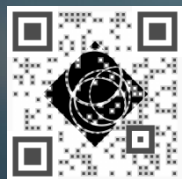




# SUSTAINABILITY REPORT 2017-2018

Welcome to the Elif Sustainability Report which covers our efforts, performance and significant events on our focus areas of environment, society, economy, workplace and marketplace for the period 2017-2018.





## INTRODUCTION FROM CEO

# Introduction from CEO, Selçuk Yarangümelioğlu

Our work on sustainable business practices helps to strengthen the connections between our brand and the people who touch our products billions of times every year in more than 50 countries.

This is fundamentally important to us as we know our business thrives and grows sustainably when life quality of the society is also thriving. To this end, we've established a set of priorities that are intimately connected to our business for providing high-quality packaging materials for happy and healthy moments of the life. This is why we reconstructed our brand with "Packaging for Life" concept, a unique B2B2C approach in the packaging industry that puts consumers and life at the heart of packaging.

Elif targets being a pioneer in the packaging sector in terms of strategic trends as well as the next generation of packaging. Our corporate responsibility projects and activities are focused on the pillars of the society, women and children. We do plan and realize projects supporting women and children rights.

Elif continued to demonstrate an outstanding performance in GHG emissions with its new benchmark projects like tri-generation and new generation air conditioning system. Elif has achieved 4 % reduction in GHG emission in 2017.

Safety is a key focus area for Elif. We are working relentlessly to reach our goal of "No Injuries". Investing in new systems, tools and programs, we target to continue improving our performance in the coming years.

We have completed 6 years as a supporter of United Nations Global Compact and 8 years as a member of SEDEX. We will continue to participate in new organizations and programs to exchange and develop our approach of sustainability management.

Elif has achieved a growth of 10% in 2018 with the refreshing effect of Egypt operation. Our investment for industry 4.0, innovation and capacity has continued.

For more than a decade, packaging has become a key focus area for the brands to communicate their sustainability credentials. With packaging being such a visual and tactile touch-point between consumer and brand, innovations have come thick and fast.

Neo-Eco is the next evolutionary step in how sustainability is addressed in packaging, with new innovations empowering consumers with the ability to lead their lives in a more environmentally positive way.

Elif's latest neo-eco innovations are ElifHybr and ElifHepta. These new printing and color technologies enable our customers to serve their consumers with a more diverse product and campaign portfolio. More information about Elif's neo-eco innovations developed in the last 6 years can be found in the Marketplace section of this sustainability update.

As the contribution of technological innovations to sustainability and efficiency increases, the new industry revolution Industry 4.0 accelerates its entrance to our business transformation. Elif's journey in Packaging 4.0. started in 2008 with data collection for analysis and information. After full scale transformation and integration of Elif systems into ERP in 2013, the journey speeded up. With the recent implementation of PLCs and OLC servers, machine communication has enriched instant data flow into ERP which has resulted in effective control of the system over machines and operations for higher productivity. The studies continue to be brought to a higher level everyday.

I would like to thank all of our business partners and co-workers for their ongoing commitment to achieve our vision. We will maintain our focus on our sustainability objectives and targets for the coming years.

### OUR VALUES

- Leadership
- Responsibility
- Passion to Create Value
- Diversity
- Integrity

### Purpose & Approach

Read more about [Our purpose & approach](#) that shapes Elif.

### PACKAGING FOR LIFE

- Environment
- Society
- Economy
- Workplace
- Marketplace

### Focus Areas

Sustainability activities of Elif are focused on our [sustainability focus areas](#).



**Introduction from CEO**  
Elif Holding CEO, Selçuk Yarangümelioğlu, introducing our sustainability report.

### DEAR FRIENDS, COLLEAGUES AND PARTNERS

Elif is committed to creating sustainable value for wellbeing of the earth and the society. Our packaging reaches millions of people all around the world every day, helping to create a happier and healthy life. We exist for People in every sphere of life. Our business is "Packaging for Life".



# ABOUT THIS REPORT | APPROACH

## Our live sustainable reporting approach

Elif prepares and presents its Sustainability Report in accordance with the Global Reporting Initiative's (GRI) Sustainability Reporting G4 Guidelines (2013).

Sustainability Report 2017-2018 is Elif's fourth review on sustainability and provides a summary of its management approach and operational performance for year 2017-2018. Details regarding the information given in the review can be provided online at Elif's corporate website and at the section dedicated for sustainability activities.

The online content provides further information about Elif's management systems and processes as well as additional and update information about the issues covered.

### COVERAGE

In this review, 'Elif' refers to Elif Holding Inc. Co. and its subsidiaries;

- Elif Plastik Packaging Industry and Commerce Inc.Co. Based in Istanbul, Turkey
- Elif Global Packaging Industry and Commerce Inc.Co. Based in Istanbul, Turkey
- Elif Global SA based in Lausanne, Switzerland
- Elif Global Packaging S.A.E. Based in Cairo, Egypt

The sustainability activities in this report represent the 18-month period between 01 January 2017 to 30 June 2018 for operations totally owned by Elif during that period while statistics and financials represent an annual data from 1 January to 31 December of the related year unless otherwise stated.

### OUR APPROACH

In the 2015-2016 Sustainability Review, Elif announced its new reporting approach along the sustainability journey.

The projects and existing project roll-outs as well as project updates does not always fit in a single document. That is why we have, in last reporting period, shared links in our sustainability report which will help reader reach Elif's updates and news online.

With its dynamic and proactive culture, Elif pursues developing this approach in the Sustainability Report 2017-2018.



**Questions**  
[Contact us](#) for your questions and feedback about this report.

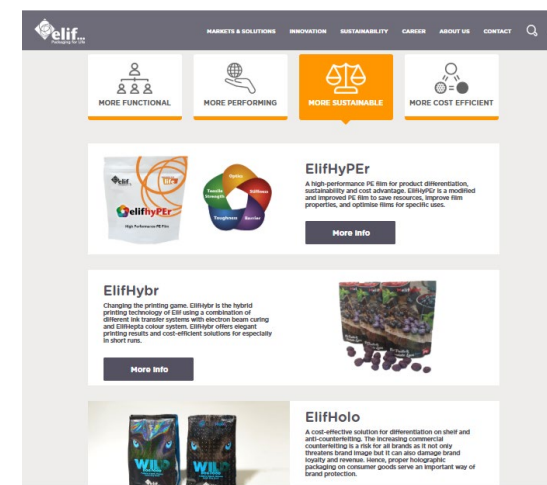
### Elif Sustainability Reports



[LEARN MORE >](#)

### Prior Reviews

[Click here](#) to view our prior sustainability reports.



**Responsible Packaging**  
[Read more](#) on how we innovate for sustainability.



**SUSTAINABILITY**  
Packaging for Future  
Sustainability is embedded into our corporate values and strategy. Through our journey forward, we focus on special programs and projects to reach our sustainability management goals. We are «Packaging for Life», and this purpose describes how we leverage our sustainability principles in 5 areas of action. Within these 5 areas of sustainability, we take advantage of business opportunities and minimise risks along the value chain.  
Acting with the vision of sustainable future, Elif will further continue to put into practice programs and projects contributing to protection, improvement and sustainability of the environment and human life.



### Read More

Access to our sustainability activities can be found here in this Sustainability Report and on [Elif website](#).



# ABOUT THIS REPORT | CONTENT & NAVIGATION

## Our topic selection structure to identify content of this report

### HOW TO NAVIGATE THIS REPORT

This report focuses on the key sustainability challenges we face and the many ways we respond. It details our social, safety and environmental performance in 2017.

The Sustainability Report 2017-2018 focuses on the key sustainability challenges, responses and outputs of Elif. It details Elif's sustainability activities under 5 key areas:

- Environment
- Society
- Economy
- Marketplace
- Workplace

In each chapter of this report, you can find key progress from the past year, key partnerships and highlighted activities.

Our online live reporting approach also enables readers to learn more about the highlighted stories in German, Turkish and Arabic languages. Please follow the link related with the topic of interest to find more information and/or update or to read it in your local language.

### TOPIC SELECTION AND CONTENT

The topic selection process identifies the sustainability subjects that were most relevant to Elif and our stakeholders or prominent globally in period covered in this report.

Sustainability Report 2017-2018 is Elif's first report using materiality matrix for topic selection, a structured process to select the report's content and confirm its validity. We engage with various groups and individuals to understand specific concerns about our business and its impact around the world, particularly in relation to the 5 key areas covered in this report.

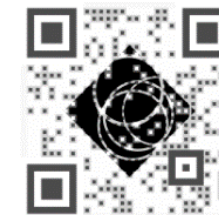
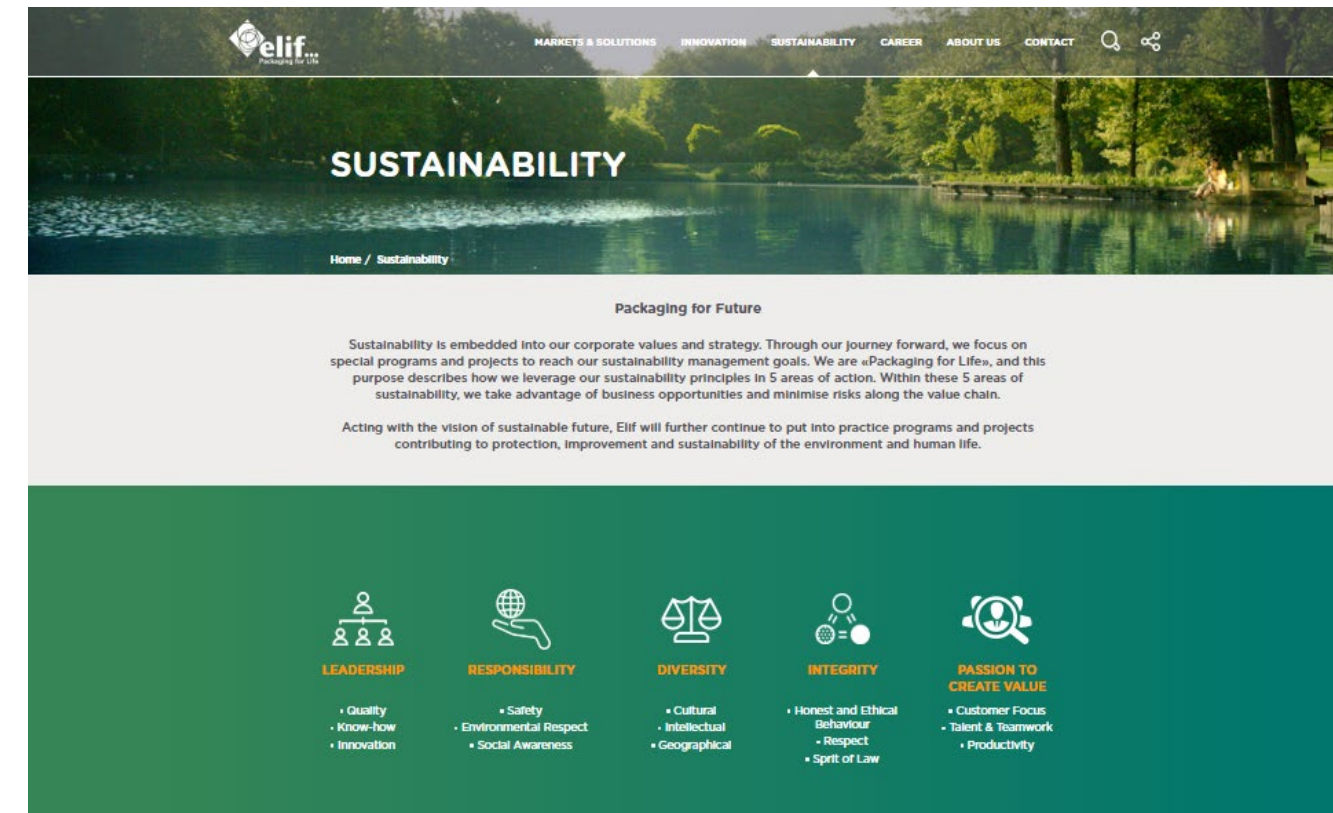
These include co-workers, shareholders, stakeholders, customers, suppliers, contractors, community representatives, business partners, customers, non-governmental organizations, investors, media, academics and consultants.

We also talk to teams within Elif across all parts of our business. We gather opinions and advice in various ways including formal and informal meetings, workshops and online surveys.

