERATED ECONOMIC VALUE



42.1 million
USD of Investment



5,321
Employees

NET SALES REVENUES* (TRY MILLION)



TAX PAYMENTS* (TRY MILLION)



* These figures represent the total for Paşabahçe and Camiş Ambalaj.

CORPORATE MEMBERSHIPS

Adana Chamber of Commerce

Ankara Chamber of Commerce

Cardboard Packing Manufacturers Association

Central Anatolian Exporters Union

Corrugated Cardboard Manufacturers Association

Eastern Anatolian Exporters' Association

Eskişehir Chamber of Commerce

Eskişehir Chamber of Industry

European Container Glass Federation Household Glassware Committee

European Domestic Glass Association (EDG)

Gebze Chamber of Commerce

Gebze Chamber of Industry

International Chamber of Commerce (ICC)

International Crystal Federation (ICF)

İstanbul Chamber of Commerce

İstanbul Chamber of Industry

İstanbul Exporters' Association

İstanbul Minerals and Metals Exporters Association

İTO Chamber of Glassworkers

İzmir Chamber of Commerce

İzmir Chamber of Industry

Kırklareli Chamber of Commerce

Lüleburgaz Chamber of Commerce and Industry

Mersin Chamber of Commerce and Industry

Technical Association of the Pulp and Paper Industry (TAPPI)

Trabzon Chamber of Commerce

Turkish Chain Stores Association

Turkish Foundation for Quality Eskişehir Branch

Turkish Glassware Association

Turkish Personnel Management Association

Turkish Union of Chambers and Commodities



Turquality

The Paşabahçe brand has been included within the scope of Turquality since 2008. Turquality is an incentive program whereby 50% of international promotion, publicity, advertisement (magazine, billboard, etc.), expo costs, market research, international units' warehouse rental costs, store rental costs, decoration expenses, SAP software maintenance expenses, advisory services, international certification, and similar expenses are reimbursed by the government. As of 2013, we have entered the second five-year support period.



GOVERNANCE AT PAŞABAĞÇE



At Paşabahçe, a corporation of Şişecam, our strong corporate management practices are reinforced with modern systems, our sustainability approach is supported with management practices, our processes are actively managed with our practices within the context of risk management. All our operations are conducted in light of our Code of Conduct, the expectations of our stakeholders are collected through various communication channels and included in our decision making processes. In this way, we constantly observe the economic, social and environmental sustainability of our operations and strive to enhance our performance.



You can access detailed information regarding the Board of Directors in the Investor Relations section on our corporate website.

CORPORATE GOVERNANCE

Transparency and accountability based management is among the most significant values adopted and implemented by our company, that define our business manner. At Paşabahçe, a corporation of Şişecam, developing and sustaining our activities within the framework of the core principles of abiding by the laws and regulations regarding honesty, transparency, fairness, and confidentiality is included among our immutable objectives.

The Board of Directors at Paşabahçe, which was formed in conformity with the Corporate Governance Principles, is composed of nine members. The board of directors appropriately maintains the balance of risk, growth, and revenue, primarily looks after the long-termed interests of the company, and manages and represents the company with these principles. The majority of the members of the Board of Directors are non-executive members. The General Manager participates in the Board of Directors as Executive Member. The Board of Directors includes 2 independent members in compliance with the criteria of independency prescribed by the Capital Markets Board Corporate Governance Principles. Corporate Governance Committee, Audit Committee and Committee for Early Detection of Risks operate within the Board of Directors in order to fulfill the duties and responsibilities of the Board.

At Paşabahçe, a corporation of Şişecam, developing and sustaining our activities within the framework of the core principles of abiding by the laws and regulations regarding honesty, transparency, fairness, and confidentiality is included among our immutable objectives.



RISK MANAGEMENT AND INTERNAL AUDIT

At Paşabahçe, a corporation of Şişecam, risk management and internal audit activities are conducted by Şişecam. At Şişecam Group, risk management and internal audit activities are structured under the Parent Company. The activities are conducted under the Parent Company Board of Directors in coordination with CEOs managing the core operational areas of the Group; while the results of the regular and planned meetings held by the “Committee for the Early Determination of Risk”, “Audit Committee”, and “Corporate Governance Committee”, structured within our publicly traded companies are reported to the Boards of Directors in accordance with regulations. The meeting agendas of the “Committee for the Early Determination of Risk” that was established in this regard involve matters relating to the early determination and management of internal and external risks that might endanger corporate operations and the revision of risk management systems in minimum.

At Şişecam Group, preparedness against situation that might interrupt operations, minimization of the losses of customers, employees, suppliers, and other stakeholders, and protection of the tangible and intangible assets and reputation of the Group, as well as the environment are among fundamental priorities. Policies and procedures formed in line with the mentioned principles, aimed at maintaining the continuity of business processes in cases that might interrupt operations have been announced across the Group.

At Şişecam Group, risk management activities are pursued based on corporate risk management principles and approached from a holistic and proactive perspective. In 2015, the Group intensively focused on enhancing the efficiency of its risk management processes, making human resource and technology investments, in order to both more effectively manage the uncertainties created by global developments, and extend the risk assurance it provides for its stakeholders

in the challenging domestic and international competition environments emerging in consequence of said developments. In this regard, the risk management function, which has been centrally managed for many years, was revised to also focus on micro and local risks; the technological support for actualizing this focusing was provided within the framework of the integrated risk management platform named “MicroScope”; hereby the infrastructure for ensuring the connection of the 44 production facilities located in 13 countries with the Headquarters was set up.

The purpose of the internal auditing activities maintained in our Group for many years is to support the healthy development of the Group companies and the achievement of unity and coalescence in practice, while ensuring that operations are conducted in compliance with internal and external regulations and that corrective measures are implemented in a timely manner. In line with the stated purpose, audit works are conducted on an ongoing basis within the bodies of Group companies operating domestically and abroad.

Internal audit activities are carried out in accordance with the periodic audit programs approved by the Board of Directors. Audit programs are formed by making use of results obtained from risk management activities, in other words “risk-based audit” practices are implemented.

At Şişecam Group, risk management activities are pursued based on corporate risk management principles and approached from a holistic and proactive perspective.

BUSINESS ETHICS

As a Şişecam company, Paşabahçe maintains its operations in compliance with Şişecam Code of Conduct. The Code of Conduct, which was implemented in 2010 and updated in 2013, is one of the main indicators of Şişecam's responsible business manners. Setting the framework for responsibilities and practices within the Group, within the context of the main principles of honesty, transparency, impartiality, confidentiality, and compliance with laws and regulations, Şişecam Group Code of Conduct is characterized as a guideline directing the relations of all Group employees with customers, suppliers, shareholders, and other stakeholders. In 2014, an "Ethics Board" was established with the purpose of ensuring the compliance of the Group operations with the Code of Conduct, evaluating practices inconsistent with the Code of Conduct, generalizing the culture of ethics across the Group, and enhancing the level of awareness and consciousness in this regard. The Ethics Board works under the Corporate Management Committee.



You can access detailed information regarding the Code of Conduct under the corporate governance tab of the investor relations section of corporate website of Şişecam.

Responsibilities of the senior management, managers, and all employees in relation to the effective implementation of the code across the Group have been determined within the scope of Şişecam Group Code of Conduct. The Code of Conduct also sets forth principles regarding the use of the Group resources and information, conflicts of interest, and relations with other organizations. As part of the Code of Conduct, it is explained in detail that the implementation of Group regulations, procedures, and instructions, as well as the Code of Conduct is essential and the sanctions to be imposed in cases of disorderly conduct are clearly stated.

The corporate governance practices of the company are structured to allow for all stakeholders, primarily employees, to convey their concerns regarding processes that are legally or ethically inappropriate to the management. Employees can communicate processes that are against the legislation and ethically inappropriate to the Audit Committee and the Internal Audit Unit. An ethics report line was formed for stakeholders to convey processes deemed to be conflicting with laws or the company's ethical values to the Audit Committee. Related complaints can also be emailed to etik@siseecam.com.

FIGHT AGAINST CORRUPTION

Paşabahçe, as a Şişecam Group company, adopts the principles of Şişecam Group regarding anti-bribery and corruption. The "Anti-Bribery and Corruption" aims at clearly and transparently presenting the commitments of Şişecam Group in fight against bribery and corruption and its position on this subject, as well as protecting the corporate image. This policy, which is an integral part of the Group's Code of Conduct, is intended to provide the necessary information for the prevention of bribery and corruption in all Group operations and to determine responsibilities and rules in this subject.



You can access detailed information regarding our Anti-Bribery and Corruption Policy under the Corporate Governance tab of the Investor Relations section on the corporate website of Şişecam.

SUSTAINABILITY MANAGEMENT

At Paşabahçe, our sustainability approach is based on generating value added for financial continuity, reducing our environmental impact, and creating lasting values for our stakeholders.

In order to develop efficient and effective decision making capabilities in line with the vision and strategies of Şişecam Group and to govern the long-established structure of our Group more efficiently in the competitive landscape of our day, some adjustments were made in the organizational structure of the Group in 2015. In this direction, the scope of the Sustainability Directorate was extended in light of the long-term strategies of the Group and the Corporate Development and Sustainability Department was constituted to embody the sustainability function.

In 2015, Şişecam Sustainability Committee was established to manage our sustainability approach with a holistic understanding. The committee consists of the Chief Corporate Development and Sustainability Officer, Production Vice-Presidents of Businesses, Sustainability Director, Human Resources Director, Corporate Communication Director, Industrial Relations Director and Innovation Manager. The workgroups within the scope of the committee are responsible for conducting activities related to the subjects of Environment, Energy, Occupational Health and Safety, Innovation and Social Responsibility.



During the reporting period, a workshop was organized with the participation of Sustainability Working Group in order to review our sustainability priorities, i.e. material aspects. In the workshop, developments in the fields in which we operate and the results of the relevant benchmarking studies as well as the feedbacks forwarded to us by our stakeholders were evaluated and our material aspects were redetermined.

At Paşabahçe our sustainability approach is based on generating value added for financial continuity, reducing our environmental impact, and creating lasting values for our stakeholders.

MATERIAL SUSTAINABILITY ISSUES

Work Life

- Fair Working Conditions*
- Employee Rights* - Employee Engagement* - Equality at Work
- Occupational Health and Safety*
- Talent Management*



Value Chain

- R&D*
- Customer Satisfaction*
- Marketing Communication*
- Working Conditions at Supply Chain
- Environmental Management at Supply Chain - Product Information*
- Product Variety - Product Safety and Responsibility*
- Increasing Generated Economic Value* - Local Procurement
- Innovative Products*



Environment

- Waste Management
- Environmentally Friendly Products
- Emission Management* - Energy Management* - Combating Climate Change
- Efficient Use of Resources* - Water Management*



Governance

- Industry Collaborations - Business Ethics* - Business Continuity*
- Risk Management* - Legal Compliance* - Fight against Corruption



Community Development

- Contribution to Community Development



The aspects marked with asterisk () are material within and outside of (throughout various stages of business chain) our organization, while the other aspects are only material within our organization.

SUSTAINABILITY TARGETS

Paşabahçe strives to constantly further its performance in relation to sustainability priority targets and projects and practices developed to achieve these. In this regard, key performance indicators are formed, international sustainability standards are closely followed, and works aimed at full compliance are implemented. Besides, stakeholder expectations regarding issues included in the Group sustainability agenda are taken into consideration in an effort to create a common value together with stakeholders.

