



TAN

TEKSTİL

**2024
SUSTAINABILITY
REPORT**

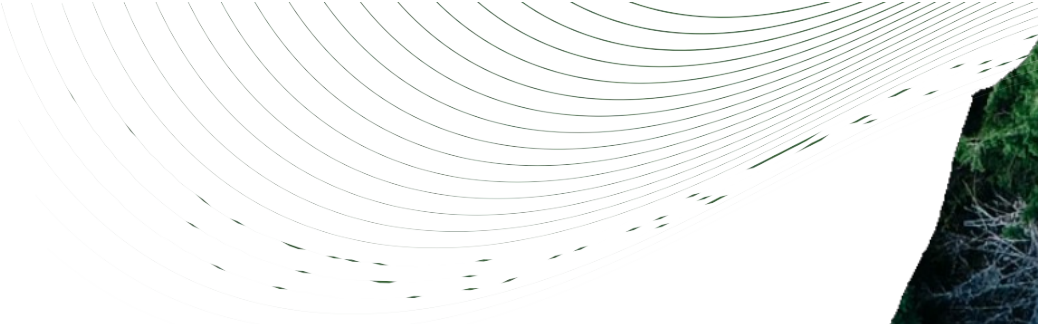
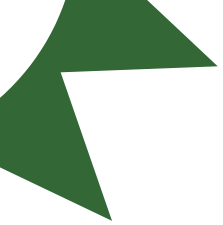




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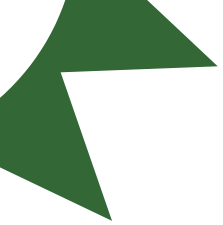


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1 ABOUT THE REPORT





TAN Tekstil, aware that a single report cannot fully express its sensitivity and responsibilities regarding today's environmental and social challenges, commits to:periodically updating its sustainability report every year,continuously improving its efforts,following a more responsible production approach toward the environment and society through innovative solutions,and sharing its progress transparently throughout these processes.

This report has been prepared with the aim of comprehensively presenting **TAN Tekstil**'s environmental, social, and governance (ESG) performance for the period January 1, 2024 – December 31, 2024.In preparing this report, compliance with the following standards and frameworks has also been observed:

- *General Principles
- *Climate-Related Topics
- *Employee-Related Topics
- *Governance-Related Topics





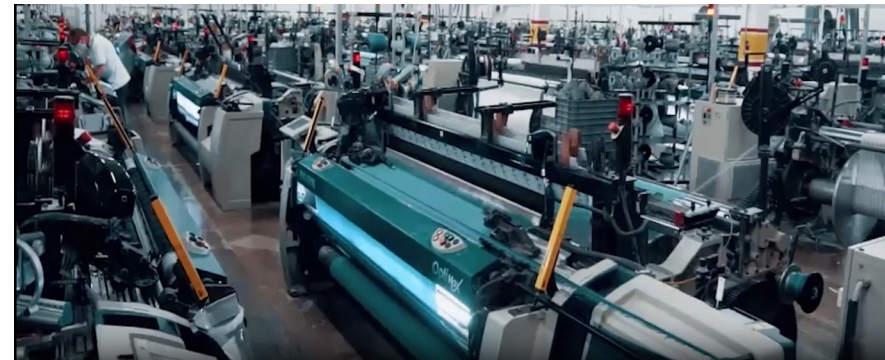
REPORTING FREQUENCY

This sustainability activity report is planned to be published once a year. In the coming years, more comprehensive and comparative content will be presented, including data presentations compared with previous periods and sustainability indicators.

Activities Within the Scope

This report covers all operations of **TAN Tekstil**'s integrated production facility located in the Honaz district of Denizli province. The units included in the report are as follows:

- *Weaving Unit
- *Yarn Dyeing Unit
- *Towel Dyeing Unit
- *Open-Width Finishing and Dyeing Unit
- *Digital Printing Unit



Assessment of TAN Tekstil's impacts on the environment and society;

• Topic

- *Water consumption
- *Chemical use and waste
- *Carbon emissions
- *Use of renewable energy
- *Employee rights and safety

• Social/Environmental Impact

- *Regional water stress, impacts on agriculture and society
- *Groundwater and soil pollution
- *Contribution to climate change
- *Carbon reduction and environmental awareness
- *Workforce welfare and social impact



FINANCIAL MATERIALITY:

Sustainability topics that may directly affect TAN Tekstil's operations:

• Topic

- Decrease in water resources
- Carbon emission management
- Energy efficiency and solar power (PV) investment
- Supply chain sustainability
- Climate risks and extreme weather events

• Financial Risk/Opportunity

- Decrease in production capacity, increase in water costs
- CBAM (EU Carbon Border Adjustment Mechanism) cost
- Decrease in energy costs, increase in profit margin
- Material quality, customer compliance, supply disruptions
- Operational interruption and infrastructure risk



MESSAGE FROM OUR GENERAL MANAGER

Dear Stakeholders,

Today, I am pleased to share with you the progress our company has made on its sustainability journey. In recent years, we have strengthened our commitments in the environmental, social, and governance (ESG) fields, aiming not only to enhance our business but also to contribute to the society and natural environment in which we operate.

Sustainability is not merely a goal but a core value embedded in our daily operations. From our use of renewable energy to our waste management and water conservation projects, we continue to take innovative steps toward a sustainable future.

This report highlights the key components of our sustainability strategy and our achievements, while also shedding light on the challenges we face. Working in collaboration with our stakeholders guides us on this journey.

We believe that building a sustainable future is a shared responsibility. We are determined to fulfill our obligations to leave a more livable world for future generations, and we take great pride in walking this path together.

Thank you for taking the time to review our current performance, which we have presented transparently in TAN Tekstil's first sustainability activity report.

Sincerely,

Mehmet Ali TAN

Board Member (General Manager)





Founded in 1997, Tan Tekstil has become an innovative force aiming for excellence in fabric production. With our integrated departments — Yarn Dyeing, Towel Dyeing, Digital Printing, Finishing, and Weaving — we meticulously manage every stage of production. In our modern facility with 34,676 m² of indoor space, we produce 750,000 meters of shirting fabric per month with 800 expert employees and state-of-the-art technology. As Tan Tekstil, we stand out in the global market by providing high-quality and systematic service to world-renowned brands. Both domestically and internationally, we continue to shape the fashion industry by offering our customers fast and effective solutions.

ECO-FRIENDLY PRODUCTION, STRONG COLLECTIONS

In our production processes, we place great emphasis on environmental awareness, carefully using sustainable energy sources and renewable materials. Taking into account the changing global conditions and customer demands, we continue to offer the best solutions with our innovative approach. At **Tan Tekstil**, we design our collections by considering these dynamics and present impressive showcases at the world's leading textile fairs.



MARKETS

Working in both national and international contexts is one of the key components of our success. With our specialized sales team, we serve our customers across many markets — from Europe to the Americas and Asia — guided by our principle of “Customer Satisfaction First” and our commitment to High Quality & Fast Service.

OUR MISSION



Tan Tekstil our mission is to deliver innovative, sustainable, and high-quality textile products that maximize our customers' trust and satisfaction. With our human-centered approach, we support the growth of both our employees and business partners, producing solutions that add value to the industry.

OUR VISION

To become a leading textile brand in both national and international markets — one that adheres to ethical values, is environmentally conscious, and uses technology efficiently. We aim to make a lasting and sustainable impact by thinking not only of today but also of tomorrow.

OUR VALUES



- ✳ **Quality:** We guarantee high quality in every product and service we offer.
- ✳ **Trust:** We build open, honest, and trust-based relationships with all our stakeholders.
- ✳ **Innovation:** We follow change closely and encourage innovation in design and production.
- ✳ **Sustainability:** We prioritize environmentally friendly production and responsible resource use.
- ✳ **Human Focus:** The well-being of our employees and the satisfaction of our customers are our top priorities.
- ✳ **Ethical Responsibility:** We provide a fair, respectful, and ethical working environment.

Tan Tekstil continues to build its corporate stance on these values, acting with

Environmental Performance

The purpose of establishing **TAN Tekstil**'s code of ethics is to ensure that all its commercial, economic, and financial activities are conducted with integrity, confidentiality, respect, and social responsibility — in compliance with environmental legislation, market competition rules, and all legal regulations. These ethical principles are of great importance for **TAN Tekstil** to maintain its competitiveness in market conditions while ensuring its sustainability, fulfilling its social and environmental responsibilities, and continuing its existence on strong and solid foundations.

TAN Textile Code of Ethical Conduct has been established by taking into account the legal regulations in force in the Republic of Turkey, as well as nationally and internationally recognized principles and practices. It is expected that the management and employees consider these ethical principles as their own responsibilities and act in accordance with their spirit and provisions in all their work and processes.