This report lists the topics that were a priority to our company in period 2017-2018. A full list of the topics that consistently ranked of higher importance are provided in the table on page 9-10 in subsequent pages.

### TABLE OF CONTENTS

- Introduction 3
- Our Approach 5
- Content & Navigation 7
- Topic Selection 9
- Materiality Matrix 11
- Executive Summary 15
- Our Business Model 17
- Change Management 19
- Corporate Presence 21
- Our Products 23
- Sectors We Serve 25
- Our Commitments For Sustainability 27
- Environment 29
- Society 37
- Economy 43
- Workplace 49
- Marketplace 55



### Be Online

Access to our sustainability activities can be found in this Sustainability Report and on Elif website.



# ABOUT THIS REPORT | TOPIC SELECTION

## Defining what matters with materiality matrix

### MATERIALITY MATRIX

The concept of materiality is central to sustainability reporting and it factors into investors' evaluations of Elif in which they invest. GRI provides high-level guidance in its Sustainability Reporting Standards to help companies undertake a process through which topics are identified and prioritized for reporting and communicating. Elif has put this guidance into practice by considering their main sustainability impacts and, in dialogue with their stakeholders, prioritizing certain topics and issues to report on.

The materiality matrix covers the key sustainability themes at Elif and arranges them according to their weighting from an internal and external perspective.

The central issues of the Sustainability are displayed and organized along three axes:

- Axis 1: Significance to stakeholders
- Axis 2: Significance to sustainability context
- Axis 3: Significance to Elif Strategy

The intersection of upper most quadrants of the three axis shows which aspects and other topics that have proven most important to Elif and that they should be reported in Elif's Sustainability Report. These are action points which are classified as being particularly important to business success and they feature prominently in the reporting.

Elif's Sustainability Report 2017-2018 covers all the subjects included in the matrix. The reporting on the key areas (GRI aspects) is based on the indicators outlined in the GRI-G4 guidelines.

GRI is the world's leading standard for comparable sustainability reporting based on key figures (www.globalreporting.org). Elif applies the guidelines in conformity with the GRI-G4 "Core" option. In addition, industry-specific requirements for industrial manufacturing services providers (manufactured capital disclosures) have also been taken into account.

### TOPIC SELECTION STEPS

The contents of the materiality matrix were established in 2017 as part of a multi-level materiality process involving internal and external stakeholders. Based on qualitative and quantitative interviews with the Elif's Executive Board, Elif's Sustainability Committee comprising of Marketing, Occupational Health and Safety and Energy and Utility Services, Human Resources, Brand Development and Corporate Communication specialists worked on selected key themes for Elif, discussed them with selected stakeholders and refined them in structured interviews. Elif's first materiality matrix is announced with Elif Sustainability Report 2017-2018. The matrix will be reviewed annually and amended when necessary.





# ABOUT THIS REPORT | MATERIALITY MATRIX

## Classification of topics by focus area & topics in detail

Responsible Packaging	Sustainable Materials Management	GHG Emissions Perf., Lower-carbon and Renewable Energy
Natural Resources & Environment	Waste	Pollution
Local Supplier and Skill Development	Employee Attraction and Engagement	Occupational Health and Safety & Human Rights
Business Strategy & Performance	Circular Economy	Business Partner Management and Collaboration
Supply Chain Technology & Industry 4.0	Responsible Packaging Policy and Community Education	Next Generations & Education
Equality & Women Empowerment	Information Security	Access to Food and Prevention of Food Waste
Product Safety and Quality		

Environment

Workplace

Economy

Society

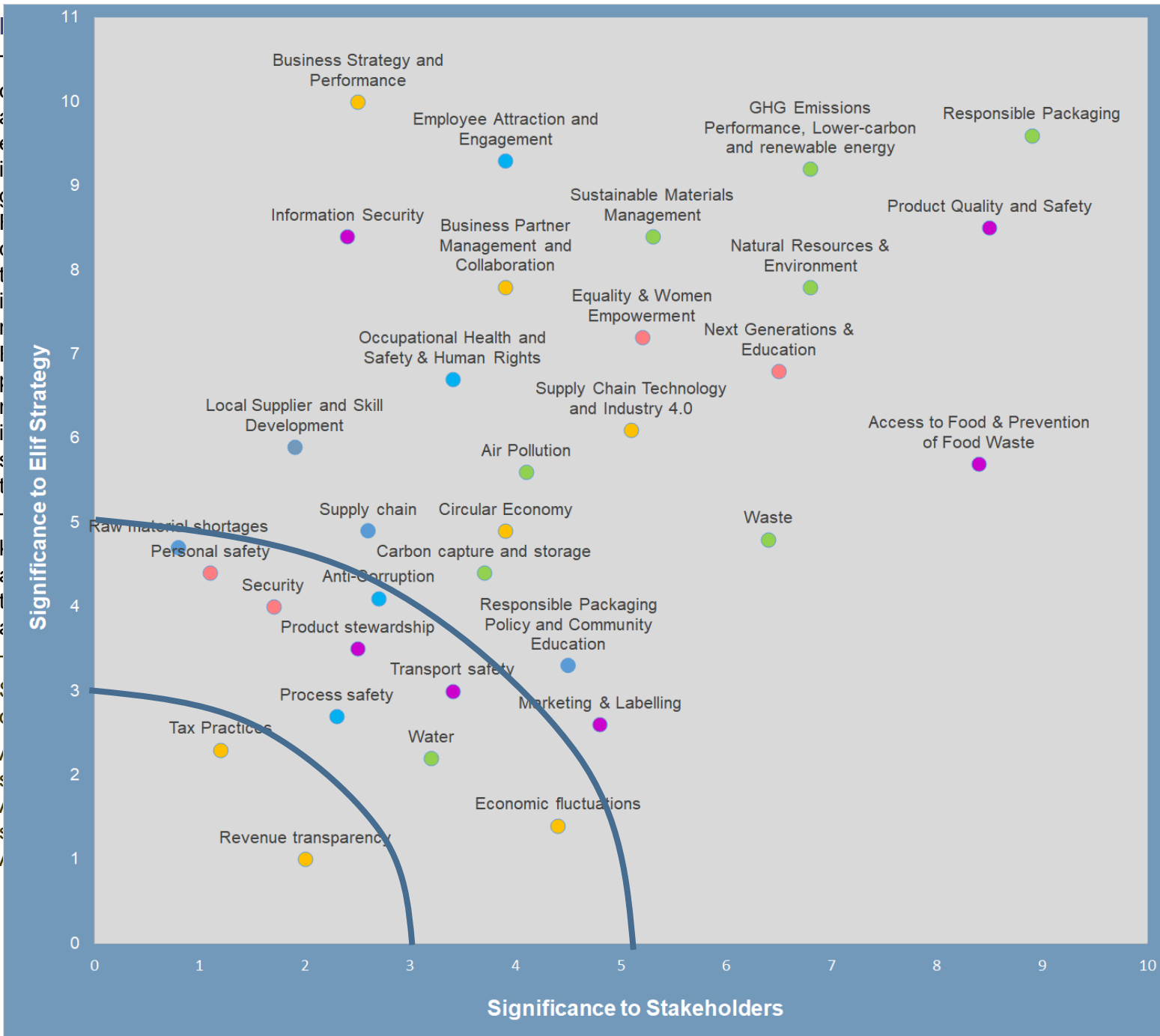
Marketplace

Issue	Action	Boundary	Focus Areas				
			ENV	SOC	ECO	WPC	MPC
Responsible Packaging	Investing in research and development and bringing innovative products to market to improve product design and life cycle impacts considering enhanced recyclability and lightweighting; sustainable selection of materials; innovating to improve Elif's manufacturing and business processes.	Consumers Customers Communities Elif group companies Environment Suppliers	x	x	x		x
Sustainable Materials Management	Responsible sourcing practices that lead to minimized environmental impacts and create social value; using materials that are selected according to sustainable sourcing schemes, using materials that are bio-based, and leverage post-consumer recycled content.	Consumers Customers Elif group companies Suppliers Regulators Environment	x	x	x		x
Product Quality and Safety	Ensuring the safety and quality of Elif's products according to Elif Quality and Product Safety Policy throughout the value chain.	Consumers Customers Elif group companies Suppliers Elif co-workers		x	x	x	x
GHG Emissions Performance, Lower-carbon and renewable energy	Reducing greenhouse gas (GHG) emissions across Elif's value chain by lowering energy consumption, using renewable energy, inspiring other sector players with innovative projects, enabling GHG reductions through the selection of plastic packaging over other materials and optimizing transportation and packaging manufacturing processes.	Consumers Customers Transport & Logistics Elif group companies Suppliers Environment	x	x	x	x	x
Waste	Post-consumer Waste: Supporting the prevention of plastic pollution in the human food and goods chain; Reducing food waste; Operational Waste: Reducing manufacturing waste through source reduction, reuse and recycling; responsibly disposing of hazardous waste.	Consumers Communities Environment Elif group companies Transport & Logistics Suppliers	x				
Occupational Health and Safety & Human Rights	Providing safe working conditions and access to resources to maintain and improve co-workers' physical and emotional well-being. Leveraging human rights in all circumstances.	Elif group companies Elif co-workers Communities		x			x
Circular Economy	Developing product innovations and collaborating with industry partners and governments to improve recovery and recycling for plastic packaging.	Consumers Customers Elif group companies NGOs / IGOs Suppliers	x		x	x	x
Information Security	Improving information security with ISO 27001 standards and policies to provide better and more reliable service for our customers	Elif group companies Elif co-workers	x	x			x
Responsible Packaging Policy and Community Education	Promoting responsible packaging policy and regulations; educating consumers to improve understanding of recycling of plastics and informing the community on the role and benefits of plastic packaging.	Elif group companies Consumers Customers NGOs / IGOs Suppliers Regulator			x		
Business Partner Management and Collaboration	Collaborating with customers and suppliers to improve sustainability performance; Managing customer relationships and working together with supplier feedbacks to increase customer satisfaction; Using Elif's position and capabilities to drive sustainability throughout value chain.	Customers Suppliers Elif group companies Elif co-workers	x		x		x



ABOUT THIS REPORT | MATERIALITY MATRIX

Prioritization of topics & topics in detail cont'd.



Issue	Action	Boundary	Focus Areas				
			ENV	SOC	ECO	WPC	MPC
Employee Attraction and Engagement	Attracting high-caliber people by communicating Elif's culture, business model and the value of packaging; improving employee loyalty by leveraging the "best" employee brand to increase involvement, productivity, and retention.	Customers Elif group companies Elif co-workers Potential employees					x
Next Generations & Education	Developing countries and enhancing standards of communities by providing better living and education conditions for the next generations.	Consumers Customers Communities Elif group companies Suppliers Elif co-workers					x
Equality & Women Empowerment	Emphasizing our belief in the power of "equality of man and woman" through our diversity and equal employment principles. Assimilating and applying an approach empowering women's presence in the economy.	Consumers Customers Communities Elif group companies Suppliers Elif co-workers					x
Natural Resources & Environment	Acting responsibly toward the environment and promoting productive and source saving methods and technologies in its business activities. Driving new projects and inspiring industrial organisations to do the same.	Consumers Customers Communities Elif group companies Suppliers Elif co-workers		x		x	
Access to Food & Prevention of Food Waste	Responsible packaging and transportation practices that lead to minimized food waste. Using materials that are selected according to food protection and safety. Using materials more functional, more lightweighted and more protective materials. that are bio-based, and/or contain post-consumer recycled content.	Consumers Customers Communities Elif group companies Suppliers Elif co-workers		x	x		x
Local Supplier and Skill Development	Developing the capabilities of local workers by on-the-job training, master-apprentice system, and investing in technical high schools. Demanding high level of standards from local suppliers and supporting those to achieve the given targets.	Elif group companies Suppliers Elif co-workers Communities					x x x
Supply Chain Technology and Industry 4.0	Improving manufacturing performance, product quality and flexibility by close tracking developments in technology, implementing new technological advancements and developing implemented systems.	Elif group companies Elif co-workers Suppliers					x x x
Business Strategy and Performance	Contributing to the sustainable growth of Elif and the communities where Elif operates.	Shareholders Elif group companies Elif co-workers Suppliers Customers					x
Pollution	Air: Reducing toxic air pollutants (VOCs, nitrogen oxides, etc) across Elif's value chain and minimizing impact to air quality in local communities. Water: Designing and operating our facilities to help reduce their fresh water use and reuse recycled water. Land: Designing our products and processes to minimize landfill.	Elif group companies Environment Suppliers Regulator Communities		x	x		x

Read More

Elif's updates on materiality matrix and selected topics of Elif can be found [here](#).