Our Strategic Targets	Our Achievements in 2015	Our Targets for 2016
Realize Profitable Growth	Projects were developed to increase sales revenues from branded products (Nude).	Improvements in systematic reporting and providing training on international trade
Strengthen HORECA Channel	Strategies and roadmaps relating to the catering sector were identified with the Catering Growth Project.	Carrying out the Catering Growth Project
Grow in Branded and Value Added Products	SKU (Stock Keeping Unit) Optimization project for templates and Nude projects in relation to Nude distribution network were conducted.	Structuring distribution in new regions as part of the Nude project and launching the global online e-commerce website
Increase Operational Efficiency	A project to build a system on the basis of sales organization was started.	Conducting works for AEO status (Authorized Economic Operator) and ISO 27001
Enhance Customer Satisfaction and Engagement	The call center was engaged as part of the CRM project. Permission-based marketing and call center software integrations were completed.	Building system infrastructure, collecting and segmentation of customer data within the context of the CRM project Building the technical infrastructure for the Loyalty Program
Optimize Supply Chain Process	Subprojects and main projects were conducted as part the Integrated Business Plan Transformation Project.	Creating conceptual designs in the second phase of the Integrated Business Plan Transformation Project

STAKEHOLDER ENGAGEMENT

We regularly offer our performance regarding the sustainability priorities we determine to the views of our stakeholders through our sustainability report. The feedbacks we receive of are among the most important tools we rely on to further improve our performance. We maintain our dialogue with our stakeholders on different platforms and at varying frequencies as required by the communication type. In addition to these, all our stakeholders can communicate us through the phone numbers and email addresses that can be found on corporate websites.

In consideration of our mutual interactions, our prioritized stakeholder groups are employees, suppliers, customers, and public institutions.



KEY STAKEHOLDER GROUPS AND ENGAGEMENT PLATFORMS

INTERNAL STAKEHOLDERS

Stakeholder Group	Engagement Platforms	Frequency of Stakeholder Engagement	Evaluation of Engagement in the Reporting Period
Employees	<ul style="list-style-type: none"> Employee Satisfaction Survey Suggestion and Idea Platforms Employee Interviews Announcements by email Seniority Incentive Award Recognition and Reward System 	Varies depending on the type of engagement	The most important asset of Paşabahçe is its employees. Paşabahçe is a leading company in its industry with regards to training and supporting its human resource.
Top Management	<ul style="list-style-type: none"> Executive Board Meetings Email communication 	Varies depending on the type of engagement	All relevant departments (Quality, Environmental and Technical Standards, HR, Finance, etc.) regularly met with senior management in the reporting period regarding various sustainability opportunities and issues.
Shareholders, Analysts and Investors	<ul style="list-style-type: none"> General Assembly Meetings Meetings with analysts and investors Phone calls/teleconferences and email communication with investors Periodically published informative reports (e.g. Annual Reports, CDP reports, earning and interim reports) Social media Investor feedbacks 	Varies depending on the type of engagement	The Company, who is in constant communication with its shareholders and investors, fulfilled all requirements of legal regulations during the reporting period.

KEY STAKEHOLDER GROUPS AND ENGAGEMENT PLATFORMS

EXTERNAL STAKEHOLDERS

Stakeholder Group	Engagement Platforms	Frequency of Stakeholder Engagement	Evaluation of Engagement in the Reporting Period
Customers	The main channels of customer engagement consist of customer satisfaction surveys, trade shows, social media, sector-based and general meetings and conferences, Paşabahçe Mağazaları, new product introduction and promotion activities, and feedbacks received by phone and email. Activities and communications within the scope of social responsibility projects are also opportunities for engagement. Examples for Engagement Platforms: Customer Care Line musterihizmetleri@pasabahce.com - www.pasabahce.com.tr - www.sisecam.com - www.nudeglass.com	Continuous interaction by email, social media and phone Casual meetings held as needed	Paşabahçe is in constant communication with its customers as part of its business activities. There are several channels for customers to provide feedback regarding the environmental and social performance of the Company. One of these channels is the Customer Care Line. Through this line, Paşabahçe assesses its customers' problems and implements improvements to serve them better.
Public Authorities / Regulatory Institutions	<ul style="list-style-type: none"> Regular reporting Meetings, forums and conferences Press releases One-on-one meetings 	Continuous within the general course of regular business (e.g. communication by email, phone, or in person) or as required specifically	Paşabahçe greatly emphasizes full compliance with laws and regulations in all its activities.
Suppliers	<ul style="list-style-type: none"> Daily workflow Meetings Email communication 	Continuous within the general course of regular business (e.g. by email) or as required specifically	In addition to the environmental impacts generated directly by its operations, Paşabahçe also assesses and addresses the environmental impacts of its suppliers. Besides these targets, Paşabahçe also includes certain requirements in supplier contracts.
Non-governmental Organizations	<ul style="list-style-type: none"> Strategic collaborations Institutions Regular Meetings 	At least once a month	Nongovernmental organizations are supported through joint projects conducted in social, economic and environmental issues.
Media	<ul style="list-style-type: none"> Press conferences Press releases Interviews 	At least once a month	Paşabahçe maintains regular communication with national and international media in order to raise relevant awareness.
Community	<ul style="list-style-type: none"> Media 	Varies depending on the type of initiative	Paşabahçe announces all of its activities through the media.

The expectations of our stakeholders regarding our major sustainability priorities for the year 2015, the reporting period, are as follows:

CRITICAL CONCERN	STAKEHOLDER GROUP RAISING THE CONCERN	INFORMATION SOURCE REGARDING THE ACTION TAKEN
To report on our environmental impacts and performance	Customers, employees, investors	Annual monitoring reports are prepared regarding environmental and social issues for our facilities in Turkey and abroad for IFC and EBRD.
To report on emissions generated by all our production facilities	Customers, NGOs, investors	Şişecam has been reporting to CDP Investor program since 2011, and CDP Supply Chain program since 2012. In 2015, we became one of the best among Turkish companies at CDP, with a Disclosure Score of 91% and a Performance Score in the Level C band. The operations of Paşabahçe in Turkey and Bulgaria are included in the Şişecam CDP report.
To enhance employee motivation	Employees	Practices for increasing employee motivation are stated in “Work Life” chapter of the Sustainability Report.
To have a Social Compliance System involving written policies, procedures, communications, and training and monitoring; To analyze the compliance of our plants with social, safety, and technical standards	Customers	Our own Social Compliance Management System, including written policies, procedures, communication, training and monitoring was established in 2015. Social Compliance Management System cross internal checks and “Social Compliance Audits” conducted on behalf of our customers by third party audit institutions are performed at our plants, which are members of the Supplier Ethical Data Exchange (SEDEX) and the Business Social Compliance Initiative (BSCI).
To report on our human rights performance, good business practices, sustainable purchasing and environmental impact	Customers	Studies conducted regarding this issue are stated in “Work Life” and “Environment” chapters of the Sustainability Report.



VALUE
CHAIN



At Paşabahçe, a tremendous effort is made to enhance the value we generate for our relevant stakeholder groups in all our operational processes. Starting with raw material supply, the feedbacks of our stakeholders are actively collected in all the stages of our value chain and improved products and services are actualized by constantly evaluating our performance in this regard through the practices implemented. By generalizing this understanding across our value chain, the value we generate together with our stakeholders is enhanced.

SUPPLY CHAIN MANAGEMENT

As Paşabahçe, we regard our sustainability understanding and the adoption the values we share as a Group by our suppliers as principles that will improve both our Group and our supply chain. In this regard, our suppliers are expected to conform to our Code of Conduct. The social, economic, and environmental performance of our suppliers is supervised in light of our sustainability approach by means of the audits we conduct and they are expected to carry this performance further.

At Şişecam Group, supply chain projects are centrally managed. The purpose of supply chain projects is to increase financial transparency and traceability. Supply Chain Cockpit System allows for analyzing the supply chain costs of Şişecam Group companies and for the integrated management of corporate resource planning. The Supply Chain supervisors of all companies apply their SCOR (Supply Chain Operations Reference) based performance metrics on the Cockpit Platform. Thanks to this work, besides the advantage of reducing costs, communication within the Group is enhanced and logistics savings are achieved through centralization.

As Paşabahçe, we aim to contribute to the local economy with our procurement expenditures. For this reason, local suppliers are preferred with priority among suppliers meeting the required norms for supply operations.

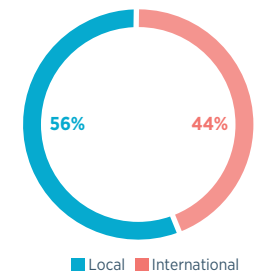
Paşabahçe procures raw material, packaging, byproduct, complementary product, machine, spare parts and services for glass production from many suppliers domestically and abroad. 95% of raw material purchases and 55% of packaging purchases are realized from Group companies. Of the purchasing activities outside Group companies, 59% are realized from local suppliers. Internationally, 308 suppliers are cooperated with mostly in China and Europe. Services were purchased from 94 suppliers in 2015. A total of 3,076 suppliers were cooperated with for the materials and services procured in 2015.

In the reporting period, Paşabahçe made domestic and international purchases worth a total of 875 million TL. The total number of purchasing files generated in 2015 is 97,962, local supply accounts for 56% of purchasing operations on the basis of files.

We work for the reduction of environmental impacts generated by the companies in our supply chain, as well as those generated by our own operations. In accordance, we organize environmental trainings in order to raise awareness among supplier company employees regarding environmental issues, we monitor the environmental performance of our suppliers. We determine areas open to improvement through periodical environmental audits aimed at supplier companies, and we implement rehabilitative action plans.

Starting with raw material supply, the feedbacks of our stakeholders are actively collected in all the stages of our value chain and improved products and services are actualized by constantly evaluating our performance in this regard through the practices implemented.

PURCHASING OPERATIONS BY SOURCE (%)





Standardization and Efficiency in Palette Use

In 2015, the palettes measuring 110x110 cm used at plants were replaced with palettes at European standards measuring 80x120 cm. In this way, it was aimed to ensure standardization and make more efficient use of capacity by preventing extra labor in transportation, short shipments, and volume loss in vehicles. Subsequent to the standardization of palettes, works about external product packaging were conducted in order to be able to make proper use of the palette area and to form strong palettes ensuring efficiency in transportation and warehouses. As part of the project, in result of the study conducted for 603 products in the bestselling and standard A groups, total palette fill rate was increased from 83% to 89%. Whereas for 220 products whose palette arrangements were altered, the palette fill rate was increased from 75% to 91%.

Local Procurement of Fuming Gas

The fuming process gas, which had been supplied from abroad for long years, was started to be supplied from domestic companies as of the reporting period. With the local procurement of fuming gas, primarily production losses incurred due to delays in delivery were prevented. Also, the amount of emission generated by logistics activities were decreased and savings were achieved in purchasing costs by realizing local procurement.

We conduct several projects in order to increase efficiency in the supply chain. Thanks to these practices, we both ensure the optimization of resources and reduce environmental impacts generated by supply processes.

EFFICIENCY PROJECTS IN THE SUPPLY CHAIN

We conduct several projects in order to increase efficiency in the supply chain. Thanks to these practices, we both ensure the optimization of resources and reduce environmental impacts generated by supply processes.

Integrated Business Planning Project

The Integrated Business Planning Project was started in 2014 with the purpose of ensuring operational efficiency in all business processes. As part of the project maintained in 2015, tables were prepared to monitor key performance indicators in the supply chain, the list of materials to be kept in stock was determined and order management processes design works were conducted. With the completion of the Integrated Business Planning Project in 2017, it is expected to ensure more effective use of production capacity, stock level optimization and more effective use of workforce through processes with novel designs.