ETHICAL VALUES



OUR PRODUCTION UNITS

YARN DYEING

We dye all yarns ranging from 6/1NE to 200/2NE using high-tech dyeing machines with reactive, vat, disperse, and acid dyeing techniques. Our production dyeing machines are Thies brand, and our winding machines are SSM brand. In addition to 100% cotton yarns, we also dye various blends such as linen, viscose, tencel, wool, cashmere, cotton-lycra, PES, and nylon. For organic production, organic yarns are dyed in accordance with GOTS standards. Before production, the colors of yarns to be used in handloom and sample works are prepared in a short time and quickly delivered to our customers. The daily capacity of our yarn dyeing unit is 8,000 KG.



HIGH TEMPERATURE DYEING

In this unit, we use our high-tech towel and knitted fabric dyeing machines of various capacities to dye mainly 100% cotton and cotton-blended knitted fabrics, 100% polyester, cotton-polyester blends, cotton-nylon blends, as well as towels, bathrobes, and similar fabrics. We also perform dyeing and finishing processes on open-width, special-wash, and voile fabrics. The daily production capacity of this unit is 60,000 KG.



In our weaving department, we use PICANOL brand weaving looms. With a total of 154 weaving looms, we achieve a monthly production of 750,000 meters. Additionally, we have 3 sample warping machines, 4 cone warping machines, 2 automatic drawing-in machines, and 2 sizing machines.



DIGITAL PRINTING

Digital printing technology continues to transform every sector it touches. Considering recent fashion trends, digital printing offers endless possibilities to fashion designers and is becoming increasingly popular every day. At Tan Textile, we closely follow current trends, and with our creative and dynamic design team, we meticulously produce both our own print collections and our customers' custom digital print designs. With 4 MS JP7 and 1 JPK digital printing machine, along with 2 Arioli steaming machines, we achieve a monthly production capacity of 250,000 meters of printed fabric.



WET PROCESSİNG



Our facility has a monthly production capacity of 1,200,000 meters. In 2024, we commissioned our new-generation washing machine, and in 2025, we plan to integrate state-of-the-art hot bleaching machines into our system. With these investments, we aim to achieve stronger pretreatment quality while reducing our **water and energy consumption**.

Finishing and Mechanical Handle Solutions

Terbiye tesisimizde çeşitli finishing uygulamaları gerçekleştirebilmekteyiz. Ayrıca Airo Quatro, Liza, Şardon ve Kalandar makinelerimiz sayesinde müşterilerimizin ihtiyaçlarına uygun farklı mekanik tuşeler elde edebiliyoruz.

Quality and Lab Infrastructure

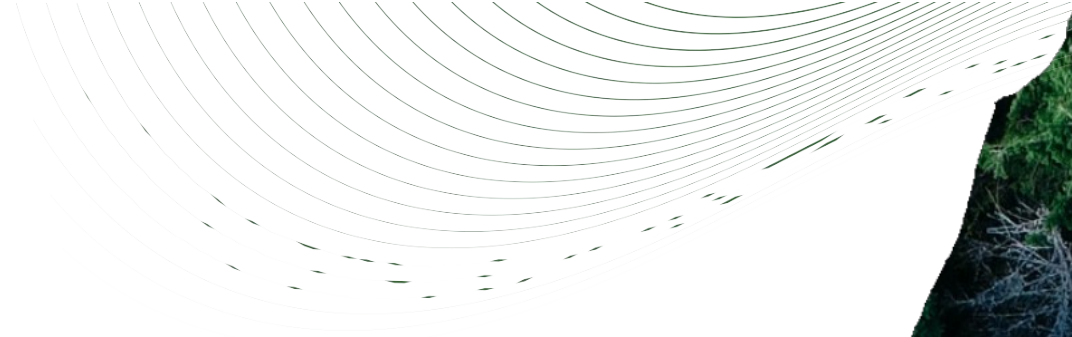
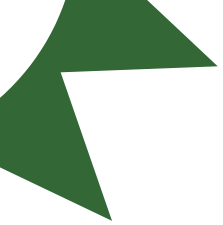
In our physical laboratory:

- * Comprehensive strength tests are conducted.
- * Fastness, shrinkage, and pH analyses are performed.

In our quality control department, there are a total of 7 inspection machines, one of which is equipped with an AI-powered quality control system.

This enables us to produce and deliver fabrics with higher reliability and superior standards to our customers.





2 CORPORATE MANAGEMENT APPROACH



QUALITY CONTROL POLICY

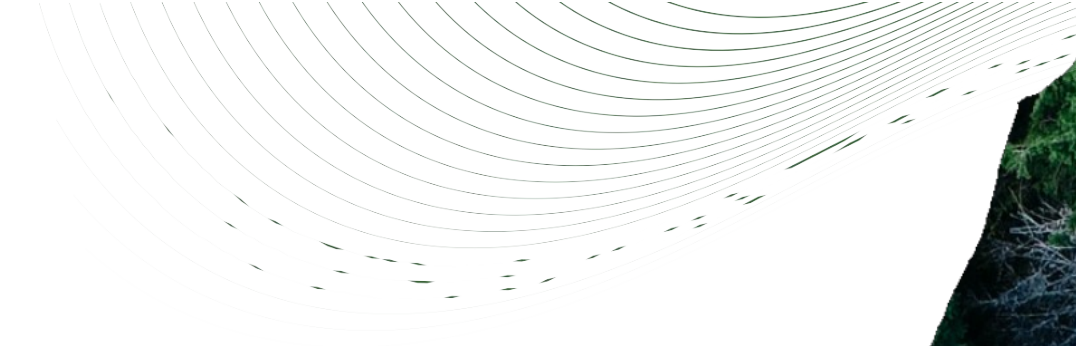
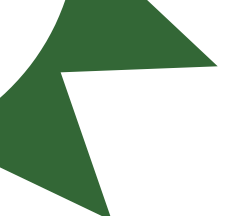
We ensure compliance with all national and international standards and relevant legal requirements throughout our production process, consistently adopting the principles of innovation and customer satisfaction to provide our customers with high-quality and prompt service. By promoting a participatory and inclusive management approach, we aim to enhance employee development and production quality through continuous training, seminars, and cultural activities, fostering a strong corporate culture in this field. We continuously monitor the effectiveness of our system to ensure necessary improvements and sustainability. Quality Management System Certificate ISO 9001:2015



INNOVATION

In the changing and developing global conditions, human needs are constantly evolving, and our company acts with a research-oriented and innovative approach to produce fast and effective solutions to these needs. With the activation of our design center, innovative ideas are integrated with a human-centered approach and environmental awareness, enabling the development of creative solutions in all our designs. We continue to invest to meet market needs more effectively and develop innovative solutions in line with our customers' expectations.





3 OUR CERTIFICATES



OUR CERTIFICATIONS



On our sustainability journey, we use the Higg Index program to ensure transparency and aim to receive our verified score in 2024.



For the sustainability of cotton, we carry out production with careful attention to environmental and social impacts at every stage of our supply chain.



Our products are made from organic raw materials. With our Organic Content Standard (OCS) certification, the use of organic content is regularly monitored.



With our commitment to recycling and our activities in this area, we have earned the ****Global Recycled Standard (GRS) certification.**



Our products are produced from organic raw materials, and we hold the Global Organic Textile Standard (GOTS) certification.



We produce products using recycled raw materials. The presence and amount of recycled material in the final product are verified through third-party audits and certified by our Recycled Claim Standard (RCS) certificate.



The Responsible Wool Standard (RWS) is a voluntary global standard that ensures the welfare of sheep and the land they graze on. RWS allows brands to make credible claims about their wool sourcing by verifying practices at the farm level.



The Regenagri Content Standard (regenagriCS) aims to support suppliers seeking to implement and certify the Regenagri standards, and it applies exclusively to fiber materials.



European
Flax® Premium
linen fibre

European Flax™ is a standard that guarantees the traceability of premium flax fiber grown in Western Europe. This fiber, used in fashion, home textiles, and technical products, is produced through environmentally friendly farming practices..



With our OEKO-TEX® certified products, we meet harmful substance requirements and uphold our environmentally friendly production approach.



STeP

Through OEKO-TEX® STeP certification, we offer our customers not only high-quality products but also those that are environmentally and health-conscious.



This certification demonstrates our management approach focused on customer satisfaction, process orientation, and continuous improvement.



It is an internationally recognized proof of our environmentally conscious production approach and commitment to sustainability.