# ABOUT ELIF | EXECUTIVE SUMMARY

## Leading the way of flexible packaging

Elif is a global supplier of flexible packaging solutions for food, beverage, pet, home and personal care industries. Elif works relentlessly to create value in a spirit of leadership, through diversity and integrity and with a clear awareness of its responsibility for professional human resources and with its innovative management approach.

Elif has a full awareness of being world-class and a clear vision of, in every aspect of its business. Elif will continue to be pioneer by empowering initiatives and setting worldwide standards through leadership, responsibility, passion to create value, integrity and diversity. These values are the basis of Elif's commitment to deliver benchmark results.

Elif continuously search for new concepts and packaging ideas together with its customers and suppliers to provide packaging solutions of future..

Elif owns leading flexible packaging production facilities in the world with architecture of construction, infrastructure and high technology of production and scale. With its worldwide

benchmark factories in Turkey and Egypt, Elif has a production capacity over 100,000 tons per year. Elif's international operations network is strategically structured to offer both worldwide supply flexibility and a global localized service for its customers. Offering services to many major brands, both domestic and global, Elif exports over 50% of its production to more than 50 countries worldwide.

Elif has generated 190 mEUR sales in 2018 with the advanced growth of 10%.

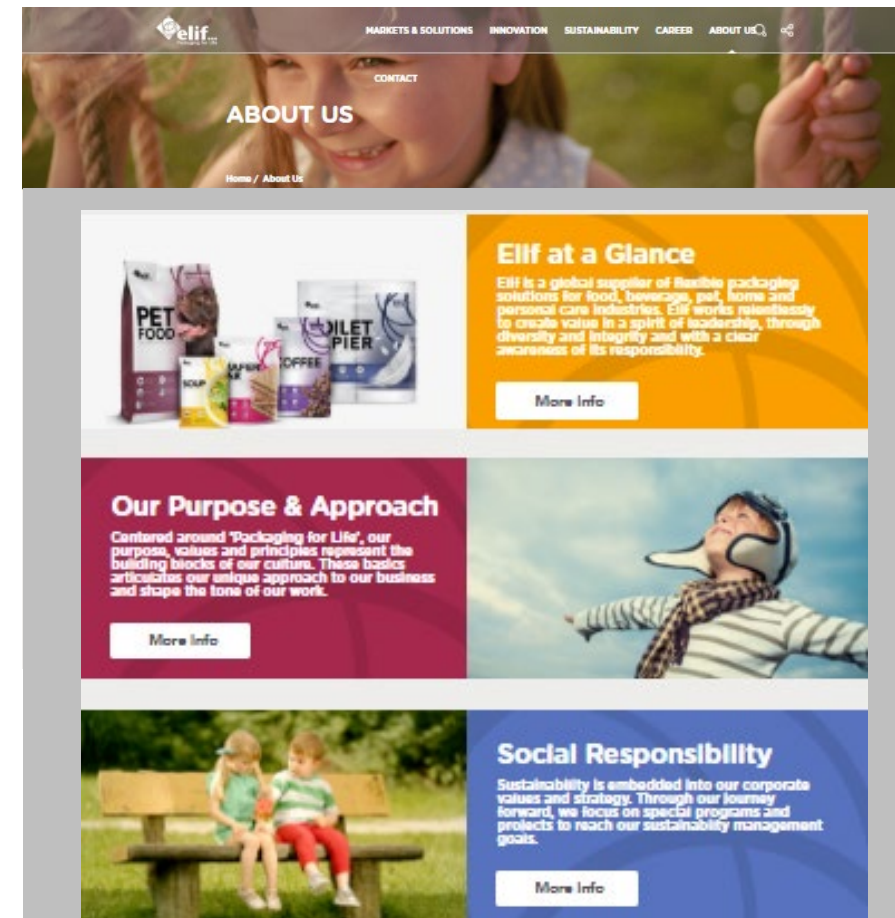
With its ISO 22000 and BRC/IoP Grade A certification as well as ISO 9001, ISO 14001, ISO 27001 and OHSAS 18001, Elif is committed to provide exceptional service and highest quality products tailored to the unique needs of each customer through collaboration and innovation. The Company not only advocates good corporate governance but also promotes long-lasting cooperation as well as open communication with customers and suppliers to uphold the principles of mutual trust and fundamental human values as a part of its code of conduct and ethics policy.

Elif continues to target tomorrow's excellence to keep its global benchmark company position in the flexible packaging industry. This has been achieved with the enthusiasm generated by the synergy of Elif's customers, suppliers, professional human resources and management team with innovative approach.

Continuously improving its service and quality standards, Elif has been authenticated as the market leader for setting high standards in the flexible packaging industry by its multinational customers with leading brands.

Elif is committed to work relentlessly to deliver value adding flexible packaging solutions through leadership, responsibility, passion to create value, integrity and diversity.

For Elif, sustainable development means the combination of long term oriented economic success with environmental protection and social responsibility. Elif has realized many best in class projects for sustainability which are awarded by its customers and authenticated authorities. Sustainable practice is an integral part of Elif's corporate culture and, therefore, Elif will continue to be a leader in sustainable development with new investments and initiatives strengthening its sustainability approach.



### Read More About Elif

Access to our [web site](#) in order to get more detailed information regarding Elif and its operations.

### Elif at a Glance

Our logotype tells our passion for packaging.



### Our Brand Story

Our logotype tells our passion for packaging. To learn more about Elif brand story please click [here](#).

 <p><b>50+ Countries</b> Flexible packaging solutions of Elif are consumed in more than 50 countries across 4 continents to create a happier and healthier life.</p>	 <p><b>1400+ Co-workers</b> Elif takes pride in its growing talented and diverse team of more than 1400 professionals who work to create value for its customers.</p>
 <p><b>40+ Awards</b> More than 40 awards pride Elif on its ability to make Elif a great partner to its customers and a great place to work for its co-workers.</p>	 <p><b>100+ Leading Brands</b> Elif is a global supplier of flexible packaging serving more than 100 market leading brands in various consumer goods industries.</p>





# ABOUT ELIF | OUR BUSINESS MODEL

## Our sustainable business model leverages Elif's successful business transformation.

### HORIZON OF IMPROVEMENT

Elif's successful transformation of business into a global benchmark company is leveraged by its value chain and growth strategies based on its corporate values. With the well management of change, risks and capital basing on its value, Elif's sustainable growth model targets long term economic success in combination with environmental and social responsibility both in the workplace and marketplace of Elif.

For the last 45 years, we have come along a long way through challenges to reach our goals. In this long journey, we recognize that the horizon of improvement never comes closer, thanks to our vision of being a global benchmark flexible packaging company. In every phase of our transformation we target to achieve higher standards for our sustainability framework (society, environment & economy). This is the source of our never ending enthusiasm and passion for our business.

Through change management using "Elif DAA (Define-Apply-Adopt) Transformation Method",

minimization of risks by diversification of growth sources, and disciplined management of capital by benefiting our cash flow, productivity and cost lowering methods, we achieve sustainable growth and successful transformation of business into a Global Benchmark Company.

Our core values also map our business strengths and priorities.

### LEADERSHIP

We will continue to be pioneers by empowering initiatives and setting worldwide benchmarks. We are top-notch in the way we design, produce and serve our products, leader in management performance and committed to deliver leadership results.

### RESPONSIBILITY

We act responsibly toward the environment and the society and aim to make a positive impact through our brands, activities, resources and assets.

### PASSION TO CREATE VALUE

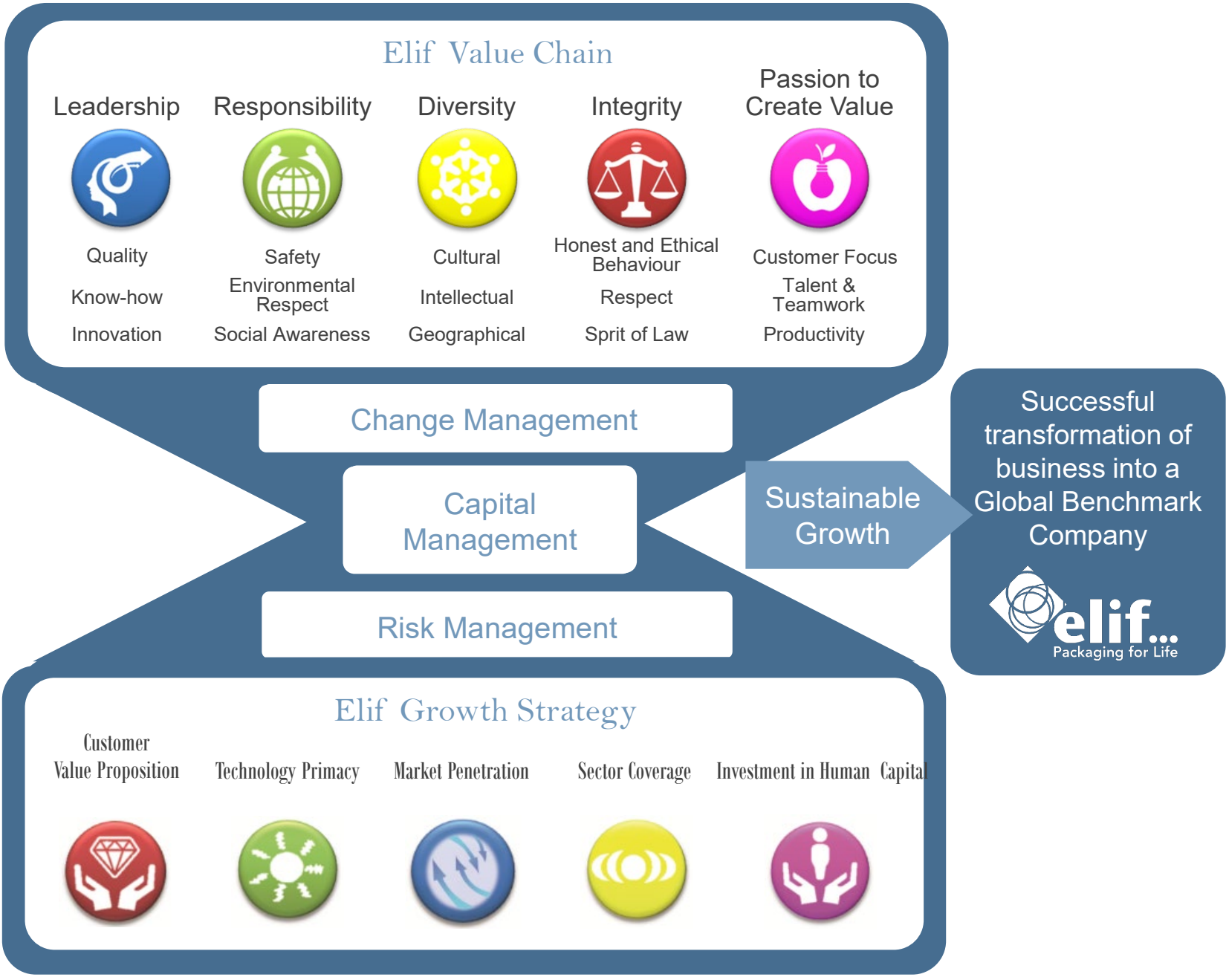
We are passionate about intelligent packaging solutions and helping to shape the next generation of our customers' products.

### DIVERSITY

We leverage diversity to create maximum value for our business using the colors of diverse ideas, needs, talents, geographies, cultures and capabilities of our organization, customers, business partners as well as communities.

### INTEGRITY

We build trust in our relationships through honest and ethical behavior. We uphold the values and principles of Elif in every action and decision. As a vital asset of our corporate responsibility, we operate within integrity, respect and the spirit of law.



### Our Sustainable Business Model

Elif's [value chain and growth strategy](#) are the drivers of the company's successful business transformation.



# ABOUT ELIF | CHANGE MANAGEMENT

## Long-termed, organized and strategical change.

### CHANGE MANAGEMENT

Through change management using "Elif DAA (Define-Apply-Adopt) Transformation Method", minimization of risks by diversification of growth sources, and disciplined management of capital by benefiting our cash flow, productivity and cost lowering methods, we achieve sustainable growth and successful transformation of business into a Global Benchmark Company.