Project for the Use of Rental Palettes

The rental palette use project was implemented instead of purchasing palettes in our group companies, plant warehouses, and domestic wholesale-catering channels. Thanks to the rental palette system recycling, resource use was minimized and wood consumption was reduced by 71% in comparison with the bartered white palette system. Since the pooling system of the rental palette is based on the principle of common use of the palette pool by companies, significant savings are also achieved in the distance covered by vehicles for activities such as palette collection and distribution, thereby also preventing a certain amount of emission production. In this way, the release of 460 tons of CO₂ is prevented which is equivalent to CO₂ produced by 102 family a year. Also, 414 m³ of timber waste is prevented which is equal to the amount of cargo that can be carried in by 23 trucks of 18m³.

PRODUCT SAFETY AND PRODUCT RESPONSIBILITY

We support and generalize the use of glass, the healthiest product, through glassware and kitchenware. We produce all Paşabahçe products in compliance with both national and international health and safety standards.

As Paşabahçe, in order to ensure the highest degree of safety in household and professional kitchens, we significantly invest in fully tempered glass and rim tempered glass products, which have a large share in all product groups. Besides, our employees working at Şişecam's Science and Technology Center and our engineers at production facilities carry continuous studies aiming to improve the resistance of glass to thermal and physical conditions.

As per Paşabahçe procedures, the majority of our products require safe use standards and are reviewed within the company. In products for children, in line with the requirements of EN71-3:1994 and EN14350-2 standards, lead and cadmium free dye is used, while organic print technique is used in decorated products to eliminate adverse impacts on the environment and human health. Paşabahçe Quality Directorate publishes Implementation Notes as a guideline for plants and related units.

In order to protect customer health and ensure customer safety, we evaluate the feedbacks and complaints received from customers in the aftersales process in our SAP CRM system and answer them within the shortest time.

All products produced within Paşabahçe are labeled in compliance with legal regulations, product packages include symbols, warnings and barcodes as per 1935/20014/EC and 2023/2006/EC regulations. We implement practices beyond legal requirements regarding labeling. In this regard, all product packages

include the company name, address, contact information, "product tracking" number in order to be able to call back the product, hygiene information, kitchen symbols, symbols directing the user about the product's resistance to hot and cold contact, and information about the use of accessories.

As Paşabahçe, we aim for high quality, large variety of product and accessory portfolio, answering specific demands of customers, and diversity of quality standards to be complied with. At Paşabahçe, quality organization is directed by Paşabahçe Quality Directorate. Operations are carried out in compliance with our Quality Policy at all our plants and our Headquarters. Quality Management Systems implemented in our plants are TS-EN-ISO 9001 certified by the Turkish Standards Institute.

In 2015, there were no fines for noncompliance with laws and regulations regarding product use conditions.



Management Systems

	ISO 9001	ISO 14001	ISO 50001	ISO 18001	ISO 22001	BRC	ISO 12647
Paşabahçe Cam San. Tic. A.Ş. Kırklareli Plant	✓	✓	✓	✓			
Paşabahçe Cam San. Tic. A.Ş. Mersin Plant	✓	✓	✓	✓	✓		
Paşabahçe Cam San. Tic. A.Ş. Eskişehir Plant	✓	✓	✓	✓	✓		
Denizli Cam San. Tic. A.Ş.	✓	✓		✓			
Camiş Ambalaj San. A.Ş. Eskişehir Plant	✓	✓	✓	✓			
Camiş Ambalaj San. A.Ş. Tuzla Plant	✓	✓	✓	✓		✓	✓

•ISO 9001: Quality Management System •ISO 14001: Environmental Management System •ISO 50001: Energy Management System •OHSAS 18001: Occupational Health and Safety Management System •ISO 22001: Food Safety Management System BRC: Global Standard For Food Safety Issue •ISO 27001: Information Security Management System •ISO 12647: Graphic Technology Process Control Standard

PRODUCT INFORMATION

Magazines, social media, and other digital channels have an important position among our product information works. In the reporting period, social media accounts were gathered under the Paşabahçe brand and tailored in accordance with brand identity, and a communication schedule was prepared for each platform. Besides, we also carried out collaborations with design blogs and e-bulletin delivery works for our Nude brand. Digital marketing activities, which are becoming more and more important in our day, were increasingly continued in 2015. The building of Nude e-commerce website, which is expected to be engaged in 2016, was started.

The emphasis put on international expositions for the catering and retail sectors was maintained in 2015; in this regard, a total of 12 international expositions were attended with Paşabahçe and Nude brands. In addition to the expositions, the brands were promoted through 13 different organizations realized during the year, which appeared on the press. In parallel with the target of increasing sales in the catering sector, Turkey's leading kitchen and wine academies were cooperated with through Paşabahçe and Nude brands, a total of 26 different sponsorships, including sponsorships for conferences aimed at the end user and event sponsorships, were undertaken and brand visibility was enhanced in this context. Paşabahçe was deemed worthy of the "Turkey's Super Brand Award" by Superbrands Turkey in 2015.

In 2015, in-store brand communication and commercial marketing activities were focused on within the context of commercial marketing activities carried out in domestic and international sales channels. In this regard, works were maintained with the objective of becoming the category leader in shelf display, directing the increase of profitable sales, and enhancing the customer's interest during purchasing consideration.



Design Awards for Paşabahçe

Our Nude brand was considered worthy of "Les Découvertes" award endowed to noteworthy, promising innovations at the Maison&Objet Expo organized in Paris. This award, given to the most striking innovations of the expo by a jury composed of distinguished design bloggers and web editors, was rewarded to Nude for its simple, elegant, and innovative designs this year.

Camiş Ambalaj won both the Golden Award and the Golden Package Award, which is the special prize of the selection committee, at the Packaging Star and Crescents Competition organized by Packaging Industrialists' Association in 2015, with its Efes Xtra Bottle Package with Carrying Handle.



CUSTOMER SATISFACTION

We aim to provide high quality products and services to our customers through continuous improvement projects and advanced process control tools. In this regard, we exhibit a proactive working method where customer satisfaction is prioritized from product design to delivery, through the agency of qualified Paşabahçe employees.

Except the national/local chain stores and department stores where we make direct sales, Paşabahçe distribution network is mostly composed of our major authorized dealers and distributors. When developing our new products and collections, we take into account the bidirectional feedbacks obtained from the very start of the process. We determine the needs of the market by maintaining constant communication with customers and we shape the production process in this direction.

Şişecam provides IT infrastructure and implementation support in order to ensure that group companies interact with their customers through email, mobile media, social media and web platforms and to model and actualize Customer Relations Management (CRM) to be able to consistently manage customer lifecycle and manage, record, measure, and improve the benefits generated by the process. In 2015, Paşabahçe Mağazaları CRM Project was completed and data obtained from the stores and multiple communication channels were started to be collected and analyzed.

At Paşabahçe, there are channels for our customers to convey their remarks, suggestions, and dissatisfactions. We examine customer feedbacks in a fair and objective

manner. We manage customer demands and complaints within Paşabahçe SAP CRM Customer Complaints System and we carry out corrective and preventive actions by analyzing the generated complaint data.

Paşabahçe representatives working at the Customer Care Call Center, which was engaged in 2015 and is managed jointly with Paşabahçe Mağazaları A.Ş., respond to questions, suggestions, and complaints conveyed by mail or phone, in line with the training they received from Paşabahçe teams and they share these with relevant units when necessary. We monitor the quality of customer care activities through monthly KPI and evaluation reports and constantly improve it.

Another channel through which we can establish direct contact with the end user is the social media accounts that have become increasingly important in the last years. We collect the questions posed through these accounts, answer them and share them with the communication department. In cases that might constitute a risk for our stakeholders or require a complex analysis, we take action in accordance with the directions of Şişecam Corporate Communication Directorate.

There are Quality Control Centers implementing product tests and conducting quality development studies in our production sites, to improve our products beyond customer demands and expectations. We also carry out joint product quality enhancement projects with Şişecam Science and Technology Center.

Paşabahçe Social Compliance Management System

Paşabahçe established

“Paşabahçe Social Compliance Management System” in 2015 in order to guarantee the conformity of social and physical working



conditions with national and international laws, adopting the “people first” philosophy with the awareness of the significance of employee motivation for ensuring high quality products and services. In this process, “Paşabahçe Social Compliance Pledge” was shared with our customers and trainings were provided to our employees. The effectiveness of the system is controlled through cross checks with the participation of central units at the factories, and the results are reported to the senior management. In addition to social compliance management system internal audits, “Social Compliance Audits” are conducted in our factories by third party audit companies on behalf of our customers. The Business Social Compliance Initiative (BSCI) and Sedex Members Ethical Trade Audit (SMETA 4-PILLAR) reports of our factories are shared with our customers following these audits.

CUSTOMER DATA PRIVACY

In our day, with the increasing density of information stored in a virtual environment, user awareness regarding information security is of critical importance. Trainings are organized aimed at raising awareness among our employees about the protection of the confidentiality of our customers. Besides, common confidentiality and information storage issues are guaranteed in contracts made with customers.

Corporate Identity Project



As one of the most established companies in Turkey, Şişecam has a significant brand value with its strength, reliability, experience, respectability, and magnitude. In 2015, the “Corporate Identity” project was conducted in order to restructure the corporate identity strategy of our Group and the Group brand architecture. Within the scope of the Group brand strategy, our business lines, where we make a difference with the Şişecam identity globally, were named and branded as Şişecam Flat Glass, Şişecam Glass Packaging, and Şişecam Chemicals. Whereas Paşabahçe, one of the strongest brands of our country as end user brand, will continue representing Şişecam in the business line of glassware and identifying itself with Şişecam through the inscription “A Şişecam Company” in all its communication. The new corporate identity standards were adopted as of September 1st 2015.

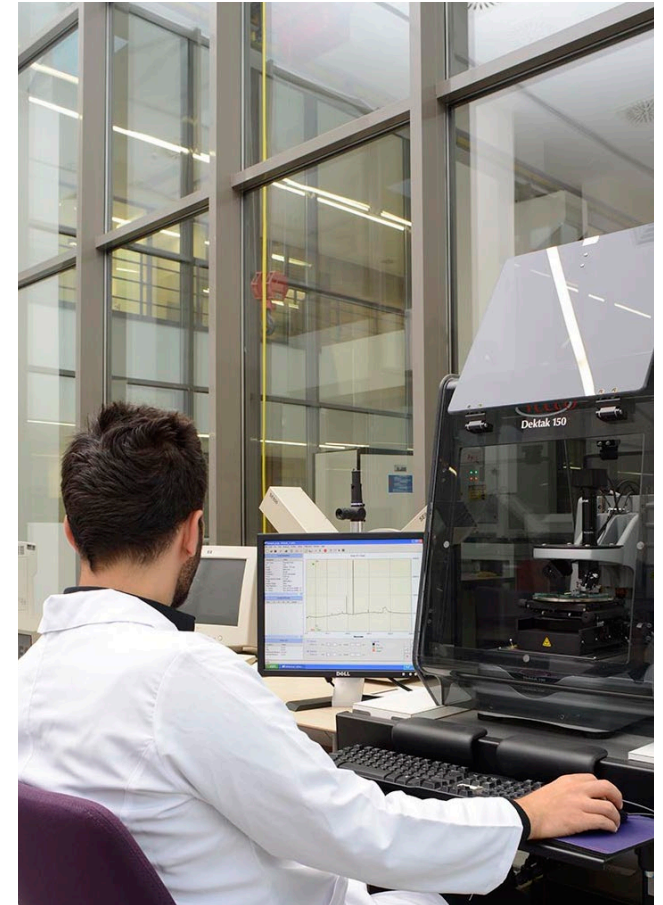
INFORMATION SECURITY

The integration studies we started with the objectives of preserving the reliability of the Paşabahçe, a corporation of Şişecam and the image of the position it represents, reducing information security risks through risk assessment and risk reduction activities concerning information assets, ensuring the confidentiality, integrity and accessibility of information assets, enhancing Şişecam Group employees’ level of awareness and consciousness regarding information security, protecting physical and electronic information assets that affect the operations of the Group, and improving our current systems devoted to the continuity of all our business operations with minimum interruption were planned in two distinct phases .