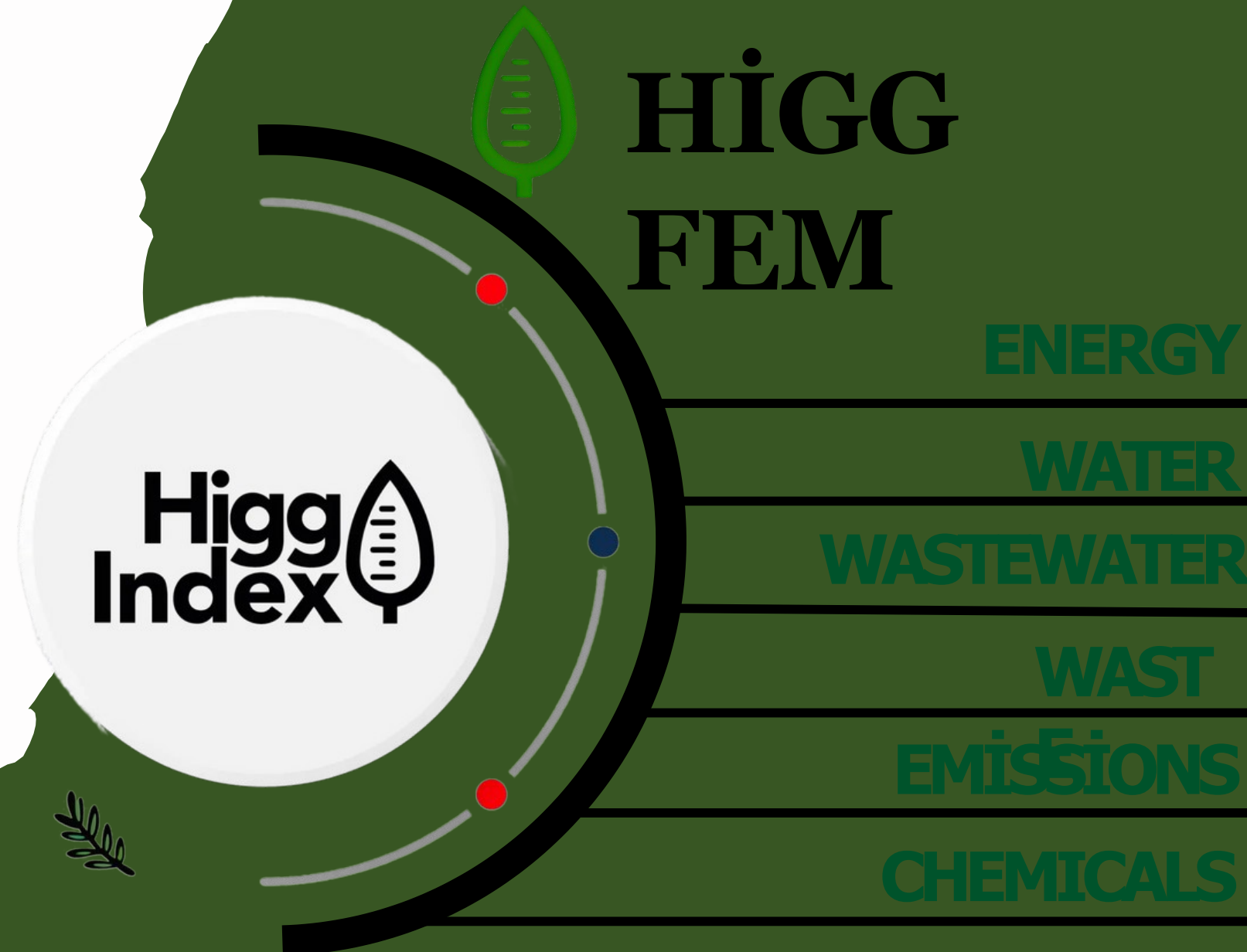
It also serves as global recognition of our dedication to reducing workplace risks, ensuring safe environments, and enhancing employee well-being.

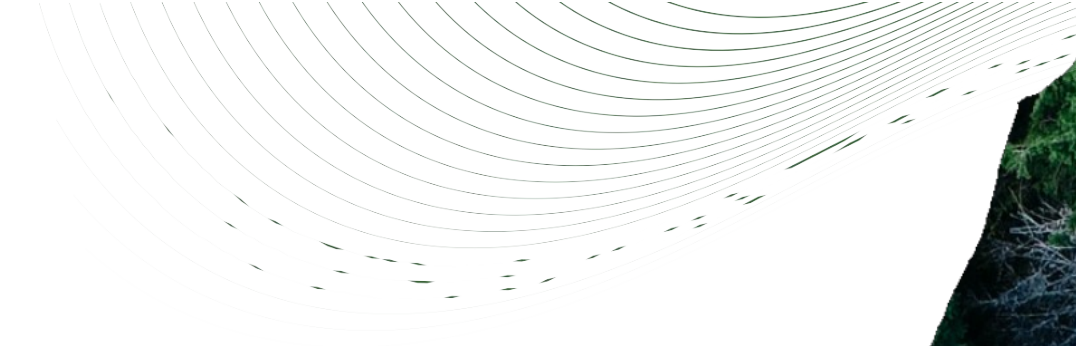
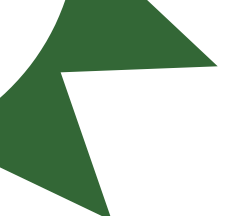


Using the SLCP platform, we objectively evaluate all our stakeholders with whom we have embarked on this journey and share this information transparently with our customers. In addition, through the SLCP platform, we analyze minimum requirement areas and identify improvement opportunities for our stakeholders.

Through the platform's FEM module, we monitor the environmental performance of our suppliers and sub-manufacturers and aim for continuous improvement by setting annual targets.

New workshops joining our supply chain are required to conduct a self-assessment via the FEM module and subsequently have it validated by accredited third-party verification bodies.





4 OUR SOCIAL POLICIES





Sustainable Development Goals

A Series of 17 Objectives Shaping the Future of Our Planet



DIVERSITY AND INCLUSIVITY POLICY

Our workplace aims to treat everyone equally, regardless of characteristics such as race, gender, colour, nationality, social origin, religion, disability.

is committed. This principle is implemented within the framework of the "Diversity and Equality Policy".



WAGE POLICY

Our company is committed to paying all employees at least the legal minimum wage, in accordance with ILO Standards, Labor Law, and the Brand Code of Conduct. Our goal is to support our employees and their families in achieving a decent living. Wages will be paid on time, without legal deductions, via bank transfers. Employees will also be informed of their payments by preparing payslips containing payment information.



FREEDOM OF ASSOCIATION POLICY

Our company is committed to respecting the right of employees to "Freedom of Association and Collective Bargaining" within the framework of the International Labor Organization (ILO) standards (Conventions No. 87 and 98), Labor Law No. 4857 and the rules of the brands we supply.





ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

Our company has adopted the principle of adhering to laws and regulations regarding bribery and corruption in all regions where it operates and is represented. In accordance with this principle, our Group operates with a "zero tolerance" approach to bribery and corruption and is committed to conducting its operations in a fair, honest, legal, and ethical manner.



DİLEK VE ŞİKAYET POLİTİKASI

Our dialogue with our employees is based on building meaningful, lasting, and respectful relationships across cultures. To this end, these policies and procedures have been developed to define the values we are committed to upholding regarding equality, diversity, and equal participation.



PREVENTION OF HARASSMENT AND DISCRIMINATION POLICY

The purpose of this policy is to prevent discrimination against all employees based on race, language, religion, ethnicity, social group, gender, sexual orientation, age, or physical disability, including in hiring, wages, other benefits, promotion, discipline, dismissal, or retirement throughout their employment. Any behavior that could be considered harassment or discrimination is unacceptable.



NO FORCED LABOR POLICY

Our company respects the personal rights of its employees. Within the framework of preventing forced labor and voluntary employment and overtime, any behavior that could lead to forced labor practices, whether directly or indirectly, is strictly prohibited. In this context, the company is committed to ensuring that all employees' work, including overtime and overtime, is carried out on a voluntary basis.



CHILD LABOR PREVENTION POLICY

We provide decent working conditions for all our employees, based on fairness and equality. In this context, we emphasize that we are combating child labor and that our company prohibits any attempt to exploit child labor.



HUMAN RIGHTS POLICY

Our company aims to create a lasting environment of prosperity and peace by respecting the rights of our employees, suppliers and society, and by preventing human rights violations and encouraging our stakeholders to respect human rights.



OCCUPATIONAL HEALTH AND SAFETY POLICY

With the Occupational Health and Safety policy, a corporate culture is created by adopting the goal of zero work accidents in compliance with legal regulations, laws and regulations in order to eliminate elements that may pose a threat to our employees.



SUSTAINABILITY POLICY

We embrace the 17 Development Goals, in line with the Sustainable Development Goals established by the United Nations, and strive to create a sustainable future.