Our growth strategy is powered by 5 strengths of our company:

### CUSTOMER VALUE PROPOSITION

We are strictly connected with our values chain in order to deliver an outstanding value proposition for our customers. Our values are the integral part of our customer value proposition. With well-founded know-how and talents, state-of-art production techniques and the flexibility for tailor-made products and services, we contribute to the business success of our customers all over the world. We continuously develop, test and optimize our products, materials and processes in order to provide the optimum packaging solution for their needs and secure their success.

### TECHNOLOGY PRIMACY

We are continuously seeking for new materials, techniques and

technologies to be the leader in adopting, using and developing these new solutions to be able to offer advanced products and services for packaging needs of our customers. As an indicator of that approach, Elif has been one of the pioneering companies to utilize the Digital Plate Making and HD Flexo Printing technologies and offer these high quality printing options to its customers. With this innovative approach, we aim to provide the best solution available for our customers with our expert team and state of the art equipment. Therefore, we leverage closer relationships with our customers, ensuring that we can fully understand the dynamics shaping their markets as their packaging partner and deliver the innovative packaging that they need and want.

### MARKET PENETRATION

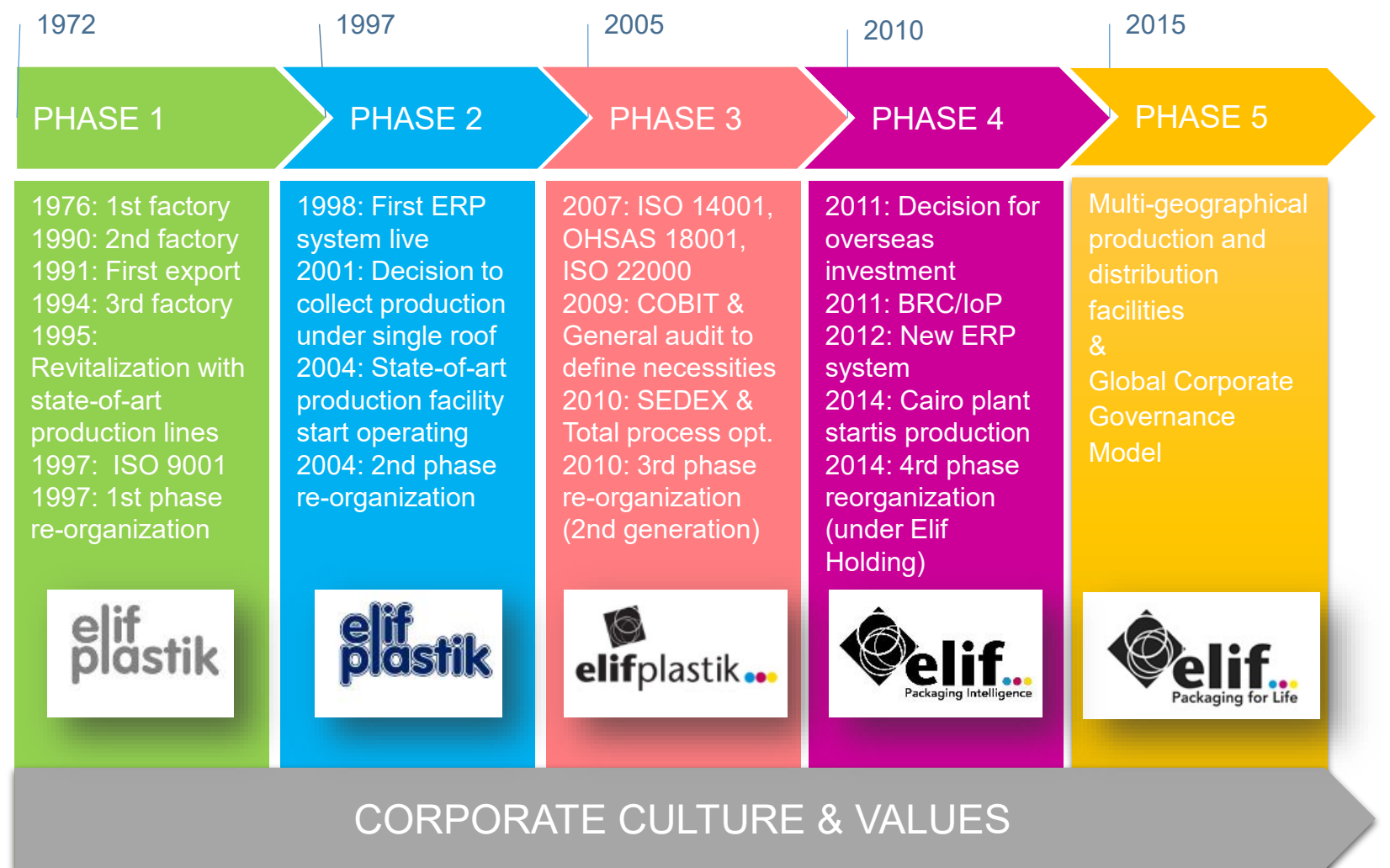
Through a truly global presence and supply flexibility, we have a penetration in more than 50 countries all over the world. Parallel to the balance of local and export markets, we are delivering more than 50% of our products to Europe and rest is equally distributed in North America, Asia, Middle East and Africa. We are leading the local market in sectors we serve and target to be the market leader in MENA after opening of our facility in N.Africa.

### SECTOR COVERAGE

Flexible packaging sector produces packaging for almost all of the consumer and industrial markets. We are the clear leader in hygiene, detergents, consumer tissue, and food sectors in Turkey and a significant player in hygiene market in Europe. While we are improving our performance in the sectors we lead with better value proposition, we also enter and grow in new sectors on a strategic background.

### INVESTMENT IN HUMAN

Continuity of our quality and service can only be achieved with qualified employees. Therefore, we select high quality employees and invest in them to make them even more qualified for the road in front of them. Co-worker development and career planning is integrated into Elif's performance management process. We organize tailor-made induction programs to ensure that new co-workers receive consistent introductory training about Elif and the industry dynamics. At Elif, it is believed that competencies and capabilities develop on-the-job as well as formal training programs and training tools. We build capability through 'on the job learning' as well as through formal programs and trainings.



### Change Management

Read [our history](#) for further details of our successful transformation of business into a Global Benchmark Company.



# ABOUT ELIF | CORPORATE PRESENCE

## Providing a full range of services on a secure global footprint

### CORPORATE STRUCTURE

Founded in 1972, Elif Holding has become one of the most successful group of companies not only in Turkey but also in Europe by staying one step ahead of change throughout its journey of 45 years.

Harmonizing international standards and continuous improvement in all of its activities, Elif Group is a global player progressing step by step towards the goal of capturing the success it has achieved. Elif intends to be a worldwide international trademark by administering corporate governance, undertaking social responsibility and providing environmental protection at international standards.

### ELIF GROUP OF COMPANIES

Elif continues to transform new market potentials into growth and strengthens its international position on a secure global footing.

### ELIF GLOBAL

Elif Global is the worldwide leader in flexible packaging and has strong international relationships with major customers via a

comprehensive network stretching across globe. This enables the global coordination of customer requirements, ensuring the delivery of a single quality system across all operations.

Gathering sales and distribution of all Elif subsidiaries under one roof, Elif Global is headquartered in Istanbul, Turkey with more than 100 employees.

### ELIF EUROPE

Elif Europe is the hub of European operations of Elif Group. Elif's European sales organization and operation network is strategically structured to provide operational excellence and supply flexibility for Elif's European customers.

Elif Europe business is headquartered in Lausanne, Switzerland. Elif Global S.A. aims to provide localized service and competitive advantage for its customers in Europe.

Elif Europe sells and distributes various standard and complex flexible packaging solutions produced in Elif Turkey and Elif Egypt to European markets.

### ELIF TURKEY

Elif Turkey is the leading global flexible packaging manufacturer in Turkey with a customer network all over the world. Elif Turkey manufactures various standard and complex flexible packaging solutions in Elif's state of art plant in Istanbul. Elif Turkey flexible packaging manufacturing factory combines its high-quality production techniques with an understanding of consumer and customer needs.

In Turkey Elif has more than 1000 employees. Elif Turkey business is headquartered in Istanbul, Turkey.

### ELIF EGYPT

Elif Egypt is the hub of Middle East and African operations of Elif Group. The state-of-the-art facility has started operation in 2015 and represents a significant Greenfield investment by Elif in Egypt.

Elif Egypt business is headquartered in 6 October City in Cairo, Egypt. Elif Global S.A.E. employs 350 co-workers and aims to bring a competitive advantage to the Egyptian Industry with quality packaging that will increase the demand to their products in global arena.



### Corporate Structure and Governance

To see the overview of Elif Group of Companies with a detailed list of key products, capabilities and services please click [here](#).



# ABOUT ELIF | OUR PRODUCTS

Our packaging reaches millions of people all around the world everyday, helping to create a happier and healthier life.

Pre-made Bags & Pouches						
	Packaging Films					



**Read More**  
Access to our markets and solutions on our [web site](#) full a full range of features and capabilities.



# ABOUT ELIF | SECTORS WE SERVE

## Shaping the future of packaging with our customers

Food & Beverage							Pet Care
							Industrial



**Read More**  
 Access to our markets and solutions on our [web site](#) full a full range of features and capabilities.



# ABOUT ELIF | OUR COMMITMENTS FOR SUSTAINABILITY

FOCUS	GOAL	STRATEGY	ACHIEVEMENTS		
			2017-2018	2015-2016	2014-2015
ENVIRONMENT	Reduce natural resource usage continuously and globally.	Drive process, product and policy initiatives in the sector related to reduction of natural resource usage.	<ul style="list-style-type: none"> <li>GHG emission is reduced by 27.3%.</li> <li>Direct waste to landfill is recorded as 0.</li> <li>Water consumption is decreased by 4.4%.</li> </ul>	<ul style="list-style-type: none"> <li>Recognition of 2 awards for sustainability.</li> <li>Trigeneration project resulted in 42,8% calculated and 36,1% efficiency in electricity usage.</li> <li>9,9% GHG emission reduction achieved in 2016.</li> </ul>	<ul style="list-style-type: none"> <li>Recognition of 3 awards for sustainability</li> <li>Energy efficiency programs resulted in 3% decrease in energy consumption and 17% reduction in natural gas consumption</li> <li>Re-Water projects lowers water consumption by 6%</li> </ul>
SOCIETY	Create value for the communities we touch.	Sponsor education of future generations for sustainable development.	<ul style="list-style-type: none"> <li>7 social responsibility projects completed in 2012.</li> <li>Direct Positive effect on 4870 children's life standard.</li> <li>Amenity of 1000 trees is saved against global warming.</li> </ul>	<ul style="list-style-type: none"> <li>4 corporate social responsibility projects.</li> <li>Signed United Nations Women Empowerment Principles</li> <li>Planted more than 10.000 trees</li> <li>Support for animal sheplers and Children with Leucemia continues</li> </ul>	<ul style="list-style-type: none"> <li>6 corporate social responsibility projects.</li> <li>Millions of people in contact with Elif every day</li> <li>3rd consecutive «Human Respect» award</li> <li>30% increase in number of co-workers</li> <li>3rd year as a member of UNGC</li> </ul>
ECONOMY	Perform sustainable solutions for our business framework to achieve sustainable growth.	Promote efficient, productive and cost saving methods, technology and investments for and with the business framework.	<ul style="list-style-type: none"> <li>Over 11% CAGR in last 5 years.</li> <li>12.3% increase in total export in 2012.</li> <li>10% capacity increase achieved in 2012 with new investments in production line.</li> </ul>	<ul style="list-style-type: none"> <li>«Elif» brand is accepted to Turquality program.</li> <li>12% growth and 15% capacity increase in 2016.</li> <li>Cairo factory doubled its capacity and increased work force by 43%.</li> </ul>	<ul style="list-style-type: none"> <li>12% CAGR in last 5 years.</li> <li>25.000 tonnes capacity plant in MEA region</li> <li>10% capacity increase achieved in Istanbul plant together with production lines for new technologies</li> </ul>
WORKPLACE	Develop an equal opportunity for diverse workforce, engaged to work in a safe workplace with no injuries.	Elif is committed to deliver any legal, organizational or functional requirement related with labor rights and safety.	<ul style="list-style-type: none"> <li>Lost days due to injuries decreased by 26.1%.</li> <li>Average lost time weight reduced by 29.0%.</li> <li>11.6 hours of education per co-worker achieved.</li> </ul>	<ul style="list-style-type: none"> <li>Workplace Conditions Assessment Achievement Award</li> <li>UNGC supporter for last 5 eyars</li> <li>R&amp;R System launched in 2 plants</li> <li>12 hours of training per co-worker</li> <li>Stable case weight and frequency*</li> </ul>	<ul style="list-style-type: none"> <li>Average weight of cases decreased by 17.3%</li> <li>14 hours of training per co-worker</li> <li>Know-how transfer to new plant (180 qualified new co-workers, 350 planned)</li> </ul>
MARKETPLACE	Help shaping the next generation of our customers' products.	Develop intelligent packaging solutions for consumer, environment, customer and economy.	<ul style="list-style-type: none"> <li>Project for new production facility in Cairo, Egypt has kicked off.</li> <li>7 years of SEDEX membership has been completed successfully.</li> <li>64 new product developments achieved.</li> </ul>	<ul style="list-style-type: none"> <li>Packaging 4.0 in progress in concept factory</li> <li>91 existing product developments achieved</li> <li>New innovation concept: Neo-eco packaging</li> <li>6 years of SEDEX membership</li> <li>ElifHybr hybrid printing technology</li> </ul>	<ul style="list-style-type: none"> <li>4 innovative products introduced to the market</li> <li>54 existing product developments achieved</li> <li>Enlarging geographical effectiveness by reaching new markets</li> <li>4 years of SEDEX membership has completed successfully.</li> </ul>