First phase studies will be finished by March 2016 and certifications will be completed by August. Second phase studies are expected to be completed by 2016 yearend.

Some examples of advantages achieved with the Implementation of the Information Security Management System:

- Paper and toner wastage was prevented and printer lifetimes were prolonged by encrypting the printers.
- Electricity savings were achieved through the mandatory use of screen savers.
- Unauthorized accesses were prevented by ensuring the use of strong passwords.



RESEARCH AND TECHNOLOGICAL DEVELOPMENT ACTIVITIES

We develop our own technology with the contributions of our plants, our Development Department, and Şişecam Research and Technological Development Directorate (R&TD). We conduct joint projects with technology companies and universities domestically and abroad in order to introduce novel and unique products to the markets at the highest quality.

Within the scope of R&TD studies in 2015, the first graying and colored production in borosilicate glass was realized at Paşabahçe Kırklareli Plant. Also at Paşabahçe Kırklareli Plant, the project conducted for the automatic production of wine glasses at handmade quality was completed. Besides, technological R&TD works aimed at applying “metallic coating” on borosilicate glass and at “red-colored production” are continuing. We aim to introduce unique products to the market for individual and corporate customers through the “Insert Glass” technique, which allows for different applications on glass product bases with an innovative approach.

Within the scope of new smelting technologies, works for the project aiming to achieve 20% energy savings by feeding raw material into glass furnaces with a different method and trial productions for the coloring of borosilicate glass through the fore-hearth were completed; the process for patenting the new hybrid fore-hearth design on behalf of Şişecam Group was started.

Bulgaria B Furnace Life+EcoHeat Ox project, which was first invested in 2014 and is supported by the EU Environment Fund, was engaged in 2015. The energy recovered from waste heat through the project ensures 9% of natural gas savings in the B furnace smelting process. We continuously carry out project development works regarding new techniques that will ensure energy efficiency increase in the compressed air, pump and fan systems which have the most important share in electricity consumption. A new project that will ensure significant savings with regards to pumps was developed in 2015, for which we plan to actualize the first implementation at Paşabahçe Kırklareli Plant in 2016.



We conduct joint projects with technology companies and universities domestically and abroad in order to introduce novel and unique products to the markets at the highest quality.



INNOVATIVE PRODUCTS

We offer a wide range of product variety to our customers and we constantly add new products to our portfolio with our innovative works. We continued activities for improving the product portfolio with high value added new decorated products during the year 2015. We have improved our decoration technology with afterglow and thermochromic dyes; gold, copper, and silver effect dyes, and dyes changing color according to viewpoint (COSMO), through projects jointly conducted with R&TD.

Afterglow: The innovative study that provides a phosphorous effect on the glass surface is being developed by Şişecam Science and Technology Center. As part of the application, which ensures indefinite phosphorous effect in purple lighted environments, special pigments are added in the organic dye. The glass products where the application will be used are put on market in accordance with sectoral demands.

Thermochromic dyed products: The study for dyes changing color with the impact of the heat/cold of the drink inside is implemented through licensed projects, providing added value for products.

Borcam in Color: For the first time in the market, an oven-resistant paint coating was applied on the borosilicate glass ovenware. The paint that was used is also resistant to 250oC, scratches due to regular usage and dishwasher-safe.

Storemax: Differently from other single component lidded storage boxes, a double component lidded, durable, liquid and air tight storage box was developed. Storemax lids are “bicomponent” products manufactured by combining two distinct materials with distinct physical characteristics through advanced technology. While the hard polypropylene material used in the upper part of the lid gives it its durability, stackability and transparency; the soft thermoplastic elastomer material composing the parts of the lid that are locked in ensures comfortable use and “lifelong opening-closing guarantee”.

We offer a wide range of product variety to our customers and we constantly add new products to our portfolio with our innovative works.



QUALITY POLICY

As a globally acknowledged and preferred Glassware Manufacturer meeting the demands and expectations of our customers in full with our products that add value to life;

- Within the scope of our Quality Management System based on constant improvement; we endeavor to achieve operational perfection through our lean and flexible processes, by evaluating risks and opportunities.
- We support creativity and innovation in order to lead in design and innovation.
- We aim to adopt a customer-oriented approach as our corporate culture by enhancing employee engagement and ensuring their participation.
- We create competitive advantage through our wide product portfolio, knowledge accumulation and production experience.
- We continuously improve the effectiveness of our system to the benefit of our customers, stakeholders and employees.
- We contribute to the image and economy of our country by competing in international markets.
- As a company fulfilling its legal obligations and respecting the environment, we adopt sustainable growth as a way of life.

GLASSWARE GROUP PRESIDENT



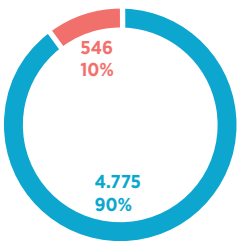


WORK
LIFE



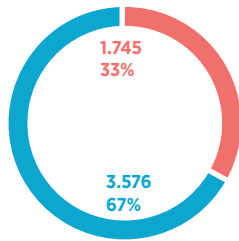
As Paşabahçe, knowing that our employees are among the primary determinants of the success we achieve, we constantly strive to offer them a working environment where they will be more productive, competent, and satisfied. In this regard, our employees are provided with training and development opportunities enhancing their individual competences, their ideas are evaluated through effective communication channels, and they are involved in decision making processes. We create working environments where our employees can work healthily and safely through our occupational health and safety practices.

EMPLOYEE BREAKDOWN BY GENDER



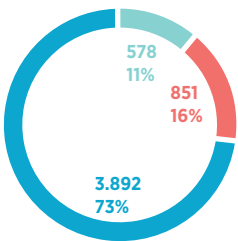
■ FEMALE
■ MALE

EMPLOYEE BREAKDOWN BY CATEGORY



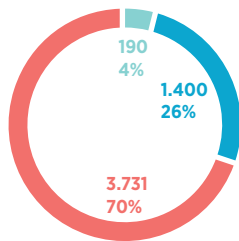
■ WHITE COLLAR
■ BLUE COLLAR

EMPLOYEE BREAKDOWN BY EDUCATION LEVEL



■ HIGH SCHOOL AND BELOW
■ ASSOCIATE
■ BACHELOR'S AND HIGHER

EMPLOYEE BREAKDOWN BY AGE GROUP



■ UNDER 30
■ BETWEEN 30-50
■ OVER 50

EQUALITY AT WORK AND FAIR WORKING CONDITIONS

Şişecam's principle of "Exhibiting a fair and transparent management approach" emphasizes the commitment to offer equal opportunities. At Paşabahçe, a corporation of Şişecam, employees are provided with equal opportunities starting with recruitment in all processes, such as career development and training. Age, gender, religion, ethnic origin, or other personal traits are not determining elements in our Human Resources processes. All employees are paid equal wage and provided with equal benefits given that they perform equal work, without any discrimination between male and female employees.

We support women's employment in business life and the involvement of women employees in the management. In the reporting period, we have increased the number of female employees among our workforce by 6.4% as against the previous year and reached a total of 546 female employees. Besides, the share of women executives among all our executives is 34%.

In order to encourage women's employment, we ensure that our female employees return to work following their parental leaves. We comply with all legal regulations regarding parental leave. In this way, in 2015, 95% of female employees taking their parental leaves returned to work following their leave.

Providing our employees with a fair working environment is among our primary objectives. An objective and systematic approach is shown in all human resources processes and practices, the performance of our employees is measured under equal conditions and evaluated fairly.

At Paşabahçe, a corporation of Şişecam, employees are provided with equal opportunities starting with recruitment in all processes, such as career development and training.

EMPLOYEE DEVELOPMENT

Our priority is to incorporate, develop, and retain the best talents, as well as ensure that employees reach their full potential and sustain high performance and continuous development. We implement regular performance evaluations, career planning, and training practices in order to assist our employees with the development of their personal and professional competences.

We conduct the Performance Management System, which was prepared with a view to generalizing a success-oriented performance culture, supporting the transformation of individual success into corporate success and ensuring corporate preparedness, in relation with the vision, mission, and strategies of Şişecam Group. Within the context of the Career Development Module, which is part of the Performance Management System, annual career meetings are organized regularly in order to assess needs. Development plans devoted to individual needs are prepared in line with the data acquired through the Performance Management System. In this way, the needs of the organization and of employees are planned in advance, offering employees an opportunity to advance their career. A regular performance and career development evaluation is realized for all white-collar employees and employees are provided with performance feedbacks. In the reporting period, all our white-collar employees have received performance feedbacks.

The common objective of our training programs is to equip employees with the necessary competences and professional skills for realizing the strategic targets of the corporation. In the reporting period, 36,381 Paşabahçe employees were provided with 93,561.37 person*hour of training.

Şişecam Academy

The objective of Şişecam Academy, where all the trainings in Şişecam Group are organized through several schools, is to equip our employees with the competences and skills necessary for Şişecam Group

to achieve its strategic targets. In 2015, training and development activities across the Group were restructured under the name Şişecam Academy. Within the body of Şişecam Academy, Sales and Marketing School, Supply Chain Management School, Glass School, and Leadership School programs were constituted. Within the framework of the program, in which Paşabahçe also takes part, it is aimed to contribute to corporate objectives, to develop human resource competences, and to reinforce corporate image and employee engagement.

Glass School

Glass School Project was actualized in order to increase the qualified human resource in the field of glass, which is the core business of Şişecam Group. Glass Science and Technology for Engineers, Glass Breakage Analysis trainings and Glass Workshops were realized in cooperation with Research and Technology Development Directorate (R&TD).

Sales and Marketing School

Sales School was designed to raise salespeople with sales competences in line with Şişecam Global Leadership Model, in order to generalize sales culture throughout the Group.

Supply Chain Management School

Supply Chain Operations Reference (SCOR) Model trainings started for the integrated management of supply chain processes were also continued in 2015.

Leadership School

The Leadership School project actualized in 2015 aims at developing the leadership competences of Şişecam Group managerial staff. Training activities prepared specifically for the Group are realized through “Şişecam Global Leadership Model”. As part of the program, inventory applications, class trainings, one-on-one coaching meetings are organized.

TRAININGS	2015
NUMBER OF PARTICIPANTS	36,381
BY CATEGORY	
<i>BLUE COLLAR</i>	35,037
<i>WHITE COLLAR</i>	1,344
BY GENDER	
<i>FEMALE</i>	457
<i>MALE</i>	35,924
TOTAL TRAINING HOURS (PERSON*HOUR)	93,561
BY CATEGORY	
<i>BLUE COLLAR</i>	73,634
<i>WHITE COLLAR</i>	19,928
BY GENDER	
<i>FEMALE</i>	6,335
<i>MALE</i>	87,226

Our priority is to incorporate, develop, and retain the best talents, as well as ensure that employees reach their full potential and sustain high performance and continuous development.