In line with these sustainable goals, we develop sustainability strategies by adopting a comprehensive policy that includes social, economic, and environmental protections.



GENDER EQUALITY POLICY

In accordance with the International Labour Organization (ILO) Non-Discrimination Convention No. 111, our organization is committed to implementing gender equality as a workplace policy. We are committed to establishing a high-level policy to ensure that gender equality is integral to the work culture.



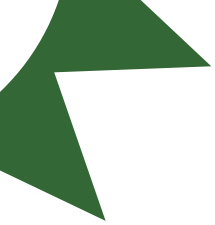
OPEN DOOR POLICY

We ensure that the social dialogue mechanism is carried out in our supply chain by ensuring the establishment of internal and external complaint mechanisms in the workplace so that employee and employer communication can be carried out in a healthy process.



INFORMATION SECURITY POLICY

In order to prevent violations of law, legal, regulatory or contractual obligations and all security requirements, the approach and objectives of the senior management are defined and these objectives are communicated to all employees and relevant parties.



5

OUR ENVIRONMENTAL POLICIES



OUR ENVIRONMENTAL POLICIES



Waste Management Policy and Implementation Procedure

TAN Tekstil, we are committed to managing waste generated from our production process with a Zero Waste approach.

Our goal is to eliminate, reduce, reuse, recycle, and recover waste without harming the environment or human health, thereby reducing natural resource consumption and operating this cycle in a healthy manner.



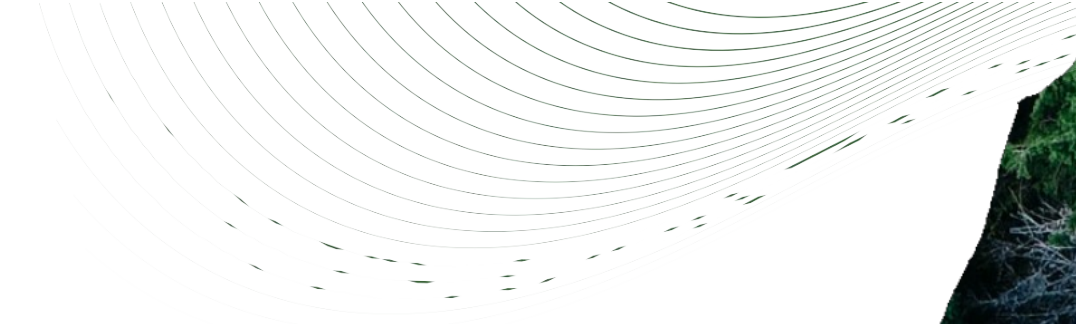
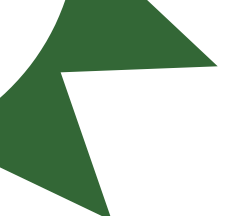
Environmental Management System Policy and Implementation Procedure

TAN Tekstil, established an Environmental Management System for a green factory to minimize environmental impact across all production processes, from input to output. This system evaluates our annual environmental performance, our management teams, and our legal obligations. We continue to implement and update our actions annually to achieve our goal of becoming Carbon Neutral.



Environmental Aspects and Risk Assessment Policy and Implementation Procedure

TAN Tekstil, we assess the environmental impacts of our production processes and the associated risks. Our goal is to manage the necessary actions to eliminate or minimize environmental impacts while maintaining our production activities.



6

OUR OCCUPATIONAL SAFETY POLICY



OCCUPATIONAL HEALTH AND SAFETY POLICY



Tan Tekstil, the health and safety of our employees is our top priority. We are committed to fostering a preventative, continuously improving, and participatory occupational health and safety culture to prevent workplace accidents and occupational diseases in all areas where we operate.

1. Compliance with Legal Legislation and International Standards

In our occupational health and safety practices, we fully comply with all national legislation and international standards (e.g., ISO 45001), particularly the Turkish Occupational Health and Safety Law. We keep our processes up-to-date by closely monitoring regulatory changes.

2. Risk-Focused Approach and Preventive Measures

We implement a systematic risk assessment process across all our operations; we identify hazards, analyze risks, and proactively take necessary precautions. We operate on the principle of "Prevention is more valuable than cure."

3. Employee Participation and Shared Responsibility

We believe that OHS is a shared responsibility of all employees, not just one department. In this context, we encourage the active participation of our employees in processes, evaluate their suggestions, and support a culture of continuous improvement.

4. Training and Awareness Activities

We regularly conduct training to increase our employees' knowledge and awareness of occupational health and safety. It is a prerequisite for us that every employee possesses OHS knowledge appropriate to their role.

5. Emergency Preparedness and Response Plans

We create emergency response plans for fires, chemical leaks, natural disasters, and other potential emergency scenarios at our facilities, and ensure our employees are prepared through drills.

6. Auditing, Monitoring, and Continuous Improvement

We monitor the effectiveness of our OHS practices through regular internal and external audits, measure them using performance indicators, and continuously improve the system by taking necessary actions.

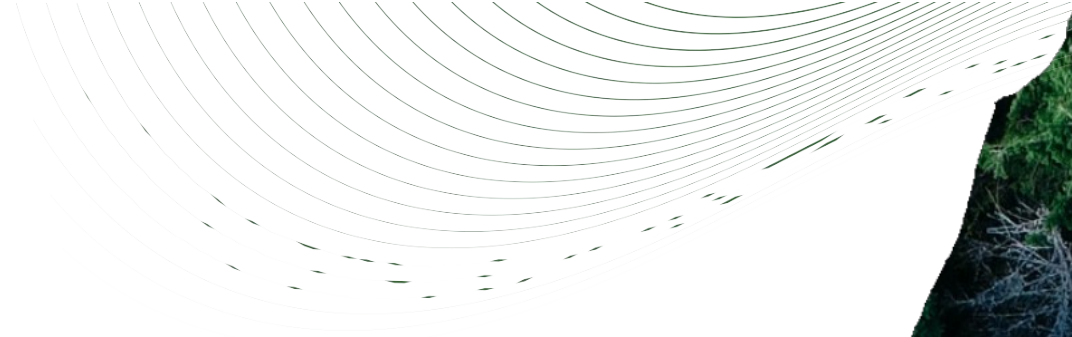
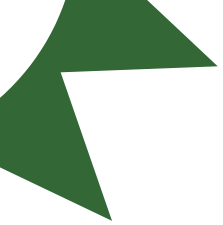
7. OHS Rules for Suppliers and Subcontractors

We expect all suppliers and subcontractors we collaborate with to comply with Tan Tekstil's OHS policies and standards, and we ensure that they adopt the same safety culture in shared work areas.

Healthy Employees, Safe Future

Tan Tekstil, our goal is to create a healthy, safe, and productive work environment with zero workplace accidents, zero occupational diseases, and a highly aware workforce, and to maintain this in all our processes.





7 OUR SUSTAINABILITY APPROACH



OUR SUSTAINABILITY APPROACH

In line with its vision of "**Sustainable Steps, Strong Tomorrows 2030**," Tan Tekstil aims for a holistic transformation in environmental, social, and economic sustainability. In this context, our activities are shaped around two fundamental axes:

Regenerative Business Models and People-Centered Ecosystems

Strategic Goals:

Reducing Emissions: Innovative technologies and energy efficiency projects are implemented to reduce the carbon footprint in production processes.

Water Management: Responsible use of water resources is ensured, and optimized production processes aim to protect natural resources.

Inclusion and Diversity: We support equality and participation in our workplace, building a corporate culture where everyone's voice is heard.

Sustainable Supply Chain: A transparent and traceable supply chain has been established to ensure that all our suppliers comply with environmental and social responsibility principles.

Sustainable Development Goals (SDGs): All our operations are carried out in line with the United Nations' SDGs, and a structure that prioritizes human, environmental, and economic development is adopted.

Institutional Strengthening with the Sustainability Unit

A dedicated "**Sustainability Unit**" has been established within **Tan Tekstil** to more systematically address, disseminate, and integrate sustainability efforts into all production processes. This unit is responsible for monitoring goals, measuring performance, and implementing continuous improvement activities.

Tan Tekstil views sustainability not as a temporary strategy, but as a fundamental value shaping the future, and proudly fulfills its responsibility to society and the planet.



OUR SUSTAINABILITY COMMITMENT



Tan Tekstil, we consider it our corporate responsibility to adopt an approach that is sensitive to all living spaces in which we operate, provides social benefits, and is economically sustainable. To leave a livable world for future generations, we have made a strong commitment to sustainability, encompassing the following:

Our Environmental Commitment

We are committed to using natural resources efficiently and responsibly, Reducing our energy and water consumption, increasing our recycling, Systematically reducing our carbon footprint, and adhering to environmentally friendly production technologies.