%10.23 ↓  
GHG Emissions

4 ✓

new product  
innovation for lower  
raw material use and  
recyclability

5 ✓

green projects for  
future

2 ✓

NGO collaborations

2 ✓

awareness campaign  
for environment

PACKAGING FOR

**future**





# ENVIRONMENT | PACKAGING FOR EARTH

## Innovating sustainable solutions with higher performance, functionality and cost-efficiency

### HYBRID PRINTING 'ElifHybr'

ElifHybr is the hybrid printing technology of Elif using a combination of different ink transfer systems with electron beam curing. ElifHybr offers elegant printing results and cost efficient solutions for especially in short runs.

ElifHybr provides a great advantage for customers who want to achieve significant advantage over the competition in the fast moving consumer sector by providing new products, promotions and campaigns fast to market, by improving market entry speed of packing average 50-70 % which provides advantage during printing preparation and installation.

ElifHybr eliminates all quality and high cost problems of brands implementing designs on more than one or different campaigns and promotions parallel to increasing marketing activities by differentiating product designs on the packages by taking into account personal, regional and similar purposes and objectives of the companies. ElifHybr, supporting brand ownership for the brand owners at the side of consumers by establishing an emotional link between consumers and brands, meets personalization, privatization and

differentiation needs of its customers particularly in terms of marketing by reducing high installation, roller printing and line-cut costs. ElifHybr enables printing the desired design on different packaging films regardless of thickness of film and color.

ElifHybr is distinguished with advantages provided to its customers in the field of marketing as well as environment-friendly structure and contribution to the sustainability. First and foremost, energy savings obtained thanks to its electron beam curing technology used through curing process, and hybrid printing technology by minimizing volatile organic compounds (VOCs) thanks to the non-use of solvents during the drying process with special inks produced for this technology offer the optimum solution for environment. ElifHybr economizes energy by 65% thanks to immediate curing process as well as reduces the consumption of ink by 60%. ElifHybr provides advantage with much more less energy use and emission for drying process and non-solvent printing and less formation of VOCs thanks to use of special ink and curing process and reduces the carbon footprint by 75%.

ElifHybr is honored with WorldStar Award of WPO (World Packaging Organization) which is the packaging industry's most prestigious award.

### SWEETEST SOLUTION FOR SUSTAINABILITY 'Elif2Twist'

Elif's last eco-innovation Elif2Twist, amplifies candy brands to take a step forward in sustainability to with its environmental-friendly structure and superior twist performance.

With outstanding printing quality and ideal twist properties, Elif offers PE twist film Elif2Twist to piece wrap a large variety of pre-formed confection, ranging from hard candy to chocolate truffles as well as chocolate bars, taffy and caramels.

With transparent, white and metallized versions, Elif2Twist works fluently on high speed packaging machines thanks to improved surface properties for lower friction. Elif2Twist helps brand owners to increase both brand loyalty and sales with Elif's high quality printing solutions and finishing/coating applications that meet shelf appeal requirement of confectionery producers.

Elif2Twist is also ecologically safe and can be recycled replacing traditional materials that harm the environment, such as cellophane, paper and PVC. Elif2Twist is available in a variety of colors, including transparent, matte, gloss, white and metallized, providing high visibility of the candy or chocolate.



**ElifHybr & Elif2Twist**  
Visit Elif's [innovation highlights](#) to see more products providing more performance, functionality, cost-efficiency and sustainability.





# ENVIRONMENT | RECYCLEABILITY FIRST

## Running together to reach the European Commission's 2030 recyclability targets

### HIGH PERFORMANCE PE FILM 'ElifHyPER'

Elif creates difference with its approach of "Packaging for Life" and innovative packaging solutions. Working ceaselessly with the purpose of creating useful solutions for "humans" and "environment", the reasons of being, Elif presents a new more alternative with "ElifHyPER", the high performance PE packaging solution, which has been developed as a result of Elif's intensive R&D studies for its customers.

A high-performance PE film for product differentiation, sustainability and cost advantage. ElifHyPER is a modified and improved PE film to save resources, improve film properties, and optimize films for specific uses. ElifHyPER offers better optical properties like higher gloss, clarity and lower haze, better mechanical and barrier properties, advancement in film performance and reduced natural resource usage.

ElifHyPER also eliminates the need for lamination with other substrates allowing recyclability of the packaging.. The high-performance PE film solution of Elif is at the forefront of the fast-moving consumer sector in its increasingly competitive environment, thanks to its product differentiation and financial

feasibility advantages as well as its contribution to environmental friendliness and sustainability.

ElifHyPER offers improved barrier properties, enhanced tensile strength toughness and stiffness, better shrink properties, and increased gloss and transparency. ElifHyPER films have better gloss, clarity and haze. ElifHyPER is stiffer, has much higher tensile strength, is much tougher, offers two times improved barrier properties and its shrink properties can be controlled over a wide range. These properties of ElifHyPER offer product differentiation, sustainability and cost advantage for brand owners and consumers.

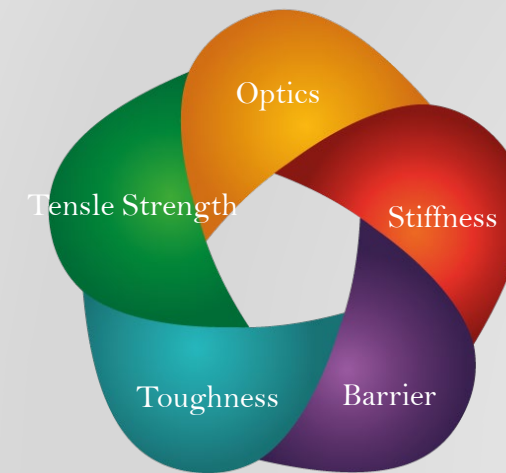
Targeting to achieve maximum performance with minimum resource usage, ElifHyPER can be used in various flexible packaging applications like stand-up pouches, in-mold labels, shrink sleeves, draw string tapes, cereal and cracker packaging, sealant wraps, twist wraps, tapes, frozen food packaging, barrier packaging, liners, heavy duty bags and lamination replacement.

With its improved properties ElifHyPER can be used as an alternative for BOPP or PET films enabling recyclability of the packaging, which leads to recyclable pouches and bags.

### 100% RECYCLABLE PE POUCH 'Elif2Pouch'

Elif2Pouch is Elif's 100% recyclable PE pouch solution to meet the growing demand for recyclable and environmental-friendly packaging. The innovative packaging solution of Elif meets consumer's expectations and helps compatibility with the 2030 recyclability target of the EU Commission to create a better future for the environment. Elif2Pouch has high moisture barrier and puncture resistant properties and can be designed with customizable oxygen barrier. Elif2Pouch can be printed with high definition graphics using ElifHybr -hybrid printing- or high quality flexo printing.

- Great optical properties. High clarity, transparency and gloss
- Excellent stiffness and strength
- 100% recyclable - Can be recycled with all other PE materials including retail shopping bags
- Compatible with existing post-consumer recycled waste streams
- 100% recyclable closure, spout and zipper options
- High barrier to moisture
- Excellent puncture resistance for greater product protection
- Customizable oxygen and aroma barrier



Properties		Standart	PET	BOPP	ElifHyPER
Thickness		ISO 4593	12µ	20µ	20µ
Barrier Properties	OTR (23°C, 0%rH)	ASTM 3985	Excellent	Poor	Excellent
	WVTR (38°C, 90%rH)	ASTM F1249	Poor	Excellent	Excellent
Optical	Haze %	ASTM D1003	Excellent	Excellent	Excellent
	Gloss 60°	ASTM 2457	Excellent	Excellent	Excellent
Mechanical Properties	Tensile Strength, N (MD)	ASTM D882	Excellent	Good	Excellent
	Tensile Strength, N (CD)		Good	Excellent	Poor
	Elongation at Break (MD) %	ASTM D882	Good	Good	Poor
	Elongation at Break (CD) %		Poor	Poor	Excellent
	Elmendorf Tear Test (gf) (CD)	ASTM D1922	Excellent	Excellent	Good
Elmendorf Tear Test (gf) (MD)	Excellent		Excellent	Good	

Properties		Standart	PET-PE Pouch	BOPP-PE Pouch	Elif2pouch
Thickness		ISO 4593	12µ	20µ BOPP / 60µ PE	20µ ElifHyPER / 60µ PE
Barrier Properties	OTR (23°C, 0%rH)	ASTM 3985	Excellent	Good	Excellent
	WVTR (38°C, 90%rH)	ASTM F1249	Excellent	Excellent	Excellent
Optical	Haze %	ASTM D1003	Excellent	Excellent	Excellent
	Gloss 60°	ASTM 2457	Excellent	Excellent	Excellent
Mechanical Properties	Tensile Strength, N (MD)	ASTM D882	Excellent	Good	Excellent
	Tensile Strength, N (CD)		Good	Excellent	Good
	Elongation at Break (MD) %	ASTM D882	Excellent	Excellent	Good
	Elongation at Break (CD) %		Good	Good	Excellent
	Elmendorf Tear Test (gf) (CD)	ASTM D1922	Excellent	Excellent	Good
Elmendorf Tear Test (gf) (MD)	Excellent		Excellent	Good	

### ElifHyPER & Elif2Pouch

To learn more about how [ElifHyPER](#) and [Elif2Pouch](#) contributes 'Packaging for Earth' please visit our product pages on our website.



# ENVIRONMENT | BETTER TOGETHER

## Running together to reach the European Commission's 2030 recyclability targets

### NEW YEAR, NEW HOPE 'Packaging for Environment'

New Year, New Hope; 'Packaging for Environment'

Since its establishment, Elif has become a symbol that makes a difference in the sector with its environmental awareness and environmental activities in the context of climate change. Elif has added a new one to its projects in the environment and donated seedlings to the TEMA Foundation on behalf of its customers and suppliers.

In this year, Elif has been continuing raising awareness by drawing attention to the fight against environmental problems. Elif donated hundreds of seedlings to the TEMA Foundation on behalf of its customers and suppliers with the New Year's societies, contributing to the greening of the North Cyprus cantonal area.

### EARTHHOUR Elif helps to protect the Planet with its 1200 Co-workers

Elif supported the 'Earth Hour' movement this year as it was in the past years. Elif turned its lights off on Saturday March 24 between 8:30 – 9:30 pm in local time for Earth Hour, an annual event aimed to raise awareness about energy consumption and climate change. Elif, one of the pioneers in Turkey, realized by turning off the lights for an hour was aimed to raise awareness in the issues

such as climate changes, water resources depletion, loss of biological diversity which comes up against the world.

### TRIGEN II Continueing to invest in future

Elif has invested a trigeneration project 2 years ago as part of its 'NOsume Energy' program. Elif continued to contribute to the protection, improvement and sustainability of the environment and human life through its new Trigenation investment, Trigen II, which increases its trigeneration capacity by 100%.