2014

Number of participants

39,030

Training hours

122,814

person*hour



2015

Number of participants

36,381

Training hours

93,561

person*hour



Global Leadership Model

Global Leadership Model is a competence model aimed at raising and developing the leaders of the future. In 2015, Global Leadership Model was redesigned as “ATLAS” and a common leadership strategy was formed for Şişecam Group.

SuccessFactors Training Management System

The in-class trainings of white-collar employees are planned and shared through the SuccessFactors system. Our employees track and schedule their training calendars during the year through this program.

e-Learning Programs

In 2015, several training tools were developed for the generalization of participatory e-learning practices that take training and development activities beyond in-class practices. Many training programs, such as Personal Information Security Training, OHS, Şişecam Ethics Training, were offered to our employees on e-learning platforms.

Orientation Project

In 2015, an orientation e-module and e-book for employees were prepared in order to ensure that recently recruited employees at Şişecam Group adapt to their new positions more easily by closely acquainting themselves with our corporate culture, field of activity, organizational structure and practices.

Employer Brand

Şişecam employees organize events, such as case studies, interview trials, coffee-break conversations with managers, on college campuses every year in order to enhance brand image. Students are evaluated by managers as part of case studies and those deemed successful are provided with internship opportunities. Interview trials aim for students to gain experience with one-on-one or group interviews. Within the context of coffee-break conversations, students have an opportunity to meet with managers and learn about their career journeys.

Long-Term Internship Programs

The long-term internship program enables successful students to stay in as interns for a long period. In this way, interns joining the team are trained about corporate culture and evaluated by their managers with regard to their performance.



EMPLOYEE RIGHTS

At Paşabahçe, we believe that success depends on our employees who are our most valuable asset. In this scope, we aim to attract the most talented employees and provide them with a fulfilling working environment by supporting the culture of innovation. In this regard, we offer our employees various vested benefits such as training allowance, success allowance, and premiums, besides annual leave, marriage leave, birth and paternity leave.

The wage levels of employees are determined across Şişecam Group. With regard to wage raises, wage ranges are determined according to the average level based on information obtained from market researches conducted by consulting companies.

Flexible Benefits Program

Employees are offered health insurance and social assistance opportunities and the Individual Pension System is implemented. As of the beginning of 2015, Flexible Benefits Program is being implemented.

Flexible choices allow Paşabahçe employees to choose one of the vested benefits packages offered by Şişecam. Our flexible vested benefits package includes different health and life insurance choices for employees and their families.

Recognition, Appreciation and Rewarding System

As part of Şişecam Employee Appreciation and Rewarding System, the individual or team behaviors, efforts, and successes of our employees that help the corporation achieve its objectives are rewarded. In this way, employee engagement and motivation are enhanced. In 2015, 140 employees were rewarded within the scope of the instant rewarding system.

Rewards are conferred in three different categories:

Stars Parade: Our works that improve Şişecam business processes and provide suggestions for increasing productivity and added value for Şişecam brand are rewarded in this category.

Occupational Health and Safety: Şişecam companies are rewarded in the category of occupational health and safety in accordance with their accident frequency and severity rates. The best practice example in occupational health and safety is also rewarded in this category.

Special Prize: In this category, employees or institutions are rewarded for creating positive working relations and contributing to the development of a constructive working environment.

Employee Commitment

Employee commitment is a meticulously monitored indicator within the Şişecam Group. We regard the talents, motivation, and engagement of our employees as the most significant elements ensuring the achievement of our targets and raising the bar for further advancements. Employee Commitment Survey is organized across Şişecam Group every two years, the results of the survey are used as guideline for analyzing employee demands and designing the necessary projects. In 2015, Paşabahçe employee commitment score was realized as 54%.

Union Rights

Protecting the union rights of employees is among the primary issues we monitor. We emphasize the representation of employees within the framework of a healthy structure in their relations with company management, we ensure our employees' free use of their collective agreement and organization rights. As of 2015, the rate of unionization to Kristal-İş throughout the company is over 62%. In order to maintain workplace peace, we establish constructive relations based on trust and dialogue with unions. Thanks to our positive approach towards unionization, there were no production or workforce losses due to industrial relations in the reporting period.

Both Paşabahçe and fulltime employees are liable to give notice to the opposite party once they decide on the ending of the employment period; this issue is regulated within the scope of collective labor agreements made with unions.



EMPLOYEE ENGAGEMENT

We actualize various practices and projects in order to create a participatory corporate culture whereby our employees can share their ideas and suggestions, be informed about developments in our company, and communicate with each other more easily.

Idea Factory

Idea Factory is a platform constituted for our employees to convey their suggestions. By means of the Idea Factory, we collect and evaluate our employees' value added producing, innovative ideas. More than TRY 650,000 of saving was achieved in 2015 through the realization of ideas conveyed to this platform.

Camport

The corporate intranet system widely used across Şişecam Group, Camport, was renewed in 2015. By this means, the system acquired a more user-friendly, easier to access and interactive structure.

Common Language Program

The Common Language Program was started to constitute a common management culture throughout Şişecam Group. The program was designed to enhance the interaction of management teams at different levels.

"We Are Şişecam" Meetings

Şişecam Group organizes "We Are Şişecam" workshops in order to ensure the dissemination of corporate culture and values among all employees.

"ŞİMDİ!" Social Activity Club

Our employees participate in Şişecam Social Activity Club that was established for them to enjoy the time they spend at the workplace, strengthen social relationships amongst them, and transform employee happiness into productivity by creating a synergistic environment in communion. Within the context of the club, a wide range of activities and projects, such as tours, theater, sports tournaments, and aid campaigns, are realized with the participation of volunteering employees. In 2015, a page was created within Camport to popularize the activities within the scope of "ŞİMDİ!"



OCCUPATIONAL HEALTH AND SAFETY

At Paşabahçe, Occupational Health and Safety (OHS) management is the responsibility of Şişecam Industrial Relations Directorate. The Directorate provides support in common OHS issues concerning the Group, visits plants within an annual schedule and conducts OHS measurement and monitoring activities. The performance of production facilities is constantly monitored and support is provided as needed. The results obtained following revisions are shared with Risk Management, Internal Audit and relevant Human Resources departments. In order for practices to be consistent throughout the Group, occupational health and safety issues are managed within the framework of the Occupational Health and Safety Policy and OHSAS 18001 Standard.

As Paşabahçe, we act with the objective of being a pioneering company in the implementation of the best standards in occupational health and safety. In this regard, we carry out works are carried out to continuously

improve working environments and to raise awareness among employees regarding health and safety issues. We design our business processes to minimize risks and we invest in new and innovative technologies in order to constitute accident-free workplaces.

The existing Workplace Incidents Analysis Monitoring Program was improved to adapt to Şişecam's continuously developing and changing structure and a new Corrective and Preventive Activities (CAPA) system was formed to ensure the more comprehensive recording of workplace accidents. Through this system, it is aimed for workplace accidents to be recorded in more detail. CAPA system, which exists in all workplaces and departments including the Headquarters and sales centers, ensures the systematic monitoring and control of workplace accidents. In addition, within the framework of root cause analysis works for accidents, a "Work Accidents Evaluation Commission" composed of Occupational Safety Experts employed at Group workplaces was established.

We believe that supporting a culture of health and safety is vital for succeeding in decreasing the rate of work accidents. For this purpose, we organize occupational health and safety trainings aimed at our employees and business partner employees. In the reporting period, we provided 5,355 employees with 68,664 person*hour and 202 business partner employees with 1,712 person*hour of occupational health and safety training.

There is an OHS Unit composed of the occupational health and safety expert, workplace doctor and medical personnel, working under the manager at all subsidiary companies of Şişecam Group. In addition, there is an OHS Committee participated by a representative of the management at every plant. All our employees are represented by OHS Committees. 88 members, of which 62 employee representatives, participate in the eight OHS committees at Paşabahçe. The minimum number of representatives required to participate in the committees are determined in compliance with legal regulations.

At Paşabahçe, continuous risk analyses are conducted and preventive control plans are made, periodical equipment controls are performed in order to reduce the number and impact of accidents and injuries. Besides, instantaneous risks are identified and preventive works are conducted through daily site visits. In line with this preventive approach, there were no fatal accidents in the reporting period.

As Paşabahçe, we adopt the protection of our employees against occupational and common diseases as a principle. In this direction, we provide employees with trainings regarding the causes of occupational diseases, principles of protection against diseases and practice of protection techniques, biological and psychosocial risk elements, and first aid. In addition, employees are subjected to periodical health controls against dusts and gases to which they are exposed at plants. Employees diagnosed with any problem as part of the checkup are immediately removed from the hazardous working area and placed under close surveillance.

As they constitute an important part of our employees' work life, occupational health and safety issues are included within the scope of the collective labor agreements we make with unions.



OCCUPATIONAL HEALTH AND SAFETY POLICY

We aim to achieve every stage of our operations in a safe and healthy working environment. In line with this objective, as a part of our responsibility to create healthy individuals as well as manpower, we adopt strategies

- To prevent occupational accidents and occupational diseases by determining the necessary measures to implement and be implemented,
- To make risk assessments by the participation the employees and to reach the acceptable risk levels,
- To use safe equipment and appropriate technologies for a healthy and safe working environment,
- To ensure the participation of our stakeholders each level of the organization in the improvement of occupational health and safety practices,
- To constitute Occupational Health and Safety culture and turn it into a lifestyle.

In this direction, we declare and undertake:

- To meet the relevant standards and requirements in the field of legal obligations for Occupational Health and Safety,
- To increase our performance and our processes with a proactive approach on the continuous improvement on Occupational Health and Safety,
- To continue improving the education and activities of our employees and sub-contractors / suppliers to their employees, visitors, interns for adopting the principles of OHSAS.

GENERAL MANAGER





ENVIRONMENT



With the awareness and consciousness of the environmental impact generated by our business processes, at Paşabahçe, our operations are managed by actualizing practices that will reduce this impact. As a result of our sustainability approach and the sense of the responsibility that we bear in this issue, we continuously observe all our processes and we implement necessary measures by evaluating the performance we achieve. In this regard, we implement projects to reduce energy consumption and make more efficient use of resources.

As Paşabahçe, our primary objective is to minimize our environmental impacts in every sphere of our activities and to work with minimum environmental accidents. In this context, we comply with legal requirements and follow Şişecam standards and sector practice while reducing our environmental impacts. The “Environmental and Energy Policy”, encompassing all the operations of Şişecam in Turkey and abroad, is integrated into every stage of our operations.

At Paşabahçe, all operations are managed with the Environmental Management System (EMS) approach. At every operational plant, there is at least one environmental officer, mostly environmental engineers, working under the Quality Directorate. Environmental officers work in cooperation with the Environmental Committees consisting of supervisors from the production units of plants. Environmental performance is monitored in all Paşabahçe plants and action plans are implemented in accordance with procedures formed within the scope of Environmental Management Systems. Improvement opportunities are evaluated through periodically conducted in-house audits and subcontractor audits, suitable corrective and preventive action plans are designed. We aim to continuously improve the Environmental Management System, which we manage in light of sustainability principles, with the support of our stakeholders.

ISO 14001 Environmental Management System is implemented at all Paşabahçe plants in Turkey to ensure the monitoring of environmental impacts generated by operations and to improve impacts. The Corporate Development and Sustainability Presidency monitors the environmental performance of the entire Group and reports to the senior management.