Our Social Commitment

We are committed to providing a safe, fair, and inclusive work environment for all our employees.
We are committed to creating a corporate culture that respects human rights, promotes equality, and supports diversity.
We are committed to increasing our social impact by actively participating in projects that benefit society.

Our Economic and Supply Chain Commitment

We are committed to creating transparent, ethical, and traceable supply chains.
We are committed to guiding our business partners in line with sustainability principles.
We are committed to developing innovative, efficient, and long-term value-creating business models.



KEY SUSTAINABILITY RISKS AND OPPORTUNITIES

- **Risks:**

- **Water Scarcity Risk:** The Honaz region is at increased risk of drought and water stress due to the climate crisis.
- **Regulatory Incompatibility:** External influences such as increased environmental regulations and the EU Green Deal.
- **Fluctuations in Energy and Raw Material Prices**
- **Carbon Emission Costs (CBAM)**

- **Opportunities:**

- **Energy independence and green production through solar power plant investment**
- **Global demand for sustainable textiles is increasing**
- **Competitive advantage in EU markets (by reducing carbon footprint)**
- **Customer loyalty and new markets through sustainable brand image**





We work with our suppliers in accordance with our ethical principles, local regulations, and international standards. As per our Supplier Operating Commitment, we review all our manufacturers against the minimum requirements set by **TAN Tekstil** and the social and environmental compliance criteria of our brands. In the event of any violation, we cease operations with the supplier in question, if applicable; otherwise, we exclude them from our supplier list.



Early Cancer Diagnosis

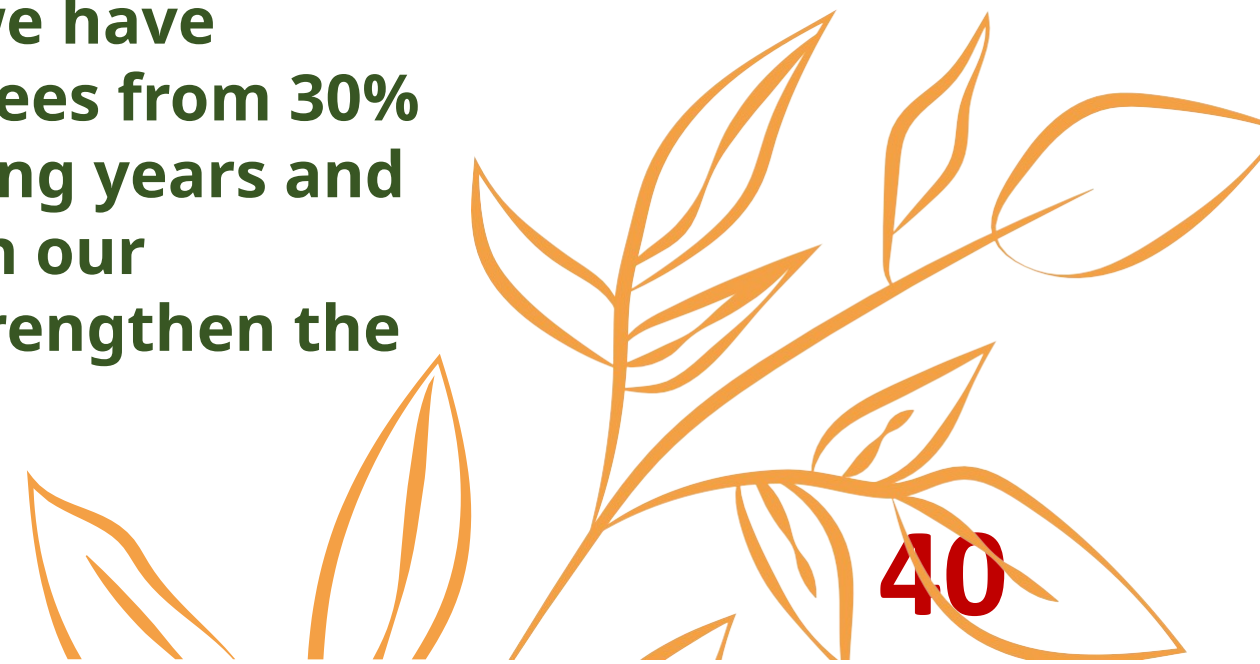


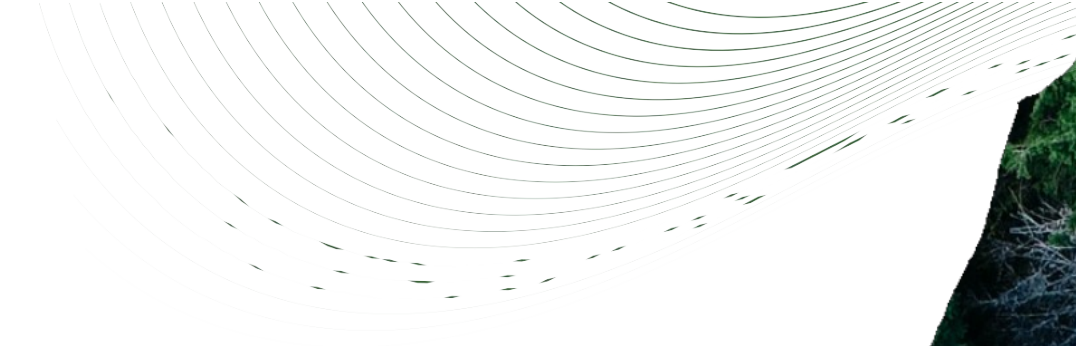
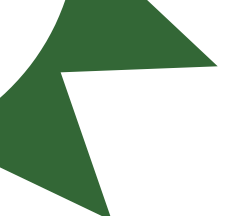
With the "Early Cancer Diagnosis" project we launched for our 130 female employees over the age of 40, we aim to inform our employees about the importance of early diagnosis of breast cancer, a common condition in women, and to protect them from preventable diseases through early diagnosis by completing the necessary early diagnosis tests at no cost to them by 2024.



Women's Role in the Workforce: Stronger with TAN Tekstil

Since 2023, **TAN Tekstil** has made increasing the number of female employees one of its top priorities. During this period, we have successfully increased the percentage of female employees from 30% to 36%. We aim to further increase this ratio in the coming years and take a stronger step toward gender equality. In line with our diversity and inclusion principles, we will continue to strengthen the role of women in the workforce.





8 RESPECT FOR THE ENVIRONMENT



COMBATING CLIMATE CHANGE



Tan Tekstil – Decisive Steps in the Fight Against Climate Change

Tan Tekstil acts with a sensitive approach to the increasing threat of climate change on a global scale and considers it its corporate responsibility to develop climate-focused strategies in all its activities. Our fundamental principle in our fight against the climate crisis is to create a sustainable business model that protects natural resources, reduces carbon emissions, and adopts an environmentally friendly production approach.

Our Key Goals

Reducing Carbon Footprint: We reduce greenhouse gas emissions by using highly energy-efficient systems in our production facilities. We encourage the use of low-emission fuels and renewable energy sources.

Energy Management: We are making our processes climate-friendly with heat recovery systems, smart energy monitoring solutions, and energy-efficient equipment.

Waste Management: We minimize production waste that could harm nature, increase recycling, and implement circular economy principles.

Environmentally Friendly Raw Materials: By using organic cotton and environmentally friendly chemicals, we design products that reduce climate pressure.

Concrete Applications

RAM flue gas filter systems have reduced harmful emissions into the atmosphere.

Climate risks are analyzed through our sustainability unit, and regular carbon reporting is conducted.

Our Commitment to the Future

Tan Tekstil believes that combating climate change is not only an environmental problem but also a human responsibility. We shape our business processes, supply chain, and product designs with this responsibility in mind. We are committed to achieving a significant reduction in carbon emissions by 2030 and gradually achieving our climate-neutral production goal.

SUSTAINABLE AND ENVIRONMENTALLY FRIENDLY PRODUCTION APPROACH

At Tan Tekstil, we embrace not only producing high-quality products but also minimizing the impact of our production on nature as a fundamental principle. Sustainability is an integral part of our business model, and we aim to leave a livable world for future generations through environmentally friendly production processes.

☀ Strong Steps with Renewable Energy

Tan Tekstil has made a significant investment in reducing carbon emissions by meeting its energy needs from environmentally friendly sources. We have implemented new power plant projects in the Tavas district, which became operational before 2024, and in the Çivril, Isparta, Harran, and Söke districts, in addition to our solar power plants located under the roof of our weaving unit. When these newly launched projects become operational in 2025, we will be able to generate 1.5 times our annual energy consumption thanks to our solar power plant sites, which have a total installed capacity of 19 megawatts. This means we not only meet our own needs but also positively increase our environmental impact through our surplus energy.