As a result of its sustainability approach, Elif started to produce the energy it used at its production facility in Istanbul in recent years. In addition to using energy that respects the environment and human life, Elif reduced its dependence on the transmission and distribution network to a minimum, and managed to reduce production losses and resulting quality problems and maintenance costs as a result of network interruptions and fluctuations Elif's old system, which produces 4 MW of electricity, allowed the recovery of 3.2 MW of heat energy, low carbon emissions and clean energy production, reducing greenhouse gas emissions, and saving energy by 80% in energy efficiency and cooling water and obtaining thermal oil. .

With the introduction of the new system, Elif will invest 4.3MW more energy in addition to the existing 4MW electrical energy generating system and will produce 8.3MW of total electrical energy, and with the energy amount of natural gas consumed by the existing system and the energy waste in the heating and cooling system from the heat. In addition to all these, Elif will increase the quality of the final product produced by reducing the static electricity in the production by the steam obtained from waste heat with the new system. As a result of secong trigeneration system, TRIGEN II, Elif lowered its greenhouse gas emission rate by %10,23 equivaent to releasing production of 267.043 10-year old trees.

### 'WASTE TO WEALTH' IS NOW IN TURKISH: 'ATIKTAN SERVETE'

With the awareness of transition to circular economy is the greatest revolution and opportunity ahead for sustainability, Elif continued to collaborate with NGOs this year.

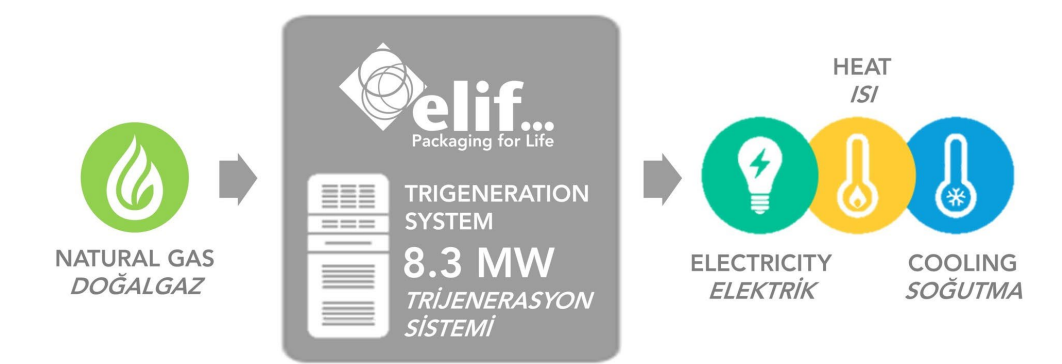
After analyzing more than 120 companies, Accenture explained five major circular economy business models that have identified resource efficiency with innovative methods in the book Waste to Wealth, which has long

been on the list of best-selling books on circular economy. This important book has been brought in the name of Turkish 'Atıktan Servete' by SKD Turkey. After the publication of 'Atıktan Servete' with the cooperation of Business Council for Sustainable Development Turkey and Accenture 'Waste to Wealth' book was translated into 11 languages. Elif also supported the translation and printing of the books with ipre-orders. 'Waste to Wealth' / 'Atıktan Servete' proves that 'green' and 'growth' do not have to be alternatives of each other, and makes the circular economy a practical and viable business model from an abstract concept. Elif distributed over 100 pre-ordered books to its customers and suppliers, contributing to the achievement of the purpose of this important resource and the growth of the cyclical economy.

**'ATIKTAN SERVETE' LAUNCH**  
Business Council for Sustainable Development Turkey (BCSD Turkey)

**EarthHour**  
Please [connect with us](#) to get more information regarding EarthHour activities and reminders.

**NEW YEAR NEW HOPES**  
Elif celebrated new year by planting trees on behalf of all its customers.



**TRIGEN I & II**  
Elif invested in 2 trigeneration projects: [TRIGEN I](#) in 2016 and [TRIGEN II](#) in 2018.



PACKAGING FOR  
**love**



Millions ✓  
of people in contact with  
Elif every day

2 ✓  
years of UNICEF  
Platinum Wings  
sponsorship

5 ✓  
years of  
Save Food Initiative  
membership

1370 ✓  
working days  
employment for women  
wo/ social security

6 ✓  
years of UNGC  
participation

PACKAGING FOR  
**friendship**





# SOCIETY | PACKAGING FOR NEXT

## GENERATIONS

### Elif's major areas of focus: Next Generations & Access to Food

#### PACKAGING FOR LIFE

Producing "Packaging for Life", Elif works constantly to create value, in the spirit of leadership, with the knowledge that diversity is the source of a rich culture, and with honesty and responsibility being its indispensable values. Packaging is an essential part of our daily lives. Elif works passionately to deliver «always» better products for the society, for the environment, for the future. At Elif, «We are Packaging for Life».

#### 2<sup>ND</sup> YEAR OF UNICEF 'PLATINUM WINGS' SPONSORSHIP

Elif has been the first supporter of UNICEF's "Platinum Wing" program in Turkey in 2017. In 2018, Elif continued its sponsorship for this meaningful project. The company is the first Turkish institution conferred with the 'UNICEF Platinum Wing', thanks to the regular funds granted by the company to the UNICEF projects that aim to ensure access by the most disadvantaged children in Turkey and around the world to the living, improvement, health and educations services and offer them the same rights with their peers.

As the first 'Platinum Wing' supporter of UNICEF in Turkey, Elif has been contributing to the

realization of sustainable projects in order to achieve the basic rights and freedoms of these children and to maintain their lives on equal terms with the other children. In 2017, with regular funds from Elif and other supporting organizations, 2.5 million children were treated with severe acute malnutrition, 13.6 million children were vaccinated against measles, 29.9 million people were given safe access to safe drinking, cooking and personal hygiene, 2.8 million children were given psychosocial support and 5.5 million children were given formal or non-formal access to basic education. Elif, one of the long-term supporters of LÖSEV in line with the vision of 'Packaging for Life', is aware that hope-filled tomorrows will be possible with hopeful children and invites all institutions and organizations to support non-governmental organizations such as UNICEF and LÖSEV who serve this meaningful purpose.

#### SAVE FOOD INITIATIVE

Elif is proud to be the supporter of the initiative consequently including 2018..

The aim of Save Food is to develop new concepts which contribute to the more efficient use of food resources amongst industry experts, researchers, politics and consumers.

Elif's most important leverage for the global society is the quality of packaging materials that helps societies to access better quality products.

As part of "Save Food Initiative", Elif is particularly keen to promote information interchange and cooperation between all parties and partners involved in the value chain. Elif will continue to its innovations that extend shelf life, reduce waste and deliver ultimate product and brand protection.

Save Food Initiative also supports enhancement of access to food in disadvantageous regions of the world. Children in that region are the most affected group by shortage of food.



**SAVE FOOD**  
Elif is the supporter of Save Food initiative since 2014. Visit [Save Food web site](#) for further nfrmation.



**2<sup>ND</sup> YEAR OF UNICEF PLATINUM WING**  
Elif continued support ng UNCEf for treating children with disadvantageous conditions. More info is accessible here for: [2017](#) and [2018](#).



# SOCIETY | PACKAGING FOR NEXT

## GENERATIONS

# Elif's major areas of focus: Women Empowerment and UN Global Compact Principles

### UNGC

Elif aims to make its corporate environment and social responsibility official by joining the United Nations Global Compact, the intention of which has been declared with a Letter of Commitment sent to the UN in July 2012.

Elif's corporate values define the effective integration of ecological, economic and social engagement of the company and its representation of individual responsibility for the realization and sustainability of successful business. As a global company making business in many different cultures, diverse environmental platforms and social attitudes, Elif adopts the importance of the UN Global Compact principles that are already adopted by the company in the way it conducts relations with employees, business partners and other stakeholders. For Elif, sustainable development is based on consistently conducting business with integrity, in compliance with the laws and regulations governing its activities, environmental protection and social responsibility.

Elif is committed to making the Global Compact and its principles a part of its corporate strategy, culture and every day operations and engaging in collaborative projects which advance the

development goals of the United Nations, particularly the Millennium Development Goals.

The Global Compact is a voluntary code that is intended to put substance behind the interest of Elif in upholding fair, sustainable, responsible and ethical principles of conduct. The Global Compact was announced in 1999 as a UN initiative for the business community to help promote sustainable development in the world and lays down 10 principles in four important areas: human rights, labor rights, environment and anti-corruption.

Elif's commitment to sustainable development and corporate values are and will continue to be reflected, promoted and implemented. Elif urges all of its suppliers, dealers, consultants and other business partners within its sphere of influence to adopt the UN Global Compact principles.

### INTERNATIONAL WOMEN'S DAY & WOMEN EMPOWERMENT

Elif puts its signature under new projects that add value to the life in a regular basis, being aware of the fact that improvement of the position of women in the community and their participation in the business life, more than being a demand, is among the

highest needs of our society. Elif continued its Women's Day activities this year, which became an Elif tradition.

After the 'March 8th Women's Day Lunch' attended by all employees, as a symbol of this day Elif presents gifts Women's Day flowers with special messages emphasizing the meaning and importance of this day to ensure that all Elif employees, their families, their immediate surroundings and the society's awareness of 'gender equality' Elif enriched its activities for Women's Day with new projects and donated the Turkish Education Foundation on behalf of its employees to raise strong women for the future.

Elif questioned the meaning and purpose of gender equality during the events with a short survey among its employees. Elif also shared mini videos of short anecdotes that share these views from their social media accounts.

Being conscious about the fact that achieving higher level of development requires women's increased participation in the economy, a bigger share to them from development and growth and improvement of their position in the family, Elif continues to launch important social responsibility projects as well. In this frame, Elif has offered job opportunities to housewives in tying operations of

hundreds of thousands of bags produced by the company in 2016, which in turn has created total women employment of 235 working days. Elif raised this number to 1,370 working days and provided employment for women in 2017.

Elif, one of the first initiators and supporters of the Women's Empowerment Principles – WEPs platform, which was established in partnership with the United Nations Global Compact and United Nations Gender Equality and Women's Empowerment Unit (UN Women) in 2010, actively continues its efforts to strengthen women's empowerment, which is one of the most important global initiatives in the private sector.



**MARCH 8<sup>TH</sup>**  
Elif celebrated 'March 8th Women's Day together with all of its employees in 2017 and 2018.



**6<sup>TH</sup> YEAR OF UNGC**  
To access our UNGC CoP reports please visit our [UNGC page](#) or [UNGC web site](#).



%4 ↑  
Capacity Growth

%8 ↑  
Revenue Growth

Debugging System of cutting machine

Software for register engines of cutting machine



# ECONOMY

## Growing business targets pulls up the investments

### SUCCESSFUL BUSINESS RESULTS IN 2016

Sales growth is enabled by our B2B2C business approach, by winning with the customer by focusing on the consumer, and driven by both Elif's sustainable business model and expanding packaging solution portfolio strengthening efforts that are underway. Business objective of Elif is to consistently deliver organic sales growth ahead of underlying growth of the segments in the markets it competes. Elif targets high level of top-line growth running together with consistent bottom-line growth. This target has set by Elif to deliver leadership levels of value creation for Elif and its business partners.

2017 has been a dynamic year inside Elif. While expanding our investments to cover capabilities essential to its customers' success, Elif also continued its growing business results. With the leveraging effect of Egypt operation, Elif has closed the year 2017 with 10% growth versus the previous year. Enhancing its ability to serve changing

customer needs through in strategic and innovative investments, Elif increased its capacity parallel to the mid-term growth targets of the company.

### 20% CAPACITY EXPANSION IN CAIRO PLANT

Elif grew its production capacity by 40% in the past 3 years. Elif's capacity policy is an obligation for its investment and growth strategy to keep its flexibility and respond to the peak demands from the customers. According to Elif's capacity policy, the necessary additional capacity investments are placed when the production demand reaches 75% of the capacity. Infrastructural investments of Elif will continue in 2018 to cover the mid-term growth targets of the company.