As Paşabahçe, we abide by Şişecam environmental compliance regulations. Full compliance with the environmental regulations in the countries where we operate is one of the basic principles our business approach. In this regard, we closely follow developments in EU environmental regulations, we share our relevant opinions through our memberships in institutions and foundations. In addition, we take active role in the environmental commissions of national and international nongovernmental organizations related to the industry sector.

We constantly work to enhance the environmental awareness of our employees and business partner employees and we organize environmental trainings. In this scope, 1,845 person*hour of environmental training is organized for Paşabahçe and business partner employees, in the reporting period.

We allocate significant resources to works intended to consolidate our environmental performance in order to continuously improve and develop our environmental management. In 2015, resources worth approximately TRY 2.44 million are allocated to environmental investment and management works.

The sense of the responsibility that we bear in this issue, we continuously observe all our processes and we implement necessary measures by evaluating the performance we achieve.



ENVIRONMENTAL AND ENERGY POLICY

Knowing that the sustainable growth, which we have placed in the main axis of our business, is only possible as long as we maintain the sustainable environmental and energy principles, we aim to:

- Use natural resources efficiently, increase recycling and recovery rates,
- Consider energy efficient and environmentally friendly Technologies while creating all processes starting from the designing phase,
- Develop and implement energy efficiency projects that will have positive impact on climate change,
- Purchase products, services and Technologies that provide energy efficiency to support high performance designs,
- Perform our production activities by implementing Environment and Energy Management Systems.

In this direction we declare and undertake:

- To comply with environmental and energy related legal and other requirements in force,
- To continuously enhance and improve our environmental and energy performance,
- To take the necessary precautions to reduce or eliminate the negative environmental impacts of our activities,
- To review pre-determined objectives and targets periodically an to provide required resources to acieve these goals and objectives,
- To increase awareness by providing understanding and embracement of our policy by our shareholders

GENERAL MANAGER

**WE CARE FOR
OUR ENVIRONMENT**





ENERGY AND EMISSION MANAGEMENT

We aim to ensure the sustainability of our production operations through our active energy and emission management approach. The efficient use of the energy required for our activities, reduction of consumption and minimization of environmental impacts are among our material issues.

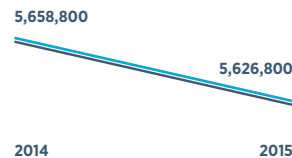
As an energy-intense production and retail company, our principal climate change issue is environmental performance and energy consumption. We strive to achieve more efficient production levels by reducing energy consumption and greenhouse gas emissions. As a result, energy efficiency and quality in production are systematically ensured, while also our energy consumption is being reduced.

In 2015, our total direct energy consumption for our facilities in Turkey was realized as 5,626,900 GJ. Our operations and conduct improvement works are continuously reviewed in order to improve direct energy consumption. Our energy consumption is constantly measured and the key performance indicators are determined that will allow us to reduce our energy intensity.

We prioritize the issue of energy efficiency in all the stages of our operations, from supply to production, to distribution to sales, and we manage the issue in integration with our corporate strategy. As a production and retail company with high energy intensity, we constantly monitor energy consumptions and energy efficiency, we actualize projects to ensure increase in efficiency. Examples of the improvement projects we implemented in line with our objective of energy efficiency are as follows:

- As part of the natural gas saving works realized during the year 2015 at **Paşabahçe Kırklareli Plant**, the gas-fired boiler which has been in use since 1983 was replaced with a gas-fired boiler with a new-type efficient burner. By consuming 110,000 Sm³ less natural gas, 212 ton CO₂ of carbon emission was prevented annually.

ENERGY CONSUMPTION (GJ)



Energy Consumption Values by Source (GJ)

	NATURAL GAS	ELECTRICITY	LPG	DIESEL	TOTAL
2014	4,786,200	823,900	39,500	9,200	5,658,800
2015	4,766,200	806,500	43,500	10,700	5,626,900



- At **Paşabahçe Kırklareli Plant**, within the scope of the works conducted in electrics during 2015, including the replacement of old fashion air dryers with new efficient dryers, replacement of old style armatures on the lighting systems with new armature, replacement of inefficient engines with efficient engines, and pressure optimization in the blower system, an annual energy savings of 2,500,000 kWh/hour and a reduction of 120 ton CO₂/year in carbon emissions were ensured.
- At **Paşabahçe Mersin Plant**, a significant amount of natural gas saving was achieved by means of saving works in the melting section, saving works in F/H and Ç/H sections, saving works in the soaking pits, and saving works in the regenerator section.
- At **Paşabahçe Mersin Plant**, electricity consumption was reduced thanks to improvements in the technological water system, optimization works in furnace cooling fans, and optimization works in the Ç/H and F/H burner fans.
- At **Paşabahçe Eskişehir Plant**, all lighting armatures in the plant were replaced with LED armatures in result of the investment decision taken in 2015. With this practice, it is aimed to achieve energy savings and thereby to reduce natural resource use. With the engagement of the project, electricity consumption values were reduced.
- At **Paşabahçe Eskişehir Plant**, vapor pressures used in the DWR unit were reduced by 1 bar at each level as part of the practice implemented in the channeled production area. By this means, energy savings, as well as financial advantage were achieved.

While it is one of the primary inputs of production as required by our field of operation, energy is also the source of greenhouse gas emissions that cause climate change. For this reason, within the scope of our works for reducing greenhouse gas emissions, we implement projects focused on achieving savings in energy consumption by reducing raw material and energy consumption in production processes. Besides, we also conduct works to reduce the environmental impacts generated by the use of products. In 2015, the total amount of Scope I and Scope II emissions generated by our operations is at the level of 425,400 ton CO₂.

Scope I and II Emissions by Source (ton CO₂e)

	SCOPE I (RAW MATERIAL SOURCED)	SCOPE I (FOSSIL FUEL SOURCED)	SCOPE I TOTAL	SCOPE II (ELECTRICITY SOURCED)	TOTAL
2014	40,000	271,700	311,700	109,800	421,500
2015	47,000	270,900	317,900	107,500	425,400

Sustainable Energy Measurement and Tracking System

According to 2014 data, the total electricity consumption of our domestic and overseas plants is equivalent to approximately 0.7% of the electricity consumption of our country and 3.85% of its natural gas consumption. The management of these rates, which, together with other energy raw materials, exceed the total energy consumption of many countries, from supply to efficiency, to purchasing to wastes, will increase in effectiveness by means of monitoring of every stage of the practices with quantified targets and dynamizing energy policies in line with these results. Through quantitative tracking, it will be possible to compare the theoretical calculations for equipment and system choices with practical results at the plants, to set and evaluate targets accurately, to keep assumptions at a minimum, assessment under equal reference conditions, to prioritize the most beneficial projects, to direct future works in this regard, and to objectively analyze many similar issues. By ensuring standard reference conditions and structuring models, the expansion of the project to other plants and within itself was also based on the same foundation. This will also allow managers to make accurate evaluations according to the same data. Şişecam plays a pioneering role in this field with the installation of an energy tracking and measurement system of this magnitude allowing for sustainable expansion. The gradual engagement process of the project in three plants of the Group has been completed.



Paşabahçe Eskişehir Plant Dust Collection System

As part of the project actualized for the purpose of reducing dust emissions caused by the conveyor drift, a new system silicone dust collection unit was installed at the entrance of the conveyor drift. In consequence of the work, the amount of diffused emission was reduced.

Combating Climate Change

As our field of operation is an energy intensive sector, policies focusing on the risk and opportunities brought about by climate change are of great importance for Şişecam. Climate change and its potential impacts are evaluated as part of Şişecam Group operations and integrated into our corporate strategies.



We work to fulfill the responsibilities we bear in the issue of combating climate change. In this direction, our production activities are reviewed in terms of energy efficiency, our products providing environmental benefits through their positive impact on resource efficiency are diversified. Within the context of combating climate change, we have achieved significant gains in relation to enhancing energy efficiency and reducing energy consumption and resulting greenhouse gas emissions at all our facilities in Turkey and abroad; we continue our works for increasing these gains. We are collaborating with Ministries in infrastructure projects aimed at the management and mitigation of production sourced GHG emissions in our country. Şişecam Group has responded annually to CDP Climate Change program since 2011, and CDP Supply Chain program since 2012. In this regard, the Group reports on issues such as the climate change strategy of the Group, its risk management and managerial approach, energy, carbon emissions and climate change targets, and carbon emissions amount generated by operations. The performance of Şişecam in its Turkey and Bulgaria operations are included in Şişecam CDP responses. With a disclosure score of 91 out of 100, Şişecam has once again proven its success in understanding and managing climate change related issues.



EFFICIENT USE OF RESOURCES

The efficient use of natural resources emerges as an increasingly important issue. With the awareness of our responsibility in relation to this issue, efficiency projects are conducted and business applications are implemented to reduce the amount of waste generated by production processes within Paşabahçe.



Water Management

While we secure the water resource that we need for the continuity of our operations, we also aim to ensure the sustainability of water resources. In 2015, a total of 1,682,600 m³ of water consumption was realized from underground water, municipal and other sources, while the recovery of 92,200 m³ of water was ensured in the same period.

There are various water treatment facilities on the industrial sites of Paşabahçe. Through these systems, it is aimed to achieve the limit values determined by local and national regulations. Wastewater is reused wherever it is possible, after being treated at treatment facilities.

In addition to our recovery works, the issue of wastewater is an important part of our water management approach since it can also generate a negative impact on biodiversity. In 2015, a total 1,243,800 m³ of wastewater was discharged, of which 82% in natural receiving environment and 18% in sewers. During the period, there were no legal violations of Turkish regulations regarding wastewater, all legal parameters relating to the discharge of industrial and household wastewaters were complied with. Neither the used water nor the discharged wastewater generated any negative impact on the biodiversity quality of natural water resources.

WATER RECOVERY TREND (m³)



Waste Management and Resource Saving

Our waste management approach is recycling oriented in line with our environmental values. As Paşabahçe, we fully support the recycling of glass which can be infinitely recycled. We conduct works with our stakeholders, develop various projects and provide sponsorship support for the purpose of producing effective solutions in relation to glass recycling.

Our total amount of waste in the reporting period was realized as 37,200 tons, of which 36,100 tons of non-hazardous waste and 1,100 tons of hazardous waste. While 99% of non-hazardous wastes were recycled, all recyclable wastes were processed in recycling facilities and reintroduced to the production line. The remaining wastes were transparently and responsibly delivered to facilities with the required certificates and licenses.

As a corporation of Şişecam Group, Paşabahçe ensures the recycling of packaging wastes in the local market and fully complies with relevant regulations in all the markets where it operates. In 2015, the recollection and recovery of 48% of the packaging materials of the products we put on the market were ensured. In this regard, a total of 7,000 tons of paper, cardboard, plastic and wood was recycled. For this purpose, besides the recycling projects realized by authorized institutions, such as ÇEVKO and TÜKÇEV, that are contracted, training, support, and awareness activities aimed at students were conducted.

Paşabahçe Kırklareli Plant Wastewater Recovery

As part of the project conducted at Kırklareli Plant since 2010, the wastewater treated at the chemical treatment facility is recovered. While some of the wastewater is used in the oiled cullet washing unit, the rest is treated in the softening unit in the facility then reused as water in the production machines. In consequence of both recovery methods, daily savings of 300-500 m³ of water is achieved, thereby reducing the amount of wastewater discharged in the receiving environment.



Camış Ambalaj Eskişehir Plant Drip Irrigation System

Within the context of the practice engaged in 2015, the trees in plant area are watered through a drip irrigation system. By means of this new system, 40% of water saving was achieved within a one-year period.