🌱 Our Environmentally Friendly Production Approach

Environmentally Friendly Raw Materials: We prefer GOTS and OEKO-TEX certified, organic, and recycled raw materials.

Energy Efficiency: We utilize low-consumption machinery and heat recovery systems for environmentally friendly production.

Water Management: Efficient water consumption systems are used to conserve resources.

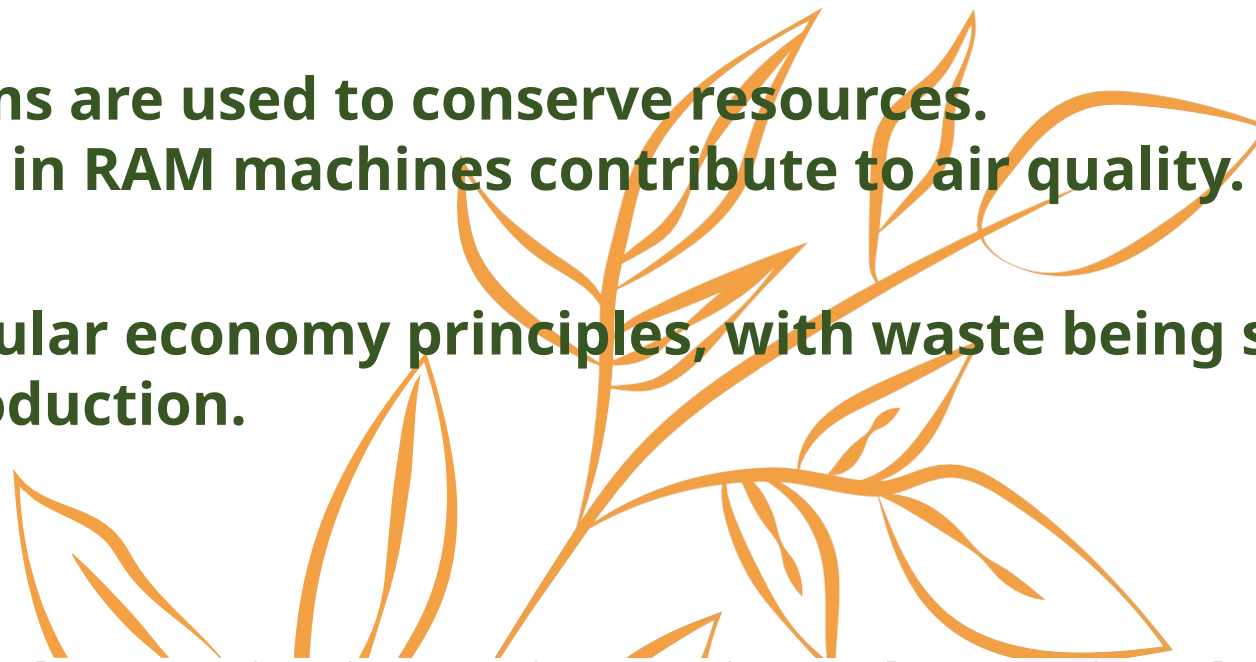
Emission Control: Advanced chimney filter systems used in RAM machines contribute to air quality.

♻ Circular Production and Waste Management

Our production processes are designed according to circular economy principles, with waste being separated, recycled, and recycled with minimal environmental impact for production.

🌍 Future-Sensitive Production

Tan Tekstil contributes to sustainable development goals by continuing to invest in technologies that reduce environmental impact. Every process, from the supply chain to employee training, is managed with the principle of environmental responsibility. Tan Tekstil believes it is possible to create value without harming nature. It produces with solar energy, respecting the environment and the future.



ENERGY MANAGEMENT AND EFFICIENCY APPROACH

In line with its sustainable production policy, Tan Tekstil considers energy management a strategic priority and aims to minimize its environmental impact by using resources efficiently.

⚙️ Our Energy Management System

Tan Tekstil has established energy monitoring and analysis systems that comply with international standards to systematically manage its energy. These systems:

Real-time energy consumption is monitored throughout the facility, identifying high-energy-intensive processes and implementing improvements, and In-real-time energy efficiency potential is evaluated.

💡 Efficiency-Focused Practices

High-Efficiency Equipment: Low-energy motors and LED lighting are used.

Heat Recovery Systems: Waste heat from RAM machines and paint shop processes is recycled into the production process.

Compressed Air Optimization: Energy losses are minimized through leakage control and pressure management.

Energy Efficiency Training: Awareness-raising training is provided for all employees to raise corporate awareness.

☀️ Integrated Solution with Renewable Energy

Tan Tekstil, we place energy efficiency and the use of renewable energy at the center of our sustainability vision. We not only save energy in our production processes, but also focus on clean energy with our solar power plant investments. In addition to the solar power plant projects located on the roofs of our Tavas and Dokuma facilities, we are also implementing new power plants in the Çivril, Isparta, Harran, and Söke districts. By 2025, we aim to generate 1.5 times our annual energy needs with our solar power plant sites, totaling 19 MW of installed capacity. Thanks to this approach, we not only meet our own energy needs but also add value to the environment and society with our surplus energy. This integrated solution we have created with renewable energy reduces our carbon footprint while reinforcing our goal of leaving a more livable world for future generations.

✅ Continuous Improvement and Monitoring

Energy management is not just a practice; it is a constantly evolving process. As part of this process, periodic energy audits are conducted, performance reports are prepared, and improvement actions are implemented swiftly. Tan Tekstil aims to ensure both economic and environmental sustainability with its strong infrastructure in energy management and efficiency.



OUR ENERGY TRACEABILITY ACTIVITIES

So, how do we do this?

- ***Energy Monitoring:** We monitor energy resources and consumption from A to Z.
- ***Performance Analysis:** We reduce costs by determining energy consumption performance.
- ***Energy Control:** We ensure control of unnecessary energy consumption.
- ***Waste Prevention:** We prevent waste by reducing our carbon footprint.
- ***Efficiency:** We ensure maximum performance in production by continuously improving energy efficiency.
- ***Emission Reduction:** We contribute to the reduction of costs and greenhouse gas emissions, which is a legal obligation.
- ***Risk Management:** We identify risks and opportunities in advance, identify energy-consuming resources, and address vulnerabilities.

Through these efforts, we aim to achieve sustainable energy management.



INCREASING ENERGY EFFICIENCY

Energy is one of the most significant costs in textile production. Therefore, improving energy efficiency not only reduces carbon emissions but also helps lower costs. In this process:

We are using energy-efficient machinery through the Machine Renewal Project.

We are implementing heat recovery systems through the Machine Insulation Project.
The Energy Management System has been established within the scope of the ISO 50001:2018 project.

ISO 50001:2018 Certification Project: By establishing an Energy Management System in line with the standards determined by our energy experts, we aimed to increase energy efficiency and reduce energy costs, thereby promoting environmental awareness. In 2025, we became entitled to receive this certification.



OUR SPP PROJECTS

Tan Tekstil, we continue our investments in solar energy to meet our energy needs from renewable sources. In addition to the solar power plants we've installed on the roofs of our Tavas and Dokuma facilities, we've also implemented new projects in the Çivril, Isparta, Harran, and Söke districts. By 2025, we aim to generate 1.5 times our annual energy consumption with our solar power plants, totaling 19 MW of installed capacity. This way, we not only meet our own needs but also contribute to reducing carbon emissions by reducing our environmental impact and building a sustainable future.

Because sustainability is a fundamental principle of **TAN Tekstil**.





By obtaining IREC certification for our facility's production in 2024, we aim to contribute to the energy transition process and reduce environmental impacts in terms of sustainability. With this certification, we aim to significantly reduce carbon emissions by encouraging the use of energy generated from renewable energy sources. Thus, we not only support an environmentally friendly production structure but also play an active role in fostering a sustainable future.



RESPONSIBLE PRODUCTION WITH RESOURCE EFFICIENCY



Tan Tekstil is conducting comprehensive studies to increase resource efficiency in its production processes to reduce environmental impact and contribute to sustainable development goals. The effective and efficient use of valuable resources such as water, energy, raw materials, and time is a cornerstone of our company's environmental policies.

Our Efficiency-Focused Approach

Tan Tekstil's resource efficiency approach is not only about cost reduction, but also about environmental responsibility and business continuity. In this context:

Energy Efficiency: Machinery used throughout the facility is selected based on high energy efficiency; heat recovery systems and energy monitoring infrastructures prevent waste.

Water Conservation: Optimized processes and the use of new technology in dyeing and finishing operations ensure savings.

Waste Management: Textile waste is separated and recycled through recycling-focused systems, supporting a zero-waste approach.