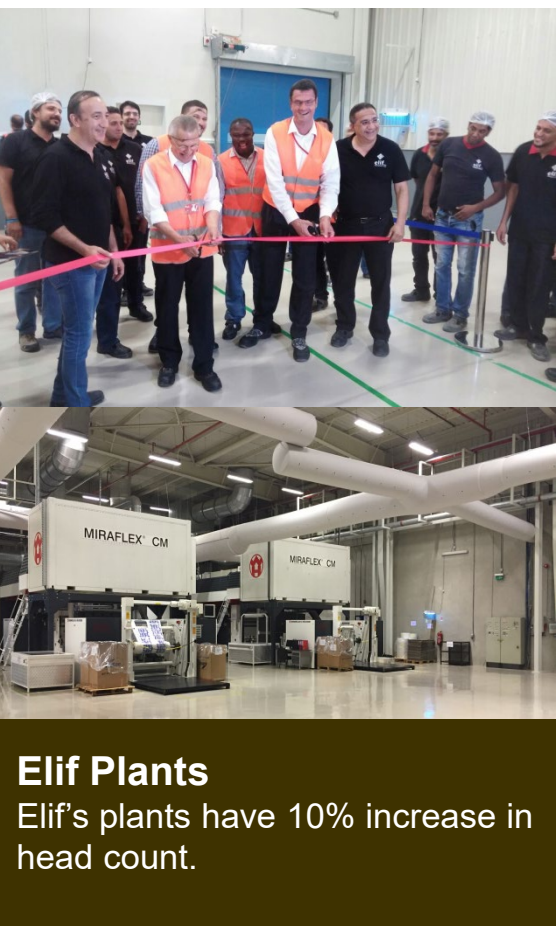
Elif added new production lines and systems to its operations including the new generation extrusion lines, Elif's new printing technology «ElifHybr» and the «ElifHepta» color management system .

With the new investments, more than 130 production lines are running under Elif roof in Istanbul and Cairo plants. In 2017, Elif's capacity reached 100,000 tons with more than 1,800,000 MM printing and around 3 million bag-making capacity.

### EGYPT ON THE GO

Elif's Cairo plant in Egypt has started operation in early 2015 with 350 planned co-workers and 25.000 tons of production capacity. The new Middle East Africa packaging hub of Elif is constructed considering further extension of the facility for future capacity requirements parallel to the raising packaging needs of the region.

In 2016, Elif doubled the capacity of Elif Cairo plant and reached a headcount of 360 qualified co-workers equipped with know-how transfer from Elif's global talent pool.



**Elif Plants**  
Elif's plants have 10% increase in head count.

**Our Progress**

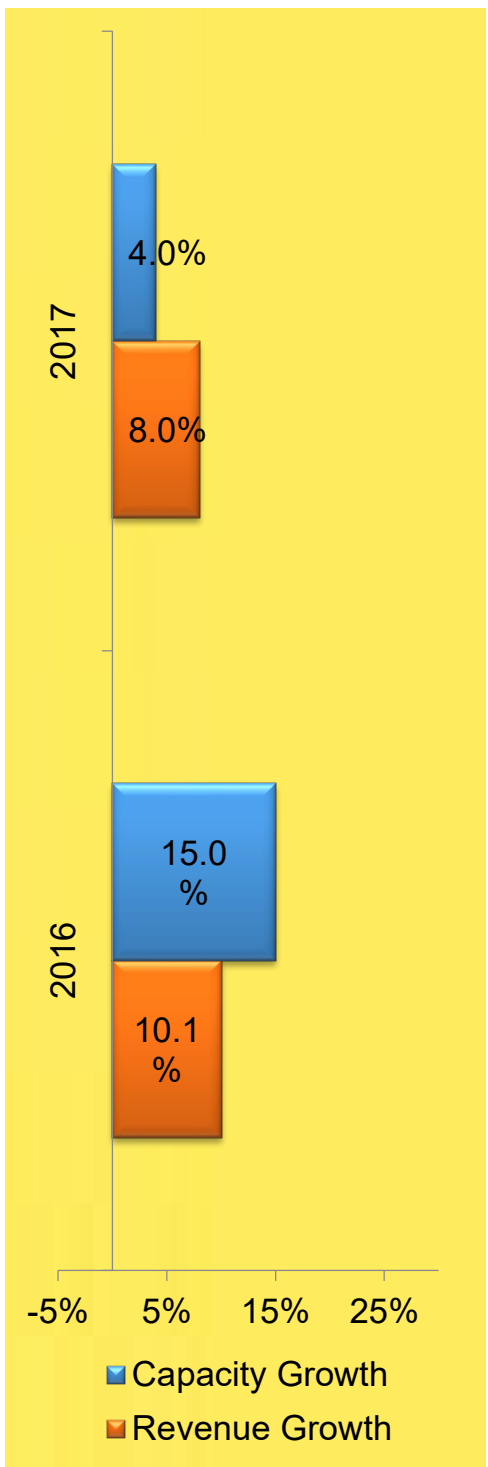
Parallel to its growth strategy and capacity policy, Elif made infrastructure investments and increased its capacity for its mid-term growth targets.

Business continued to grow in 2017 with the power of new Egypt caior plant.

**2017**

4%

8%





# ECONOMY

## Elif continues pioneering technology from Industry 4.0 to Packaging 4.0.

### INDUSTRY 4.0 VISION

Industry 4.0 is a vision that machines and systems independently monitor all of the important process and system states, share information with each other and optimize the production processes throughout the entire process chain.

Industrial Revolutions 1.0 to 3.0 took the industrial advancements through mechanised processes, mass production and production automation. Today Industry 4.0 pursuits product innovation, increased collaboration, operational process enhancement and cyber-physical production.

However, the road to completely implementing this vision is a long term evolution for Elif. This is why it is important to specifically define Industry 4.0 for flexible packaging market: Packaging 4.0.

Packaging 4.0 refers to intelligent machines with integrated processes and intuitive operation.

### PACKAGING 4.0 AT ELIF

Elif targets to achieve flexibility, quality and cost efficiency at the same time with Packaging 4.0. The new industrial approach allows Elif to answer new strategic trends of:

- Convergence of applications for initiating new advancements
- Greater business focus on energy efficiency and sustainability
- Greater presence of mobility and web-based information systems

Elif started to move forward into Industry 4.0 in 2008 with datamaster software enabling definition of production phases of machines, identifying stops and downtimes, live data collection from the systems and instantaneous sharing of the collected data for analysis.

After transformation of Elif's ERP system into a full scale ERP, Elif started to use MII module with integration of PLC devices on all machines. PLCs enabled data flow into operator computers and recording.

With the effective use of APO, Elif has started to control and analyse all inputs and outputs of the system. Implementation of the new system resulted in harmonization of the production with the variations in the inputs. Live data enables diagnosis and analysis of the deviations in the outputs instantly, making it possible to interfere the system on time.

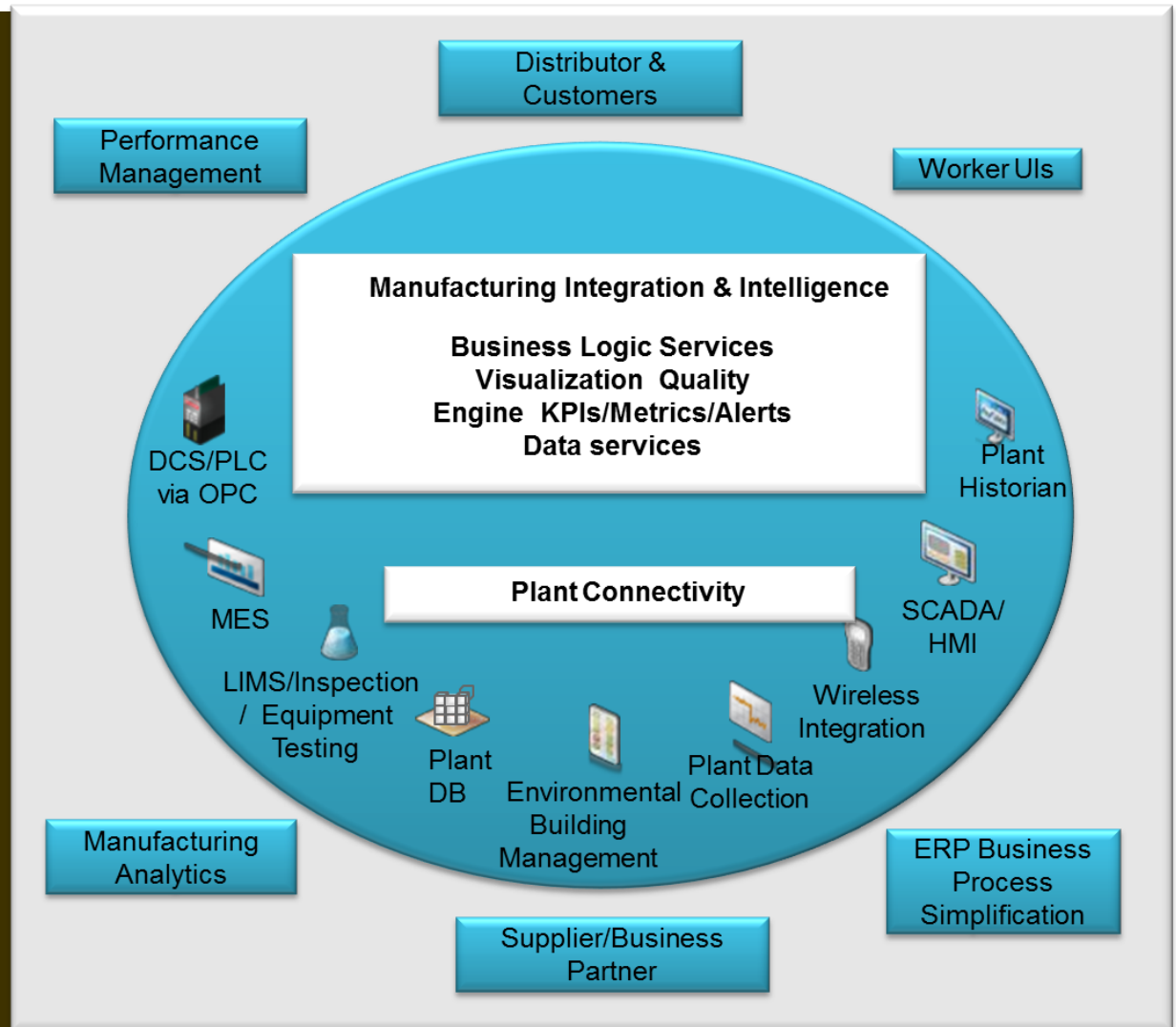
The strategic platform of Packaging 4.0. enables manufacturing integration and intelligence and plant connectivity.

The increasing intelligence of the machines through the integrated automation and intelligent operation increases the level of control over the machine which lead an increase in flexibility, cost efficiency and quality of the production at the same time.

Packaging 4.0 is being implemented in Elif plants and business units in multiple geographies and will be developed with the advancements of the technology.

### Industry 4.0

Overview of the strategic platform for Elif's connected plant in Istanbul. Data feeding ERP MII enables live management of performance resulting in increased flexibility, quality and cost efficiency.