Paşabahçe Eskişehir Plant Saving in Dye Packages

Within the scope of the practice started in 2015 to reduce packaging wastes, plastic jerry cans used in dye packages were replaced with IBC tanks. Thanks to the packages returned to the producer, the amount of packaging used in supplied materials is reduced.



Paşabahçe Kırklareli Plant Waste Recovery

A waste recovery project is conducted for the purpose of recovering the dusts collected at the E furnace flue gas treatment facility. Since the year 2013, when the project was started, the waste dusts collected by the treatment facility filters are recovered at the rate of 100% by adding into the borosilicate glass batch. The amount of annually recovered waste is at the level of 420 tons, while this gain also implies raw material saving at the same rate. As the next step in the project, it is planned to install a system that will ensure the transfer of wastewaters, which are currently kept in the facility, to the batch bunkers.



Another waste recovery project realized at Kırklareli Plant aims for the recovery of batch wastes. Within the context of the project applied at batch houses, raw material bins, and mixer level, batch wastes caused by dusting, spillage, and the like are collected and readded to the glass batch. In this way, the generated waste is completely reused, ensuring 100% recovery. The amount of annually recovered waste through the project that was started in 2011 is approximately at the level of 250 tons.

Upcycling

We redefine existing glass products with a different perspective and produce practical and eye-plasing products for modern kitchens with upcycling under our ZestGlass brand. Thus, we turn non-recyclable products into reusable and environmentally friendly products. We also provide economic advantage as well as resource and time savings with upcycling method. Different products in Paşabahçe's range turn into a completely different product in ZestGlass by adding new accessories. In this way, the same product can be utilized for different purposes. For instance, the function of a glass bowl is doubled by mounting a filter on the bowl or herb tea can be prepared with strainer added tea glass. Accessories attached to a simple water carafe convert the carafe to an elegant milk bottle.

Camış Ambalaj Sanayi A.Ş. produces paper and board based packaging. Beside the use of recyclable paper at the rate of 80% in production, water based and environmentally friendly products are opted for in the machine cleaning solutions used at the plant.

Many plants have already switched to the use of water-based dye instead solvent based dye on the full organic line, ending the consumption of environmentally harmful flammable chemicals. With the switch to the use of machines capable of UV organic print, the recovery of cullet scraped due to print error that cannot be used in glasswork since it is dyed was ensured.

At Paşabahçe Mersin Plant, lid weights were reduced and stretch material was altered during the renewal of accessory molds for Japanese jars, reducing raw material consumption.

At Paşabahçe Kırklareli Plant, the stretching amount of the stretch nylon material used for wrapping product pallets was increased, ensuring the reduction of nylon use; by means of the implemented practice the use of stretch nylon which takes long years to dissolve in the nature was reduced by 25 tons annually. Besides, the wall thickness of products was reduced allowing for production with less raw material and energy consumption, saving approximately 450 tons of glass annually.



CONTRIBUTION
TO COMMUNITY DEVELOPMENT



As a corporation of Şişecam Group, we attach importance to the sustainable development of the society in which we operate besides the sustainability of our work performance. We contribute to the enhancement of the level of prosperity of the society in which we operate with our corporate social responsibility projects, we focus on the issues of environment, education and health while conducting our projects. Besides, we organize activities for glass craftsmanship to be carried into the future and for our country to further advance in the area of glass.



ENVIRONMENT

As part of the sapling planting activities carried out in the region of Cankurtaran, a small scaled forest was created by Denizli Cam Sanayii ve Ticaret A.Ş. with trees growing in a three-decare field. In addition, there are 6.300 saplings on the factory site, 50% of which is covered in green spaces.

EDUCATION

Apprenticeship education is provided at Denizli Cam Plant since 1990, within the framework of the Vocational Training Law Numbered 3308. Students hired as apprentices and registered at the Vocational Education Center complete their three-year apprenticeship education, receive their journeyman's certificate and are hired as laborers. At the plant where 123 students are receiving education as of the year 2015, youth between ages 16-21, trained according to the traditional master-apprentice system, receive theoretical and practical information from journeymen and masters. The apprenticeship education system is characterized as an exemplary social responsibility project helping children from families with a low level of welfare and limited finances acquire a profession and get reintroduced to the society.

HEALTH

We are producing special pink lidded Vita bottles within the context of the project "did you drink water today?" in order to contribute to the enhancement of breast health awareness and the generalization of early diagnosis opportunities and to draw attention to the benefits of water for healthy living, in cooperation with the Breast Foundation of Turkey (MEVA). In 2015, TRY 115,000 of the revenue obtained from bottle sales was donated to MEVA. At the beginning of the project, MEVA president gave a lecture on breast health to 140 Şişecam female employees, in order to first start breast cancer awareness within ourselves.

We contribute to the enhancement of the level of prosperity of the society in which we operate with our corporate social responsibility projects, we focus on the issues of environment, education and health while conducting our projects.



CONTRIBUTION TO THE ADVANCEMENT OF GLASS MASTERSHIP

Paşabahçe Mağazaları Omnia Exhibition

Paşabahçe Mağazaları introduced its new collection designing the future of glass by interpreting traditional household glassware products in a modern line, with a special exhibition organized at ATÖLYE Istanbul-Bomontiada. The new collection of Paşabahçe Mağazaları, which was prepared with the designs of 18 local and foreign designers and three glass masters and promoted with the motto “Life is two parts; the past a dream, the future a wish”, was named after “Omnia”, which means “everything”. Omnia Collection reflects the authentic Turkish glasswork which carries tradition and cultural heritage into tomorrow. The exhibition, which included 264 pieces from the completely handmade collection, was open to guests free of charge until 2015 yearend.

Glass Sphere Design Competition

As one of the largest producers in the world, we see the bringing up of new designers in the field of glass in Turkey and the encouragement of designers as our responsibility. We work for attracting the interest of young designers to this field and for incentivizing them. In this regard, in the reporting period, Paşabahçe organized the “Glass Sphere Design Competition” themed “Design Your Need in Glass” aiming for glass, which offers environmentalist and healthy solutions, to be used in changing living spaces and to be carried into the future with creative designs. As the Glass Sphere Design Competition, the youth prepared environmentally sensitive, sustainable, producible, and innovative designs offering ease of application in line with changing living spaces and opportunities.

PERFORMANCE DATA

Economic Performance Indicators	2014	2015
Economic Value Created-Net Sales Income (TRY) (<i>Paşabahçe</i>)	1,320,842,878	1,349,223,085
Economic Value Created-Net Sales Income (TRY) (<i>Camış Ambalaj</i>)	258,806,326	257,542,704
Economic Value Distributed (TRY) (<i>Paşabahçe</i>)		
Economic Value Distributed (TRY) (<i>Camış Ambalaj</i>)		
Operating Costs (TRY) (<i>Paşabahçe</i>)	543,530,258	798,604,779
Operating Costs (TRY) (<i>Camış Ambalaj</i>)	195,472,831	200,355,805
Employee Wages and Benefits(TRY) (<i>Paşabahçe</i>)	117,153,089	144,218,639
Employee Wages and Benefits(TRY) (<i>Camış Ambalaj</i>)	38,012,162	41,471,653
Government Taxes (TRY) (<i>Paşabahçe</i>)	75,856,129	89,612,657
Government Taxes (TRY) (<i>Camış Ambalaj</i>)	17,851,100	15,209,402

The economic data included in the report involve operations of Paşabahçe in Turkey and abroad. Social and environmental indicators involve Paşabahçe's Turkey operations.

Environmental Performance Indicators	2014	2015
Total Raw Material Consumed (ton)	463,750	443,060
Total Recycled/Recovered Raw Material Consumed (ton)	176,450	180,200
Total Energy Consumption (GJ)	5,658,800	5,626,900
Natural Gas	4,786,200	4,766,200
Diesel	9,200	10,700
LPG	39,500	43,500
Electricity	823,900	806,500
Total Water Withdrawal (m ³)	1,521,580	1,682,600
Recovered/Reused Water (m ³)	53,500	92,200
GHG Emissions (ton CO ₂ e)	421,500	425,400
Scope I Emissions (ton)	311,700	317,900
Scope II Emissions (ton)	109,800	107,500
Total Wastewater Discharge by Receiving Environment (m ³)	1,112,960	1,243,800
Natural Receiving Environment	909,190	1,024,900
Sewer	203,770	218,900
Total Hazardous Waste by Disposal Method (ton)	1,000	1,100
Recovery	260	270
Disposal	740	830
Total Non-Hazardous Waste by Disposal Method	37,780	36,100
Recovery	36,280	34,500
Disposal	1,500	1,600
The Amount of Recovered Package Released Previous Year (ton)	6,400	7,000
Package Waste Recycling Rate (%)	44%	48%
Total Environmental Investment Costs (TRY)	119,000	141,500
Total Environmental Management Costs (TRY)	1,663,700	2,297,970

Social Performance Indicators	2014	2015
Total Workforce (number)		
Direct Employees	5,250	5,321
Female	513	546
Male	4,737	4,775
Employees by Contract Type (number)		
Permanent	5,246	5,311
Female	512	541
Male	4,734	4,77
Temporary	4	10
Female	1	5
Male	3	5
Employees by Category (number)		
Blue Collar	3,619	3,576
Female	0	2
Male	3,619	3,574
White Collar	1,631	1,745
Female	513	544
Male	1,118	1,201
Employees by Employment Type (number)		
Full-Time	5,249	5,32
Female	513	546
Male	4,736	4,774
Part-Time	1	1
Female	0	0
Male	1	1
Employees by Education Level (number)		
White Collar	1,631	1,745
Secondary and Below	689	731
Associate Degree	168	193
University and Above	774	821
Blue Collar	3,619	3,576
Secondary and Below	3,238	3,161
Associate Degree	355	385
University and Above	26	30

Social Performance Indicators	2014	2015
Employees by Age (number)		
Below 30	1,459	1,400
30 - 50	3,689	3,731
50+	102	190
Senior Management Structure (by number)		
by Gender	15	16
Female	3	3
Male	12	13
by Age Group	16	16
Below 30	0	0
30 - 50	5	6
50+	10	10
by Nationality	15	16
Turkish Citizen	15	16
Expat	0	0
Mid-Level Management Structure (by number)		
by Gender	72	80
Female	24	30
Male	48	50
by Age Group	72	80
Below 30	0	0
30 - 50	45	54
50+	27	26
New Hires (number)		
by Gender	796	624
Female	135	128
Male	661	496
by Age Group	796	624
Below 30	578	472
30 - 50	212	149
50+	6	3

Social Performance Indicators	2014	2015
Employees Left (number)		
by Gender	593	678
Female	102	104
Male	491	574
by Age Group	593	678
Below 30	250	298
30 - 50	259	351
50+	84	29
Employees on Parental Leave		
Female	17	19
Employees Returned to Work After Parental Leave		
Female	17	18
Employees Returned to Work After Parental Leave and Still Employed 12 Months After Their Return		
Female	13	16
Employees Covered by Collective Bargaining Agreement (number)		
Direct Employees	3,514	3,312
Employee Trainings - Number of Participants (person)	39,030	36,381
Blue Collar	36,302	35,037
White Collar	2,728	1,344
Female	1,509	457
Male	37,521	35,924
Employee Trainings - Total Hours (personxhour)		
Blue Collar	42,479	73,634
White Collar	18,928	19,928
Female	9,162	6,335
Male	52,245	87,226
Injury Rate		
Direct Employees		
Female	0	0
Male	32	43