Data-Driven Process Monitoring

Resource efficiency efforts are monitored data-drivenly via digital platforms, and performance analyses are conducted periodically. Every improvement suggestion is evaluated with measurable results, and all employees are actively involved in the process.

Solar Power Plant-Supported Resource Recovery

Tan Tekstil, we place great importance on increasing the share of renewable resources in our energy consumption. To this end, we are supporting our production processes with environmentally friendly energy through the Solar Power Plants (SPPs) we have established.

Our SPP investments, which will reach a total installed capacity of 19 MW by 2025, will not only meet our entire annual energy needs but also enable us to generate 50% more. Thus,

we are reducing our carbon footprint, reducing our dependence on foreign energy, and positively increasing our environmental impact through the surplus clean energy produced.

Through the use of solar power plants supported by these plants, we are both strengthening our sustainable production

WE WEAVE THE FUTURE WITH SUSTAINABLE RAW MATERIAL USE

As part of its vision of environmentally responsible production, **Tan Tekstil** prioritizes sustainability across all processes, starting with raw material selection. In this context, we aim to protect both quality and nature by producing with environmentally friendly, recyclable, and environmentally friendly raw materials that do not harm the environment.

Environmentally Friendly and Certified Raw Materials

Tan Tekstil prioritizes raw materials that not only meet high quality standards but also hold sustainability certifications in its production processes:

Organic Cotton: We produce products that are environmentally and health-conscious with cotton grown without the use of chemical fertilizers and pesticides.

Recycled Fibers: We utilize recycled polyester and fibers from plastic bottles and textile waste to recycle these wastes back into the economy.

TENCEL™, Modal, and Lyocell: We offer solutions that reduce the environmental impact of textiles with biodegradable fibers sourced from sustainable forests.

GOTS, OEKO-TEX, and RCS Certified Materials: The environmental and health-friendly nature of the raw materials used is documented by international certifications.



Compatible with a Sustainable Supply Chain

Tan Tekstil's sustainable raw material policy isn't limited to internal processes. Our suppliers are also selected from organizations that operate ethically, environmentally friendly, and traceably, and undergo sustainability audits.

Contribution to Circular Production

The use of recycled raw materials is crucial not only for resource conservation but also for reducing carbon emissions. With this approach, which supports the circular economy, **Tan Tekstil** reduces environmental impact and produces more value with fewer resources.

By making environmentally friendly choices at every stage, from raw materials to final products, **Tan Tekstil** will continue to operate with a production approach that protects not only today but also tomorrow.

SAFE AND RESPONSIBLE APPROACH TO CHEMICAL USE AND MANAGEMENT



Tan Tekstil considers it a corporate responsibility to manage chemical use in its production processes in a way that does not harm human health and the environment. All chemical processes are controlled in line with developing technologies and international standards, and a safe, transparent, and sustainable chemical management system is implemented.

Our Chemical Use Policy

Legal and Ethical Compliance: All chemicals used are selected in accordance with REACH, ZDHC (Zero Discharge of Hazardous Chemicals), and local legal regulations.

Approved Suppliers: The chemical supply chain consists of approved suppliers who offer environmentally and human health-friendly products.

Risk Analysis: The effects of chemicals are analyzed before production, and their environmental/social impacts are continuously monitored.

Chemical Management System

Tan Tekstil, chemical usage is controlled through the following steps:

Labeling and Storage: All chemicals are labeled in accordance with international standards and stored in secure areas.

Chemical Safety Data Sheets (SDS): These are made accessible to production personnel to raise awareness of safe use.

Training and Awareness: All employees receive periodic chemical safety and intervention training.

Waste Management: Chemical waste is sent to licensed disposal companies for environmentally friendly disposal.

Sustainable Chemistry Approach

Harmless Alternatives: Prioritizes environmentally friendly, biodegradable, and non-toxic alternatives to harmful chemicals.

Reducing Chemical Consumption: Process optimizations aim to minimize chemical use.

Traceability: All chemicals used are recorded and traceable through digital systems.



Tan Tekstil believes that sustainable production depends not only on raw materials but also on the safety of the chemicals used. With this understanding, we continue to provide a safe and responsible production environment that protects both our employees and the environment.

WATER USE AND MANAGEMENT



Knowing that the textile industry is one of the most water-intensive sectors, **Tan Tekstil** has placed water conservation and efficient use at the heart of its corporate sustainability policies. Recognizing the limited and precious nature of water resources, we implement effective water management principles in all our production processes.

Our Water Use Policy

Minimum Consumption: Optimized washing and dyeing systems are used in our processes to reduce water consumption.

High-Efficiency Technologies: Water-efficient machinery and low-bath dyeing techniques achieve water savings compared to traditional methods.

Loss and Leakage Control: All water lines within the facility are regularly inspected to prevent leaks and waste.

Acting with the understanding that “every drop counts,” **Tan Tekstil** aims to contribute to the spread of awareness of responsible water use not only in its own production but also throughout the industry.



Elimination of the Environmental Effects of RAM Flue Gas Emissions with Filter Design

In line with its sustainable production approach, **Tan Tekstil** adopts a proactive approach to controlling flue gas emissions from RAM (Ramer) machines, one of the processes that have the greatest environmental impact in the textile industry. To this end, specially developed filter systems minimize air pollution and environmental impacts.

🌊 The Impact of Flue Gas Emissions

During the drying and setting processes in RAM machines, volatile organic compounds (VOCs), particulate matter, oil vapor, and harmful gases can be released into the atmosphere. These emissions degrade air quality and threaten human health and the environment.

🔧 Solution Approach with Filter Design

To control these emissions, Tan Tekstil has installed advanced filter systems with the following features:

Electrostatic Filters: Provide high-efficiency retention of fine particles.

Activated Carbon Filtration: Effective in adsorbing volatile organic compounds (VOCs) and odors.

Oil Separation Systems: Prevent oil vapors from entering the atmosphere. **Automatic Cleaning Mechanism:** Designed to maintain system performance with high efficiency for a long time.

🌱 Environmental and Operational Gains

The amount of harmful gases released into the atmosphere has been reduced by up to 90%.

A positive contribution has been made to the air quality in the region.

Environmentally friendly production has been achieved while maintaining energy efficiency.

A key performance criterion has been achieved in sustainability reporting.

With these filtration systems, **Tan Tekstil** not only complies with legal regulations but also demonstrates its commitment to protecting the environment through concrete steps. Every emission control is a strong step towards a more livable future.



Tan Tekstil, in line with our environmentally conscious production approach, we embrace the sustainable management of all waste generated during our operations as a fundamental principle. Our waste management processes are conducted in line with the steps of prevention, reduction, reuse, recycling, and disposal.

1. Waste Separation and Source Management:

Waste generated at our production facilities is categorized as hazardous, non-hazardous, and recyclable, and appropriate collection and storage areas are established for each.

2. Compliance with Legal Legislation: In waste management, we fully comply with the relevant legislation of the Ministry of Environment, Urbanization, and Climate Change of the Republic of Turkey; waste declarations are submitted regularly, and we work with licensed companies.

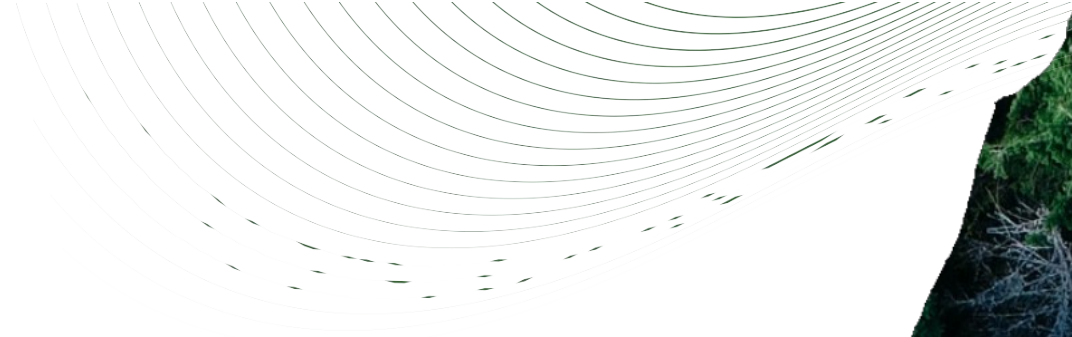
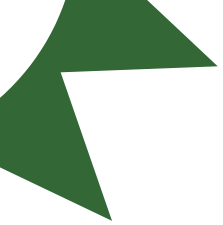
3. Recycling and Reuse: Tan Tekstil ensures that recyclable waste (e.g., plastic, cardboard, fabric scraps) is separated and directed to licensed recycling companies.

4. Safe Management of Hazardous Waste: Hazardous waste containing chemicals is temporarily stored in specially designated areas and delivered to environmentally licensed companies for disposal. Our employees receive regular training during these processes.