### Packaging 4.0 at Elif

Upgrades at Elif Istanbul plant for Packaging 4.0







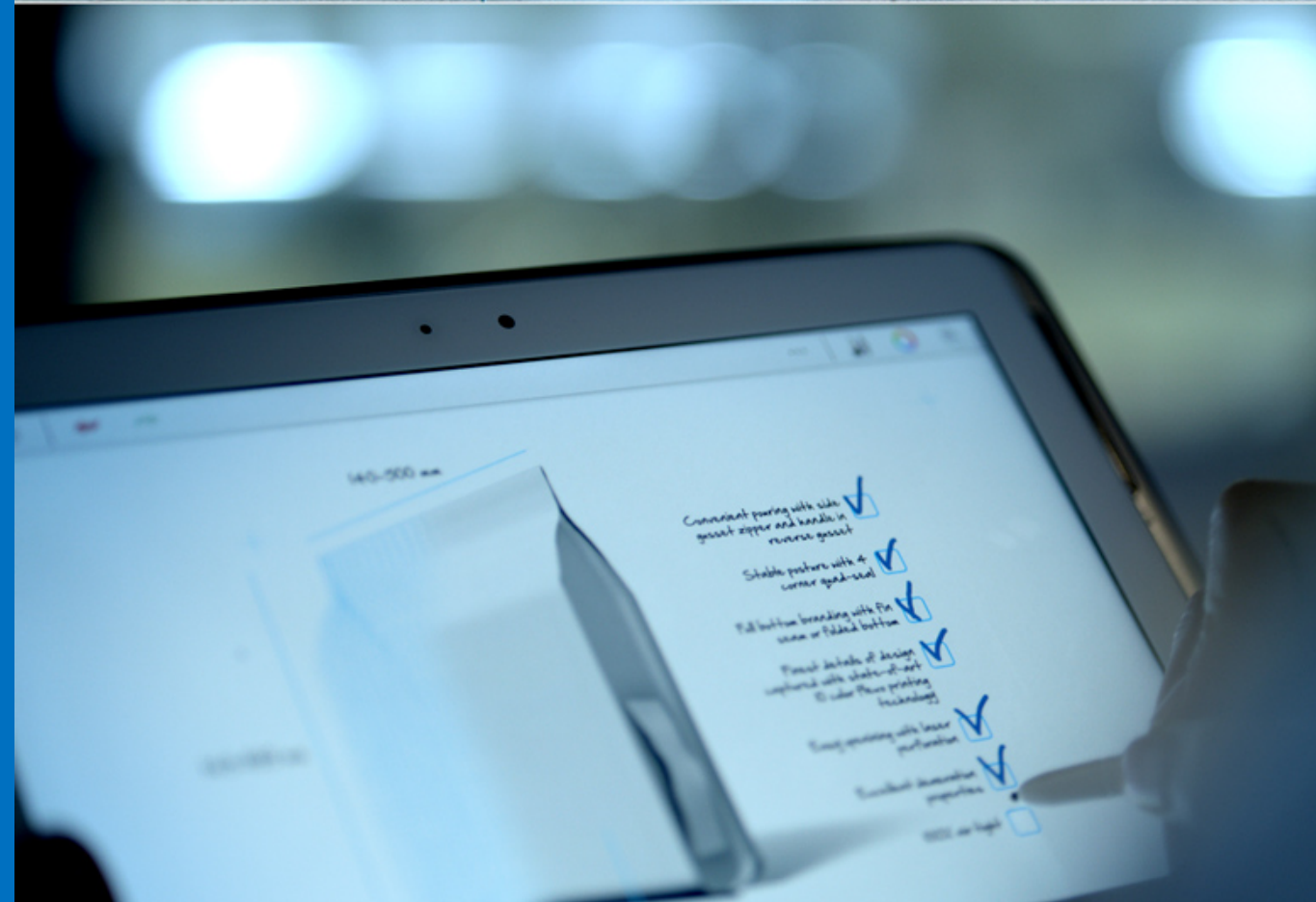
PACKAGING FOR

**care**



PACKAGING FOR

**trust**



5% ↓  
Lost days

4.88% ↓  
case weight ratio

11.7 ✓  
hours of education

7 ✓  
years of  
SEDEX membership

5S ✓  
implementation



# WORKPLACE | OCCUPATIONAL HEALTH AND SAFETY

## Elif's major areas of focus: Occupational Health and Safety

### GETTING CLOSER TO 'NO INJURIES'

Elif's approach to occupational and workplace health and safety is driven by Elif Environment, Occupational Health and Safety Policy. Elif prepares and develops an annual action plan to reach its long terms targets on occupational health and safety. As well as Elif Environment, Occupational Health and Safety department responsible from the management of the environment and labor safety, every Elif employee can come with proposal for development of safety. Employees are welcome with their proposals and ideas and are also encouraged with an award system.

Supporting Elif's Environment, Occupational Health and Safety Policy and strategy, each Elif manufacturing site prepares an annual program including action plan for environment and workplace safety.

The goal of Elif's occupational health and safety programs is to foster a safer and healthier work environment for its co-workers as well as to protect the welfare of people engaged in work or employment and surroundings. . Elif is aware that its co-workers and the synergy generated by them are key values for the company.

Elif Case Frequency Rate is measured by calculating the number of injuries or work-related illnesses per total hours worked and multiplied by 1.000.000.

Elif Case Weight Ratio is measured by calculating the number of lost days due to the injuries or work-related illnesses per total hours worked and multiplied by million. In year 2017, Case Number and Case Frequency Rate remained the same as in 2016, Case Weight Ratio decreased by 4,88% and Lost Days decreased by 4,96% in 2017.

Elif Case Weight Ratio is measured by calculating the number of lost days due to the injuries or work-related illnesses per total hours worked and multiplied by million.

In the past years, it was determined that the majority of the accidents that occurred in the Elif production line were caused by the cuts of snap curved knives, so special equipment was purchased and all of the employees were trained in cutting. In addition, a team of experts on cutting was established. In this way, cutting work accidents have declined by %60

Elif continuously and periodically educates, trains and conducts yearly health risk-control programs for its co-workers. Elif is certificated with OHSAS 18001 Occupational Health & Safety Management System Certificate and implemented a variety of programs and processes to achieve greater protection and to prevent occupational injury and illness of employees, contractors and visitors.

The results clearly demonstrates that Elif's health and safety programs are performing and the Company is getting closer to its «No Injuries» target parallel to its Environment, Occupational Health and Safety Policy.

### CO-WORKER AWARENESS AND EDUCATIONS

Total time of education covered by Elif for orientation, information and awareness-raising purposes has reached 11.7 hours per co-worker. Educations for occupational health and safety are specifically designed according to the technical requirements of each department.



**OCCUPATIONAL HEALTH & SAFETY AT ELIF**  
Click [here](#) to read Elif's Occupational Health and Safety Policy. To learn more about occupational health and safety at Elif please follow the [link](#).

**OCCUPATIONAL CO-WORKER AWARENESS & EDUCATION**  
To learn more about carrier and co-worker development programs of Elif, please follow the [link](#) .. Or contact Elif [here](#).





# WORKPLACE | PACKAGING FOR NEXT GENERATIONS

## Elif's major areas of focus: Next Generations & Access to Food

### 7 YEARS OF SEDEX MEMBERSHIP

Elif is a member of SEDEX (Supplier Ethical Data Exchange) which has more than 50,000 members globally. As a member of SEDEX, Elif is being audited periodically according to SMETA (SEDEX Members Ethical Trade Audit) and assuring self improvements of its sustainability and ethical policies for all of its manufacturing sites.

Every year, Elif goes through SEDEX audit and also supports numerous audits from our customers against the SEDEX responses.

SEDEX provides an online platform for reporting labor standards, health and safety, business integrity and environmental performance information. The questionnaire includes questions about labor conditions, human resources policy and human rights. Questions are centered around:

- Child and young employees
- Freely chosen employment
- Freedom of association and collective bargaining
- Wages
- Working hours
- Non-discrimination
- Regular employment
- Use of small holders
- Discipline and grievance
- Use of home workers

### ROAD TO SUCCESS, SELF-CONTROL WITH 5S!

In 2017, By means of "Road to success, self-control with 5S" project which is a workplace organization that consists of five stages and is named after the initials of five Japanese words, Elif aims to implement, manage and ensure the sustainability of industrial order, neatness, and cleanness into the organization in a systematic manner. Elif has announced the launch of this important project in September, by means of the launch meeting conducted with the participation of 700 employees.

By means of the 5S project to which the entire Elif family participated with high motivation, Elif is aiming to raise its organization to the top level in simplicity, efficiency and quality fields by applying Sort-Set In Order-Shine-Standardize-Sustain systematic in all work areas. "Road to success, self-control with 5S" project, which is initiated in parallel with Egypt and Turkey operations, will spread within the organization in the presence of consultants for 1 year and will be supported with trainings, activities and campaigns.

Being aware that the 5S project does not only consist of a cleaning activity, Elif aims to prevent losses caused by workplace disorders

such as lack of taking control at the operations easily, employees wasting time with searching materials and tools, giving too much or too little raw material orders, occupational accidents and lack of using the factory space effectively.

In 2018, Elif continued its journey on lean manufacturing after completion of the 5S implementation.

### GATHERING ONLINE

Elif grew rapidly with its dynamic, informative and entertaining shares in social platforms. Elif shares market trends, innovations and company news within LinkedIn, Facebook, Twitter and other social media platforms. LinkedIn, which is a social sharing platform that aims to enable business professionals to communicate and exchange information, attracting the attention of professionals in the packaging and FMCG sectors. You can reach Elif from LinkedIn as Elif Global, who has started using LinkedIn's company page application to strengthen communication on LinkedIn.

LinkedIn is the largest social platform in the professional business world today with more than 500 million users that gather professionals from more than 200 countries.

Elif aims to introduce new products, services and projects through the renewed company page on LinkedIn. LinkedIn will also be a platform where all Elif co-workers are agthered and get connected in any time and any loation.

Elif will continue to use social media accounts in an active, informative and entertaining manner and will continue to bring the passion for 'Packaging for Life' to more people every day. You can follow Elif from social media accounts, to be aware of Elif's new products and services and to learn about new business opportunities.



### 5S LAUNCH

To read mor about Elif 5S launch please visit our [web site](#) and [our youtube page](#) for Elif 5S video.



PACKAGING FOR  
**senses**



PACKAGING FOR  
**fun**



NO ✓  
corruption

7 ✓  
years of  
SEDEX membership

3<sup>rd</sup> ✓  
year in information  
security system  
certificate



# WORKPLACE | MARKETPLACE APPROACH

## Responsible sourcing and information safety

### MARKETPLACE APPROACH

Elif intends to be a worldwide international trademark by providing products and services of high quality and value, helping customers and societies, articulate their goals, charting a course which navigates them from where they are today to where they want to be tomorrow and beyond. Elif upholds the values and principles of cultures it operates and serves, as well as its customers, in every action and decision by treating their assets as its own and behaving with their long-term development in mind.

### CODE OF CONDUCT AND ETHICS POLICY IMPLEMENTATION FOR NEW MARKETPLACES

Elif's new manufacturing plant will start operating in Q4 2014. The new plant in Cairo, Egypt will be the hub of Middle East and Africa operations of the company.

Elif is not only an investor who provides new job opportunities and creates added value for the African Economy, but also, by using the latest technology and bringing its know-how to the region, Elif's Code of Conduct and Ethics Policy will be implemented as well in its new facility and organization.

### RESPONSIBLE AND ETHICAL SOURCING AND PROCUREMENT

Elif is a member of Sedex (Supplier Ethical Data Exchange) since 2010. Sedex is a not-for-profit membership organization that enables the sharing of ethical performance information between companies and their suppliers. Sedex membership means that Elif provides access to its ethical performance information to its customers and can request the same from its suppliers. More than 400 global brands, 17,000 suppliers and more than 21,000 sites in 160 countries currently participate in Sedex.

As a member of Sedex, Elif is being audited periodically according to SMETA (Sedex Members Ethical Trade Audit) and completed SSAQ (Sedex Self-Assessment Questionnaire) for improvements of its sustainability and ethical policies. The increased demand for sustainability information about Elif's operations from customers is met by the registered information in the Sedex database and, during period 2017-2018, more than 20 customers requested access to Sedex information relating Elif sites.

### NEW INFORMATION MANAGEMENT SECURITY SYSTEM

Elif was one of the first packaging companies, which were awarded the 2017 version of the ISO/IEC 27001 Information Safety Management System Standard in Turkey.

ISO/IEC 27001 is the only controllable international standard that defines the requirements of Information Safety Management System (ISMS). Being designed to ensure adequate and proportionate safety controls, ISO/IEC 27001 certification helps protect and manage the valuable information assets. At the same time, ISO/IEC 27001 adopts the process approach to create, implement, operate, monitor, inspect, maintain and develop the Information Safety Management System.

Following the inspections carried out in June, Elif has been granted the ISO 27001 Information Safety Certificate, which sets the standards to prepare risk management and risk handling plans, duties and responsibilities, business continuity plans, emergency incident management procedures of the institutions in terms of information safety and

to keep the records during the practice. Elif has achieved that success by publishing an information safety policy in which all activities are contained and creating awareness by the staff about the threats towards information safety.

Elif renewed its ISO 27001 certificate in June 2018.

### INDEPENDENT AUDITS

In today's global economic conditions, both international and national environment in which the business world, Elif is emphasizing the concept of the continuity and transparency. But transparency can only be obtained with financial reporting and independent audits provided under international standards.

Elif goes through a tax audit and auditing of accounts on an annual base. As a global company operating in foreign trade, Elif also gets external auditing service for its foreign trade operations. In this sense, the accuracy of the declarations in conformity with the regulations and the calculated duties & taxes is audited and the outcome is reported .

**7 years of membership**

**ISO 27001 INFORMATION MANAGEMENT SECURITY SYSTEM**

Click [here](#) to reach Elif's latest ISO 27001 certificate.