Social Performance Indicators	2014	2015
Occupational Disease Rate (ODR)		
Direct Employees		
Female	0	0
Male	0	0
Lost Day Rate (LDR)		
Direct Employees	3,692	4,506
Absence Rate (%)		
Direct Employees	6.18%	6.59%
Female	6.42%	6.46%
Male	5.31%	7.05%
Work Related Fatalities		
Direct Employees	0	0
Female	0	0
Male	0	0
OHS Trainings - Number of Participants	5,578	5,557
Direct Employees	5,422	5,355
Contractor Employees	156	202
OHS Trainings - Total Hours (personxhour)	19,907	70,376
Direct Employees	19,705	68,664
Contractor Employees	202	1712
Number of OHS Committees	28	8
Total Number of Members in OHS Committees	177	88
Employee Representatives Taking Part in OHS Committees	56	62
Environmental Trainings - Number of Participants	655	939
Direct Employees	617	869
Contractor Employees	38	70
Environmental Trainings - Total Hours (personxhour)	1,511	1,845



GRI G4 CONTENT INDEX

INDICATORS	DESCRIPTION	OMISSIONS
GENERAL STANDARD DISCLOSURES		
G4-1	Message from The Chairman (p.4-5); Message from Glassware Group President (p.6-7)	-
G4-2	Message from The Chairman (p.4-5); Message from Glassware Group President (p.6-7)	-
G4-3	About the Report (p.2)	-
G4-4	About Paşabahçe (p.8); Corporate Website: http://www.pasabahce.com.tr/en/products/product-catalog	-
G4-5	Corporate Website: http://www.pasabahce.com/en/contact-us/contact	-
G4-6	About Paşabahçe (p.8)	-
G4-7	Corporate Website: http://www.pasabahce.com.tr/en/investor-relations/corporate-identity-and-management/shareholder-structure	-
G4-8	About Paşabahçe (p.8)	-
G4-9	Generated Economic Value (p.10); Work Life (p.32); Performance Data (p.51)	-
G4-10	Work Life (p.32); Performance Data (p.51)	-
G4-11	Employee Rights (p.35); Performance Data (p.52)	-
G4-12	Supply Chain Management (p.22)	-
G4-13	Türkiye Şişe ve Cam Fabrikaları A.Ş. 2015 Annual Report (p.32)	-
G4-14	Risk Management and Internal Audit (p.13); Business Ethics (p.14); Occupational Health and Safety (p.37); Combating Climate Change (p.44)	-
G4-15	Corporate Memberships (p.10)	-
G4-16	Corporate Memberships (p.10)	-
G4-17	About the Report (p.2)	-
G4-18	About the Report (p.2); Sustainability Management (p.15)	-
G4-19	Sustainability Management (p.16)	-
G4-20	Sustainability Management (p.16)	-
G4-21	Sustainability Management (p.16)	-
G4-22	The report does not have any restatements of information provided in the previous report. GRI G4 Content Index (p.53)	-
G4-23	About the Report (p.2); Sustainability Management (p.15)	-
G4-24	Stakeholder Engagement (p.18-19)	-
G4-25	We define all individuals and institutions, who either are impacted by our operations or have an impact on them, as our stakeholders.	-
G4-26	Stakeholder Engagement (p.18-19)	-
G4-27	Stakeholder Engagement (p.20)	-
G4-28	About the Report (p.2)	-
G4-29	About the Report (p.2)	-
G4-30	About the Report (p.2)	-

INDICATORS	DESCRIPTION	IDENTIFIED OMISSIONS
G4-31	About the Report (p.2)	-
G4-32	About the Report (p.2); GRI G4 Content Index (p.53)	-
G4-33	The report was not subjected to external assurance. GRI G4 Content Index (p.53)	-
G4-34	Corporate Governance (p.12)	-
G4-56	Business Ethics (p.14)	-
SPECIFIC STANDARD DISCLOSURES		
Material Aspect: Economic Performance		
G4-DMA	Generated Economic Value (p.10); Supply Chain Management (p.22)	-
G4-EC1	Generated Economic Value (p.10); Supply Chain Management (p.22); Performance Data (p.50)	-
G4-EC2	Combating Climate Change (p.44)	-
Material Aspect: Market Presence		
G4-DMA	Not material	-
G4-EC6	Performance Data (p.51)	-
Material Aspect: Indirect Economic Impacts		
G4-DMA	Research and Tehcnological Development Activities (p.28-29); Employee Development (p.33); Contribution to Community Development (p.48)	-
G4-EC7	Research and Tehcnological Development Activities (p.28-29); Contribution to Community Development (p.48)	-
G4-EC8	Research and Tehcnological Development Activities (p.28-29); Employee Development (p.33); Contribution to Community Development (p.48)	-
Material Aspect: Procurement Practices		
G4-DMA	Supply Chain Management (p.22)	-
G4-EC9	Supply Chain Management (p.22)	-
Material Aspect: Energy		
G4-DMA	Energy and Emission Management (p.42-43)	-
G4-EN3	Energy and Emission Management (p.42); Performance Data (p.50)	-
Material Aspect: Water		
G4-DMA	Water Management (p.45)	-
G4-EN8	Water Management (p.45); Performance Data (p.50)	-
G4-EN9	No stress caused by water consumption within Paşabahçe operations was found on resource consistency. GRI G4 Content Index (p.53)	-
G4-EN10	Water Management (p.44); Performance Data (p.50)	-
Material Aspect: Emissions		
G4-DMA	Energy and Emission Management (p.42-43)	-
G4-EN15	Energy and Emission Management (p.43); Performance Data (p.50)	-
G4-EN16	Energy and Emission Management (p.43); Performance Data (p.50)	-

INDICATORS	DESCRIPTION	IDENTIFIED OMISSIONS
Material Aspect: Effluents and Waste		
G4-DMA	Water Management (p.45); Waste Management and Resource Saving (p.45)	-
G4-EN22	Water Management (p.45); Performance Data (p.50)	-
G4-EN23	Waste Management and Resource Saving (p.45)	-
G4-EN26	Water Management (p.50)	-
Material Aspect: Products and Services		
G4-DMA	Waste Management and Resource Saving (p.45)	-
G4-EN27	Waste Management and Resource Saving (p.45)	-
G4-EN28	Waste Management and Resource Saving (p.45)	-
Material Aspect: Compliance		
G4-DMA	Environment (p.40)	-
G4-EN29	There were no significant fines or non-monetary sanctions for non-compliance with environmental laws and regulations during the reporting period.	-
Material Aspect: Overall		
G4-DMA	Environment (p.40)	-
G4-EN31	Environment (p.40)	-
Material Aspect: Employment		
G4-DMA	Work Life (p.32)	-
G4-LA1	Performance Data (p.51-52)	-
G4-LA2	Pension funds are provided only for white-collar and fulltime employees.	-
G4-LA3	Equality in Work Life and Fair Working Conditions (p.32)	-
Material Aspect: Occupational Health and Safety		
G4-DMA	Occupational Health and Safety (p.37)	-
G4-LA4	Employee Rights (p.35)	-
G4-LA5	Occupational Health and Safety (p.37); Performance Data (p.52)	-
G4-LA6	Performance Data (p.52)	-
G4-LA8	Occupational Health and Safety (p.37)	-
Material Aspect: Training and Education		
G4-DMA	Employee Development (p.33)	-
G4-LA9	Employee Development (p.33); Performance Data (p.52)	-
G4-LA10	Employee Development (p.33-34)	-
G4-LA11	Employee Development (p.33)	-

INDICATORS	DESCRIPTION	IDENTIFIED OMISSIONS
Material Aspect: Diversity and Equal Opportunity		
G4-DMA	Equality at Work and Fair Working Conditions (p.32)	-
G4-LA12	Equality at Work and Fair Working Conditions (p.32); Performance Data (p.51)	-
Material Aspect: Equal Remuneration for Women and Men		
G4-DMA	Equality at Work and Fair Working Conditions (p.32)	-
G4-LA13	Equality at Work and Fair Working Conditions (p.32)	-
Material Aspect: Non-Discrimination		
G4-DMA	Equality at Work and Fair Working Conditions (p.32)	-
G4-HR3	During the reporting period, no case of discrimination has occurred.	-
Material Aspect: Freedom of Association and Collective Bargaining		
G4-DMA	Employee Rights (p.35)	-
G4-HR4	In all Paşabahçe operations, exercise of the freedom of association and collective bargaining is ensured. Business partners are also expected to adopt same principle. During the reporting period, no breach or significant risk is identified regarding exercise of these rights.	-
Material Aspect: Child Labor		
G4-DMA	GRI G4 Content Index (p.53)	-
G4-HR5	Paşabahçe does not permit child labor within its operations. Business partners are also expected to adopt same principle. During the reporting period, no breach or significant risk is identified regarding this principle.	-
Material Aspect: Forced and Compulsory Labor		
G4-DMA	GRI G4 Content Index (p.53)	-
G4-HR6	Paşabahçe does not permit forced and compulsory labor within its operations. Business partners are also expected to adopt same principle. During the reporting period, no breach or significant risk is identified regarding this principle.	-
Material Aspect: Anti-Corruption		
G4-DMA	Fight against Corruption (p.14)	-
G4-SO3	All Paşabahçe operations are assessed for risks related to corruption.	-
G4-SO5	No such case occurred during the reporting period.	-
Material Aspect: Compliance		
G4-DMA	Not material	-
G4-SO7	There are no ongoing lawsuits against Paşabahçe for anticompetitive behavior or anti-trust in the reporting period.	-
Öncelikli Unsur: Uyum		
G4-DMA	Corporate Governance (p.12); Stakeholder Engagement (p.18)	-
G4-SO8	There were no significant fines or non-monetary sanctions for non-compliance with laws and regulations during the reporting period.	-

INDICATORS	DESCRIPTION	IDENTIFIED OMISSIONS
Material Aspect: Customer Health and Safety		
G4-DMA	Product Safety and Product Responsibility (p.24)	-
G4-PR1	All products and services are evaluated with regards to health and safety impacts.	-
G4-PR2	During the reporting period, no case of non-compliance to regulations has occurred.	-
Material Aspect: Product and Service Labeling		
G4-DMA	Product Safety and Product Responsibility (p.24)	-
G4-PR3	Product Safety and Product Responsibility (p.24)	-
G4-PR4	During the reporting period, no case of non-compliance to regulations has occurred regarding customer information practices and product labeling.	-
Material Aspect: Marketing Communications		
G4-DMA	Product Information (p.25)	-
G4-PR7	During the reporting period, no case of non-compliance to regulations has occurred regarding marketing communication aspects.	-
Material Aspect: Customer Privacy		
G4-DMA	Not material	-
G4-PR8	During the reporting period, no complaints were received concerning breaches of customer privacy.	-
Material Aspect: Compliance		
G4-DMA	Not material	-
G4-PR9	Product Safety and Product Responsibility (p.24)	-

PAŞABAĞÇE CAM SANAYİ VE TİCARET A.Ş.

ŞİŞECAM HEADQUARTERS
İçmeler Mahallesi, D-100 Karayolu Caddesi, No:44A
34947 Tuzla/İSTANBUL

Reporting Consultant

KIYMET-İ
harbiye

kiymetiharbiye.com

Graphic&Design

DENK

DENK / denkdesign.net

Disclaimer

All information disclosed in PAŞABAĞÇE CAM SANAYİ VE TİCARET A.Ş. 2015 SUSTAINABILITY REPORT, are provided by PAŞABAĞÇE CAM SANAYİ VE TİCARET A.Ş. and believed to be accurate at the time of preparation of this Report and has been provided in good faith. However, PAŞABAĞÇE, does not make any kind of guarantee or promise in relation to this information.