5. Continuous Improvement and Monitoring: Our waste management performance is regularly monitored, targets are set, and continuous improvement efforts are undertaken accordingly.

Tan Tekstil, we view waste management not only as a legal obligation but also as a responsibility to leave a livable world for future generations. With this awareness, we are determined to continue developing practices that will contribute to the circular economy.





9 VALUE GIVEN TO EMPLOYEES



Tan Tekstil, we believe that sustainability is not only an environmental responsibility but also a responsibility rooted in people and society. Accordingly, we shape our human resources policy with the goals of employee happiness, equality, inclusiveness, continuous development, and long-term value creation.

1. Respect for Employee Rights and Ethical Principles

With our people-focused management approach, we respect the fundamental rights and freedom of work of all our employees. We adhere to a zero-tolerance policy against forced labor, child labor, and discrimination. We establish systems that encourage ethical behavior and transparency in the workplace and strengthen internal communication.

2. Training and Development Opportunities

We believe that continuous learning is the foundation of sustainable development. Therefore, we support the careers of our employees by providing technical, personal development, and leadership training. Through our training programs, we encourage the development of talent and increase employee engagement through internal promotion systems.

3. Diversity and Inclusion

We integrate our principles of gender equality, respect for diversity, and inclusiveness into all human resources processes. We set concrete goals and develop projects to increase women's employment and representation in management positions.

4. Employee Health and Safety

We prioritize occupational health and safety in all our areas of operation. We create a safe working environment through risk assessments, regular inspections, and comprehensive OHS training. We prioritize the well-being of our employees through programs that support their physical and mental health.

5. Participatory and Transparent Management

We encourage employee participation in decision-making processes and support open communication through feedback mechanisms. We aim to build a corporate culture where every employee's voice is heard.

6. Social Responsibility and Local Employment

We support local employment in our regions and take an active role in social projects that contribute to social development. We run internship and mentoring programs to encourage young talent to participate in the workforce.

Investing in the Future with People

Tan Tekstil, we view sustainable human resources management not only as a management tool, but also as the cornerstone of growing together with our employees and building the future together. With our people-focused approach, we are determined to contribute to the well-being of both our workforce and society.



EMPLOYEE LOYALTY AND SATISFACTION



Tan Tekstil, we believe that sustainable success is only possible with happy, motivated, and committed employees. With this belief, we place employee engagement and satisfaction at the center of all our human resources policies, prioritizing ensuring that each employee feels valued, safe, and developed.

1. A Corporate Culture That Strengthens Loyalty

At Tan Tekstil, we are building a transparent, respectful, and inclusive work culture. We encourage a participatory structure where our employees can freely express their ideas and contribute to management. We aim to foster a strong team spirit through in-house practices that foster a sense of belonging.

2. Regular Feedback and Surveys

We measure employee satisfaction through regular surveys and identify areas for improvement based on the feedback we receive. Every employee's voice is valuable to us; therefore, we continuously improve our internal communication channels and adopt a solution-oriented approach that is open to suggestions and complaints.

3. Motivation-Boosting Practices

We ensure our employees feel valued through motivation-supporting practices. We boost internal motivation through systems that recognize achievements and reward performance. We strengthen internal bonds through social events, celebrations, and team activities.

4. Career Development and Training Opportunities

One of the most important factors in employee commitment is development opportunities. At Tan Tekstil, we support our employees' career journeys with training, seminars, and internal promotion opportunities that support their personal and professional development.

5. Work-Life Balance and Supportive Approach

We respect our employees' private lives and implement flexible and humane practices that foster work-life balance. We prioritize the mental and physical well-being of our employees and develop supportive solutions to ensure a healthy and productive work life.

A Strong Future is Possible with Strong Teams

Tan Tekstil, we see our employees not only as a workforce but also as companions on the path to shared goals. With our approach to employee engagement and satisfaction, which is based on continuous improvement, we build sustainable success together with our human resources.

EQUAL OPPORTUNITY APPROACH

Tan Tekstil, we believe that equal rights, opportunities, and a fair working environment for all our employees are a fundamental human right and a corporate responsibility. From recruitment and career development to compensation and promotion, all our human resources processes are based on the principle of equal opportunity, and we embrace diversity as an asset.

1. Zero Tolerance for Discrimination

We reject all forms of discrimination based on gender, age, ethnicity, religion, language, disability, marital status, or any other individual characteristic. We treat all our employees equally and provide an inclusive and respectful work environment.

2. Gender Equality and Women's Empowerment

Increasing women's participation in the workforce, supporting their participation in management positions, and empowering our female employees through practices that maintain a work-life balance are among Tan Tekstil's priorities. Our equal pay and equal opportunity policy reflects our commitment to gender equality.

3. Accessible and Barrier-Reducing Practices

We strive to ensure that physical or social barriers do not restrict employment and support the participation of individuals with disabilities in the workforce. We continuously improve our facilities to increase accessibility and provide inclusive solutions.

4. Objective and Transparent Human Resources Processes

Our recruitment, promotion, performance evaluation, and career planning processes utilize fair and transparent criteria based solely on merit and competence. This ensures equal opportunities for development and advancement for all our employees.

5. Awareness and Training Activities

To ensure the sustainability of equal opportunity, we regularly conduct training and awareness activities to raise awareness among our employees. We are committed to building an inclusive corporate culture that respects diversity.

A Future Growing with Equality

Tan Tekstil, we know that true success is possible in a work environment where everyone has equal opportunities. Our organization, which views equal opportunity as an ethical value, a principle of social responsibility, and a principle of sustainability, continues to work towards a future that respects human dignity and potential.





Tan Tekstil, we consider our human resources to be our most valuable asset, and we consider providing continuous and systematic support for the personal and professional development of our employees a fundamental part of our corporate culture. We believe that a developing individual makes a greater contribution to their work, their environment, and the organization.

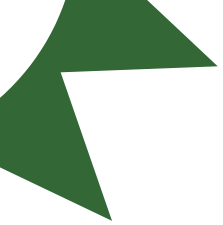
1. Continuous Education and Learning Culture We organize periodic training programs to help our employees adapt to industry needs and keep their knowledge and skills current. We offer comprehensive content that encourages continuous learning in a wide range of areas, including technical knowledge and occupational safety.

2. Support and Internship Programs for Young Talent Through internship opportunities, we prepare future professionals for the business world, identifying and developing individuals who will add value to the industry.

A Thriving Employee, a Strengthening Organization

Tan Tekstil, we are building not only today's workforce but also tomorrow's. We believe that an organization comprised of individuals who learn, develop, and contribute will ensure sustainable success, and with this understanding, we continue to support our employees every step of the way.





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OUR BUSINESS PART

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OUR BUSINESS PARTNERS



INDITEX

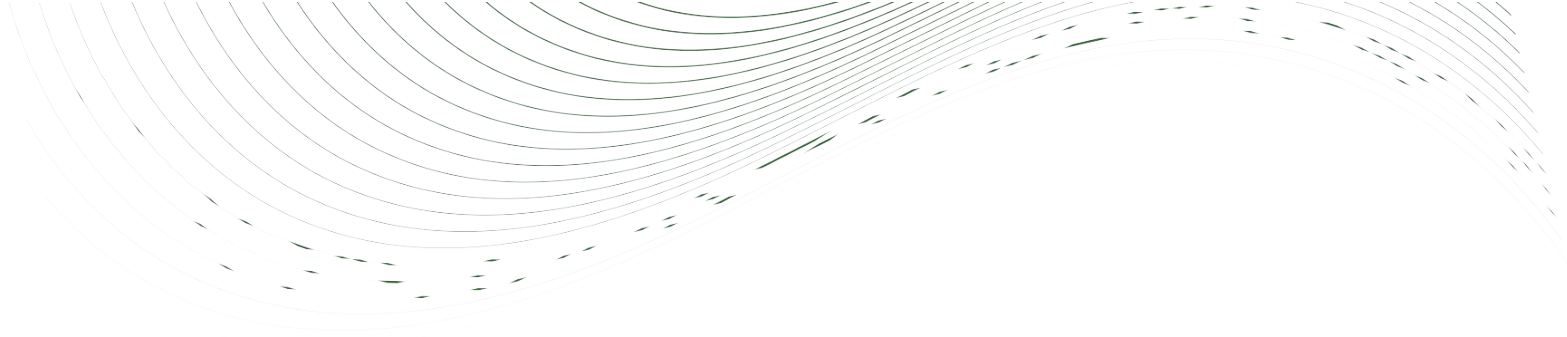


We Weave Quality
Together



MaxMara





TAN TEKSTİL

TOGETHER FOR A BETTER FUTURE

